



EVERY CHILD, EVERY DAY ACADEMY TRUST

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

EVERY CHILD, EVERY DAY ACADEMY TRUST

(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and administrative details	1 – 2
Trustees' report	3 – 17
Governance statement	18 – 20
Statement on regularity, propriety and compliance	21
Statement of trustees' responsibilities	22
Independent auditor's report on the financial statements	23 – 25
Independent reporting accountant's report on regularity	26 – 27
Statement of financial activities incorporating income and expenditure account	28
Balance sheet	29 - 30
Statement of cash flows	31
Notes to the financial statements	32 – 61

**EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Members

F Kitson
J Botterill
D Muallem
S Oviatt-Ham

Trustees

F Kitson	(Chair)
B Alexander	
M Baines	(Resigned 11 December 2017)
D Bealing	
E England	
D Farquharson	(Appointed 11 December 2017)
Dr L Goodwin	(Appointed 11 December 2017)
J Spencer	(Resigned 13 May 2018)
P St Martin	
B Watkin	

Company Secretary

N Knox-Hall (Appointed 23 February 2018)

Senior Management Team

M Bailey	(Chief Executive Officer)
N Knox-Hall	(Chief Financial Officer, appointed 23 February 2018)
G Bashford	(Associate Headteacher, Grey Court)
V Price	(Associate Headteacher, Grey Court)
T Maltby	(Headteacher, Hollyfield, appointed 1 September 2017)
A Newton	(Associate Headteacher, Hollyfield)

Company Name

Every Child, Every Day Academy Trust

Principal and Registered Office

Ham Street, Ham, Richmond upon Thames, TW10 7HN

Company Registered Number

08185432 (England & Wales)

Independent Auditor

MHA MacIntyre Hudson, Abbey Place, 24 - 28 Easton Street, High Wycombe, Buckinghamshire, HP11 1NT

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Bankers

Lloyds TSB plc, 402/404 Ewell Road, Tolworth, Surbiton KT6 7HG

Solicitors

Browne Jacobson LLP, 3 Piccadilly Place, Manchester, M1 3BN

**EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees of the Every Child, Every Day Academy Trust (the "Trust") present their annual report together with the financial statements and auditors' reports of the charitable company for the year ended 31 August 2018. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

The Trust operates across two (2) sites, Grey Court School and the Hollyfield School and is a multi-academy trust. The Trust caters for pupils aged 11 to 19, and currently serves catchment areas in the London Boroughs of Richmond upon Thames and Kingston upon Thames, respectively. It has a pupil capacity of 2,400 and had a roll of 2,459 (1,063 & 1,396) in the school census on 5 October 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Trust's memorandum and articles of association (the "Articles") are the primary governing documents of the Trust.

The Trustees of the Trust are also the directors of the charitable company for the purposes of company law. The Charitable Company is known as Every Child, Every Day Academy Trust.

Details of the Trustees who served throughout 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 (1) year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

The Trust has joined the Government's Risk Protection Arrangement. Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust.

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed in accordance with the provisions set out in the Articles, and are appointed by Members of the Trust for a period of four (4) years.

Trustees are determined to raise the educational progress and attainment of students within the Trust, and take responsibility for ensuring that:

- the skills of any new Trustee fit into the Trust's requirements in the short, medium and longer term. This means addressing skills gaps, diversity and ensuring effective succession planning to the Board
- each Trustee is eligible to become a Trustee and not disqualified from doing so (including the requirement that they are not disqualified from being a Charity Trustee or Company Director or from the provisions of the Trust's Article
- all relevant checks are made including an enhanced Disclosure and Barring Service (DBS) check: Trustees are also asked to sign a Trustee Declaration of Eligibility and a Declaration of Business interest
- Trustees understand their role and responsibilities that they are taking on and consent to act as Trustees

The Trust uses Academy Ambassadors as the specialist body to support Trustee recruitment and identify potential Trustees.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trustees offer a wide range of skills and experiences essential to the good governance of the Trust. Accordingly, each new Trustee is given an induction programme that includes:

- a briefing with the Chief Executive Officer and Chief Financial Officer
- a tour of the site (as required)
- a chance to observe lessons
- relevant Trust documents (e.g. Articles, past papers, school's prospectus, School Improvement Plans)

Ongoing training and development is supported and encouraged, with Trustees attending Local Authority provided training as well as access to The Key online support service and NGA e-learning. Trustees annually complete a skills audit to identify any potential gaps in skills and experience which will inform individual and collective training needs.

Organisational structure

The Trust has established a clear governance structure consisting of three (3) primary levels: Members, Trustees and Executive (in tandem with the respective Local Governing Bodies and sub-committees).

The Trustees are responsible for the strategic direction of the Trust; deciding and setting key aspects of the Trust (including annual budgets), senior staff appointments and policy changes. The majority of roles have been delegated to two committees: the Leadership, Management and Resources Committee and the Performance and Standards Committee. In addition, each school within the Trust has a Local Governing Body, which reports into the Trust Board, and themselves have local sub-committees. This governance structure supports a fundamental tenet of the Trust, which is local autonomy within its schools.

Operational management is the responsibility of the Chief Executive Officer (who is also the Accounting Officer) her staff is made up of Senior Leadership Teams (SLT), Heads of Faculties, Phase Leaders and Group Tutors. Members of the SLTs attend Local Governor Body meetings.

The Trust has agreed a scheme of delegation which, together with the Trust's Finance Policy identify clear responsibilities and reserved decisions.

Arrangements for setting pay and remuneration of key management personnel

The SLT are the Key Management Personnel within the Trust. Trustees and the Chief Executive Officer have delegated significant authority and responsibilities in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is in line with the Trust Pay Policy, where Trustees have determined salary ranges. Pay progression is in line with the Trust's Performance Policy, based upon the achievement of targets, and as ratified by Trustees.

Trustees are not remunerated for their work at the Trust, but may be eligible for small incidental expenses in line with the Governors' Allowance Policy.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Employees and disabled persons

The Trust is an equal opportunities employer, under the Equalities Act 2010, and will:

- recruit, train and promote applicants/employees based upon their abilities, the needs of the post and other relevant criteria. The Trust treats all applicants/employees who apply for positions equally, and does not consider race, nationality, colour, ethnic or national origin, age, sex, marital status, sexuality, beliefs or disability in any matters to do with employment
- encourage all employees to take advantage of the opportunities it provides for training and development
- regularly review its practices and procedures to make sure that the equal opportunities policy is embedded; recognising that more than a formal statement is required to make the policy work. Duly, the Trust expects each employee to make their own contribution, and makes all applicants/employees aware of this policy

With regard to disabled persons, the Trust will:

- not discriminate in the career development and promotion of disabled persons
- monitor all applications for employment from disabled persons via a declaration section within the application form
- proactively operate positive action by means of those persons that meet the essential criteria of the post automatically being shortlisted for interview
- with any employee who may become disabled during their employment, will undertake an assessment, and where possible a reasonable adjustment will be made which may be physical (i.e. adaptation), training or adjustments to working practices, thereby ensuring that all employees can access training and career development opportunities regardless of disability

With regard to employee consultation the Trust:

- consults with staff as required, which may take the form of local or organisation wide consultation. During the year presentations were given at Grey Court School by the Chief Executive Officer in relation to the budgetary consequences arising from cuts in grant funding and its impact upon the school. Staff were proactive in coming forward with positive ideas which assisted the Trust greatly
- The CEO holds weekly staff briefings

Trade union facility time

Relevant union officials

None

Percentage of time spent on facility time

None

Percentage of pay bill spent on facility time

None

Paid trade union activities

None

**EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Related Parties and other Connected Charities and Organisations

The Trust has established Grey Court Education Fund as a separate company limited by guarantee (company number 07499941) and registered charity (number 1141466) in order to raise funds to support development of resources. Each of the Trustees is connected to the Trust by virtue of employment, current or past governorship, and when representing the charity, the Trustees act in the interests of the charity.

Grey Court School Farm was established as a separate company limited by guarantee (company number 07438223) and registered charity (01142822) in order to fundraise and run a school farm. This company was dissolved as a company on 3 April 2018 and removed as a charity on 15 April 2018. School farming activities were transferred to Grey Court School.

ECED Trading Company Ltd (company number 11053001) is a dormant company linked to the Trust.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principle objects of the Trust are:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing a school offering a broad and balanced curriculum

Objectives, Strategies and Activities

On 1 September 2016, Grey Court School converted to a multi-academy trust, taking on The Hollyfield School and Sixth Form Centre, and the name of the company was changed to Every Child, Every Day Academy Trust.

The Trust's strategic planning is set out broadly around various themes:

- To establish a high expectations and success culture
- To develop an aspirational and inspirational curriculum
- To develop a sustainable and high quality distributive leadership
- To build an innovative and lifelong learning community
- To sustain an outstanding post 16 provision
- To underpin the continuing development of a robust business model that will support sustainable growth of the Trust

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Objectives, Strategies and Activities (continued)

All of the Trust's work continues to focus on improving the quality of its provision in order to enable all students to achieve the highest possible standards of attainment and achievement. Additionally, as the Trust grows, this offer will be extended towards the new schools.

The planned outcomes are:

- Our vision statement is shared and lived by all
- Academic excellence is achieved by all students
- There is high participation by students, staff and parents
- Our environment is reflective of our ethos
- The school community works in partnership with the local community in the development of our Trust
- Relationships are characterised by trust, challenge and respect
- Student voice is active and valued. This will be seen in Collegium student working parties and Local Governing body meetings
- All staff and students enjoy a reasonable work life balance
- The Trust collaborates and shares activities with other students in identified schools nationally and globally

Public Benefit

Trustees have considered the Charity Commission's guidance on public benefit. The key public benefit delivered by the Trust is the maintenance and development of a high-quality education for the young people of the communities where the Trust schools are situated within. In doing this the Trust offers a broadly-based academic education as well as a wide-range of extra-curricular activities, educational trips, visits and foreign exchange programmes.

STRATEGIC REPORT

Achievements and Performance

This is the second year of operation for the Trust as a multi-academy organisation, and a summary of key results¹ is shown below. The Trust has been generally successful in achieving its goals and has returned mostly positive results. Additionally, the Trust is also looking to improve upon its Ofsted profile.

Whilst these are mostly positive results, the Trust recognises the scope for further improvements for Disadvantaged Students, Male Students, and all groups that encompass Special Educational Needs (SEN).

Achievements and performance will be discussed in two (2) parts:

- Part 1 – Key Stage 4
 - Part 2 – Key Stage 5
-

¹ Data sources: (i) 2016 Validated RAISEOnline reports, 2017 Validated ASP and 2018 unvalidated ASP. Ofsted Data Dashboard, DfE Performance Tables website; (ii) 2018: DfE Performance Tables website, 4Matrix; (iii) Some percentages may not add up to 100% due to rounding.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Achievements and Performance (continued)

Part 1 – Key Stage 4

A. Headline Key Stage 4 results

Table A below summarises the main key educational performance indicators.

Table A

	Hollyfield			Grey Court			National		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
Progress 8	+0.22	+0.32	-0.07	+0.29	+0.60	+0.32			
Attainment 8 [Score]	57.12	52.30	49.06	58.79	59.26	56.40	49.50	46.00	44.26
Basics [English and Maths at A*-C or 9-4]	76%	74%	70%	83%	80%	81%	62%	63%	64%
% Entered for EBacc	49%	67%	63%	72%	79%	66%	40%	38%	38%
% Achieving EBacc	41%	41%	37%	53%	58%	49%	24%	24%	24%

Note: Progress 8 national results are blank as progress is measured relative to the starting point for the student versus national achievement for students starting at an equivalent point

Table A shows:

- Students in our family of schools are making more progress than those nationally. Progress is +0.22 above national when averaged across both schools. Steps are in place to address the disparity in performance between the schools.
- Both schools have a progress score below that of 2017.
- The proportion entering EBAC and achieving EBAC has fallen in both schools but is still considerably above the national average.
- A disparity between schools in terms of the percentage of students achieving English and Maths at Grade 9-4. Both schools have attainment that is considerably above the national average.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Achievements and Performance (continued)

B. Progress 8

The Progress 8 score is calculated for each student by comparing their achievement – their Attainment 8 score – with the average Attainment 8 score of all pupils nationally who had a similar starting point in Key Stage 2 (or 'prior attainment'). The greater the Progress 8 score, the greater the progress made by the student compared to the average of students with similar prior attainment.

The progress scores are listed in Table B below.

Table B

	Hollyfield			Grey Court		
	2016	2017	2018	2016	2017	2018
All students	0.22	0.32	-0.07	0.29	0.60	0.32
Disadvantaged	-0.07	-0.27	-0.38	-0.17	0.22	-0.36
Non-Disadvantaged	0.29	0.44	0.01	0.40	0.70	+0.50
SEN (All)	-0.04	0.22	-0.31	-0.07	0.43	-0.10
SEN (K)	0.27	0.33	-0.28	0.02	0.38	-0.08
SEN (EHCP/S)	-0.01	-0.32	-0.59	-0.84	0.95	-0.18
Non-SEN	0.23	0.32	-0.03	0.39	0.66	+0.49
EAL	0.43	0.24	0.18	0.80	1.00	+0.65
Non-EAL	0.16	0.32	-0.15	0.23	0.52	+0.26
Male	0.13	0.23	-0.18	0.20	0.52	+0.16
Female	0.35	0.45	0.21	0.43	0.70	+0.53
PAG High	0.18	0.33	0.06	0.24	0.60	+0.39
PAG Mid	0.25	0.28	-0.12	0.43	0.59	+0.15
PAG Low	0.22	0.43	-0.58	-0.17	0.65	+0.45

2018 was the first year that almost all GCSEs taken were reformed GCSEs on the 9-1 grading system. The level of challenge and the linear terminal assessments of these qualifications have resulted in the gap between disadvantaged students and their non-disadvantaged peers widening at both trust schools and nationally. This is also the case with SEN and PAG Low students. With the exception of PAG Low students both trust schools are focusing upon the variances of the aforementioned groups and reducing the gap is a priority for 2019.

In addition there is a considerable gender gap in attainment across both trust schools. As both schools have cohorts that are weighted towards boys this is an important area and cross school intervention strategies are in place to reduce the attainment gap in 2019.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Achievements and Performance (continued)

C. Attainment 8

Attainment 8 measures the achievement of a student across eight (8) qualifications including mathematics (double weighted) and English (double weighted), three (3) further qualifications that count in the EBacc measure and three (3) further qualifications that can be GCSE qualifications (including EBacc subjects) or technical awards from the Department for Education (DfE) approved list. The attainment scores are shown in Table C below.

Table C

	Hollyfield			Grey Court			National		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
All students	57.12	52.3	49.06	58.79	59.26	56.40	49.90	46.29	46.36
Disadvantaged	47.17	38.7	38.30	48.85	47.11	43.73	41.10	49.76	49.96
Non-Disadvantaged	59.70	55.2	51.67	60.98	62.22	59.80	53.30	49.76	49.96
SEN (All)	42.35	39.6	40.44	46.22	47.23	43.82	31.20	-	-
SEN (K)	43.58	41.8	40.83	48.58	48.21	46.59	36.20	46.29	46.36
SEN (EHCP/S)	39.40	28.3	35.50	26.00	37.60	31.05	17.00	46.29	46.36
Non-SEN	58.76	55.0	50.46	62.21	63.06	61.51	53.20	49.44	49.51
EAL	57.63	47.7	43.08	60.34	59.43	59.42	49.90	46.29	46.36
Non-EAL	56.97	53.8	51.50	58.75	59.22	55.69	50.00	46.29	36.36
Male	54.93	51.4	47.88	58.94	58.78	54.33	47.70	43.67	43.65
Female	60.49	53.7	51.85	58.57	59.90	59.23	52.30	49.01	49.18
PAG High	66.98	63.5	61.70	67.11	66.80	65.93	64.40	60.51	60.96
PAG Mid	52.02	43.5	40.26	54.65	48.28	43.37	49.20	40.99	40.65
PAG Low	33.87	30.1	20.69	29.87	32.32	31.48	28.90	22.48	22.41

The overall picture is somewhat distorted by the changes to letter-to-number conversions for 2017. With this in mind it is difficult to make comparisons between 2017 and 2018.

The attainment scores of Disadvantaged students are monitored against the Non-Disadvantaged students and the SEN students are compared to how all students nationally have performed. These groups are not given individualised attainment scores by the DfE.

As attainment ultimately manifests as progress the same groups are the focus of the trust as the ones commented upon in the Progress 8 section.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Achievements and Performance (continued)

D. Basics (English and Maths A*-C or 9-4)

Ofsted acknowledges that there are differences between children, differences in their attainment and their rates of progress, and that the aim is to 'diminish these differences' rather than to close the gap and eradicate them. To enable schools to monitor this, these groups are not compared to national figures of students in the same category. The attainment of Disadvantaged students is monitored against the Non-Disadvantaged students and the SEN students are compared to how all students nationally have performed. The Basics scores are shown in Table D below.

Table D

	Hollyfield			Grey Court			National		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
ALL Students	76%	74%	70%	83%	80%	81%	63%	64%	64%
Disadvantaged	49%	35%	57%	63%	52%	61%	43%	71%	71%
Non-Disadvantaged	84%	82%	73%	88%	87%	86%	71%	71%	71%
SEN (All)	41%	39%	56%	57%	56%	63%	24%	-	-
SEN (K)	33%	42%	57%	60%	59%	70%	29%	64%	64%
SEN (EHCP/S)	40%	20%	50%	25%	20%	30%	10%	64%	64%
Non-SEN	81%	81%	72%	91%	88%	88%	70%	70%	70%
EAL	73%	61%	56%	82%	77%	91%	61%	78%	64%
Non-EAL	78%	79%	76%	84%	81%	79%	64%	81%	64%
Male	73%	75%	70%	84%	80%	79%	59%	60%	60%
Female	82%	72%	70%	82%	80%	83%	67%	68%	68%
PAG High	99%	96%	93%	99%	95%	99%	96%	93%	93%
PAG Mid	69%	63%	62%	76%	61%	63%	63%	55%	55%
PAG Low	13%	6%	0%	7%	14%	96%	11%	10%	10%

Both trust schools have basics scores that are higher than national in almost every group.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Achievements and Performance (continued)

E. English Baccalaureate

Overall, the Trust has fared well with the EBacc as demonstrated in Table E below.

Table E

	Hollyfield						Grey Court						National					
	2016		2017		2018		2016		2017		2018		2016		2017		2018	
	Entered	Achieved	Entered	Achieved	Entered	Achieved	Entered	Achieved	Entered	Achieved	Entered	Achieved	Entered	Achieved	Entered	Achieved	Entered	Achieved
ALL Students	49%	41%	66%	42%	63%	37%	72%	53%	79%	58%	66%	49%	40%	25%	38%	24%	38%	24%
Disadvantaged	27%	26%	32%	19%	43%	20%	45%	20%	52%	32%	44%	39%	25%	12%	43%	28%	43%	28%
Non-Disadvantaged	55%	44%	74%	47%	68%	41%	78%	60%	86%	64%	72%	52%	45%	30%	43%	28%	43%	28%
SEN (All)	18%	12%	23%	19%	36%	12%	31%	14%	52%	24%	32%	15%	12%	5%	-	-	-	-
SEN (K)	17%	8%	27%	23%	39%	13%	34%	16%	53%	24%	35%	15%	15%	6%	38%	24%	38%	24%
SEN (EHCP/S)	20%	20%	0%	0%	0%	0%	0%	0%	40%	20%	10%	10%	4%	2%	38%	24%	38%	24%
Non-SEN	52%	44%	76%	47%	68%	41%	84%	64%	88%	68%	80%	63%	45%	28%	42%	27%	43%	27%
EAL	48%	38%	65%	31%	65%	29%	81%	71%	85%	58%	70%	52%	45%	28%	38%	24%	38%	24%
Non-EAL	49%	42%	68%	46%	62%	40%	70%	49%	77%	58%	65%	48%	39%	24%	38%	24%	38%	24%
Male	41%	31%	64%	37%	59%	33%	69%	51%	77%	54%	61%	40%	34%	20%	33%	19%	33%	19%
Female	61%	55%	72%	49%	74%	45%	77%	55%	82%	63%	73%	61%	45%	30%	44%	29%	43%	29%
PAG High	74%	69%	86%	71%	83%	67%	89%	76%	92%	80%	85%	72%	67%	55%	58%	46%	57%	45%
PAG Mid	30%	25%	59%	18%	53%	12%	69%	36%	65%	23%	43%	15%	35%	15%	29%	11%	30%	11%
PAG Low	8%	7%	11%	0%	0%	0%	20%	0%	36%	0%	7%	7%	8%	80%	8%	1%	9%	1%

In both trust schools the proportion of students attaining the EBAC measure is lower than in 2017. 2018 was the first year of all EBAC subjects being assessed on the more challenging 9-1 grades and subsequently the trust schools reduced the proportion of students being entered. This reduction was mainly attributed to PAG Mid students who are generally unsuccessful in attaining all 5 qualifications. Allowing more PAG Mid students to have an additional option choice allows these students to complete alternative qualifications in which they have more chance of success.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Achievements and Performance (continued)

F. Education Destination Measures

Table F below shows student designations based upon the 'ASP' summary report 2016/17

Table F

	Hollyfield	Grey Court	National
Pupils Staying in education or entering employment after Key Stage 4			
Overall going on to sustained education / employment / training	94%	91%	94%
Education	89%	89%	86%
Apprenticeships	3%	1%	5%
Employment	2%	1%	3%
Staying in Education			
Further Education or FE provider	19%	25%	34%
School Sixth Form	56%	45%	38%
Sixth Form College	SUPP	19%	13%
Other	SUPP	SUPP	2%
Destination Not Recorded or captured			
Not recorded in sustained destination	SUPP	SUPP	5%
Activity not captured	SUPP	SUPP	1%

Note: SUPP means 'suppressed' as the number of individuals in the category is too small

The overall figures show that both in Grey Court and Hollyfield the number of students in sustained education is 89% which is just above the national average.

These figures are based on the 2014/2015 figures and show that students at both schools choose to remain at their own Sixth form, 56% at Hollyfield and 45% at Grey Court, which again is above the national average of 38% for state schools which have a Sixth form. The trend in students staying on at their own Sixth form has further improved in recent years as both school have broadened their curriculum offer to include a greater number of BTECS. There is also an increasing interest in students following the apprenticeship route, although the 2014-2015 figures do not reflect this trend.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Achievements and Performance (continued)

Part 2 – Key Stage 5

G. Headline Key Stage 5 (A Level) results

The Trust continues to make good progress. Attainment at almost every category is above national average. This is shown in Table 7 below.

Table G

	Hollyfield			Grey Court			National		
	2016	2017	2018	2016	2017	2018	2016	2017	2018
ALPS T Score - Grade	4	4	3	3	2	3			
ALPS T Score - Score	4.00	4.33	3.00	3.33	2.33	3.33			
% A* - A grades	9.80	24.27	28.10	34.20	29.40	29%	25.80	26.6	26.2
% A* - B grades	40.20	52.91	53.33	55.90	59.90	62%	52.90	53.30	53.1
% A* - C grades	71.50	80.58	75.71	74.50	82.60	87%	77.60	77.70	77.1
APS per entry	27.07	31.20	37.53	33.50	34.05	36.34	33.80	33.70	32.15
APS per entry as a grade	C-	C	B-	C+	C+	B-	C	C+	C+
%AAB+ in 2+ facilitating subjects	2.90	14%	13%	28.80	14.10	18.4	13.90	18.70	15.1

Note: ALPS is measured relative to the starting point for the student versus national achievement for students starting at an equivalent point and so is blank

The Advanced Level Performance System (ALPS) shows school-specific areas of excellence within the Trust. Equally the APS (Average Points Score) shows good results across the Trust. The Trust also has returned generally increased numbers of students within the grading bands from the previous year, but equally recognises that more work must be done to ensure consistency across the two (2) sites and better parity with national averages. Notwithstanding, the Grey Court results are all the more remarkable given that it opened its Sixth Form in 2014, and as a given rule it is accepted that Sixth Forms take on average five (5) years to establish themselves.

Key Performance Indicators

The financial KPI's were set by the Trustees for the year ended 31 August 2018. Actual income and expenditure was monitored against budget.

The Trust will be implementing a set of Financial KPI's this financial year which will be agreed and then presented to our governing bodies and Trust Board.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the 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.

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

FINANCIAL REVIEW

Most of the Trust's income is obtained from the DfE via the Education Skills and Funding Agency (ESFA) in the form of its General Annual Grant (GAG), the use of which is restricted to delivering the objectives of the Trust. The GAG received during the period covered by this report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust received a capital grant from the Condition Improvement Fund to provide for improvements to the premises, as well as Devolved Formula Capital. In accordance with the Charities SORP FRS 102, these amounts are shown in the Statement of Financial Activities as restricted fixed asset funds.

Expenditure for the period was covered by the GAG and Pupil Premium received from the DfE and other income such as voluntary contributions and activities generating funds.

The deficit for the year ended 31 August 2018 was £284,300 (before capital, depreciation and pension adjustments and transfers on conversion). The local government pension scheme liability at 31 August 2018 was £2,965,000 (2017: £3,615,000).

Reserves Policy

Trustees review the reserves level of the Trust annually. This review encompasses income and expenditure streams, the need to match income with commitments and the nature of reserves.

Trustees have determined each school within the Trust should build and maintain sufficient levels of funds in order to create stability and sustainability – to service the school's short and longer term plans. At minimum the Trust deems that each school hold the appropriate level of free reserves equivalent to four (4) weeks of expenditure, and as a multi-academy should currently hold an aggregated cash reserve of approximately £1m. This level of cash is to provide sufficient working capital to enable the Trust to cover delays between spending and receipt of grants, to manage unfunded increases in student numbers and to provide a cushion to deal with unexpected emergencies.

The Trust will seek to build up free reserves in order to contribute to any pension fund deficit that may arise from time to time. It is also intended to develop the Trust's longer term goals and ambitions by building up seed funding for future capital projects and educational initiatives for the benefit of students of the Trust.

The Trust's current level of free reserves (total funds less the amounts held in Restricted Fixed Assets Fund and Pension reserve) as at 31 August 2018 is £1,176,472 (2017: £1,649,430). The Trust will continue to build up free reserves to the level required.

Unrestricted		802,177
Restricted:	Fixed asset funds	69,737,745
	GAG	318,728
	Pension reserve	(2,965,000)
	Other	55,567
		<u>£67,949,217</u>

The deficit on the pension reserve related to the Local Government Pension Scheme for non-teaching staff assets are held to fund future liabilities as discussed in note 24. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

**EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Investment Policy

The only investments held by the Trust are fixed term deposits in place at the year end. A small amount of interest was received during the year.

Principal Risks and Uncertainties

Trustees have assessed the possible risks to the future of the Trust via the risk register and assessment of developments. The chief risks identified include:

- **Financial** A reduction of funding by central government
- **Demand** Competition through the opening of new free schools within the vicinity of an existing Trust school
- **Delivery** Difficulty in recruiting skilled staff in some subject areas such as science and mathematics

Systems and procedures have been developed to mitigate these risks. High level risks are reviewed by the Leadership, Management and Resources Committee and appropriate action taken as required.

FUNDRAISING

Our Trust and the schools within conduct fund raising through events which are calendared through the course of the year. We do not currently have any commercial participators or engagement with professional fundraisers and believe that our approach to fundraising conforms to recognised standards.

We do monitor all fundraising carried out on our behalf as it is conducted via our schools or Parent Teacher Associations and to date we have not received any fundraising complaints.

As a Trust we always consider the protection of the public of prime importance, including that of vulnerable people and therefore do not conduct any form of fundraising that would be considered unreasonably intrusive or persistent, and avoid any activities that would put people under undue pressure to donate.

PLANS FOR FUTURE PERIODS

Our Trust is in an exciting period of growth, this year we have welcomed The Chessington School to our family of schools with a memorandum of understanding in place to support them on the journey to joining our Trust. We have also made substantive progress towards taking over Future Schools Trust which will see their three schools join our Trust as full members this financial year. Future Schools Trust are based in Kent and consist of two secondary schools, Cornwallis and New Line Learning as well as a primary school called Tiger. Despite the geographical location of the schools it is felt that there are a lot of synergies which make them a good fit to our expanded Trust. They bring an established back office function to support the operational side of our Trust, in turn we provide the school improvement work which will benefit staff and students and should be a real benefit to the local community.

Within our existing family of schools The Trust continues to improve its academic performance at all levels as evidenced by excellent and rising results at all public exams: GCSE, AS levels and A' levels. Supporting and enhancing this is an ambitious extra-curricular programme of activities across the school. Accordingly, the Trust continues to improve its facilities.

At Grey Court School, this has included a complete renovation of the hard courts; new IT equipment throughout the learning support department ; the introduction of Google Drive classroom systems; new keyboards within the music department and a variety of other, smaller incremental improvements across departments throughout the year. This has been funded through parental contributions, lettings income and lump-sum grant funding.

**EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

PLANS FOR FUTURE PERIODS (continued)

A comprehensive refurbishment and improvement programme is underway via a phased approach. This is primarily being funded through a succession of successful bids under the government's Condition Improvement Fund (CIF). Within this programme, 90 percent of the school's buildings have been re-roofed and a new more efficient heating system is being installed across the original school building and the sports hall and gym.

Further bids will be entered during the 2018-19 academic year to complete the roofing across the site and address legacy issues of asbestos and plumbing within the sports department.

The Trust continues to work on its joint venture partnership to enhance the indoor sports facilities, and improve the experience of community sports centre users. Partial funding has already been secured for these areas and fresh partners are being approached to ensure satisfactory completion of this phase of the sports improvement works. This is part of a five year regeneration strategy that is looking to overhaul the community facing facilities on a zone by zone basis.

The community allotments, built in 2017 with funding from Tesco Bags for Life, continue to benefit the wider community, once again proving an integral part of Ham & Petersham Village's London in Bloom Gold award.

Further enhancements are planned to the Trust's facilities provision subject to grant applications being successful throughout the year.

At Hollyfield School a similar programme of in-year, facility improvements funded through successful CIF bids have enabled new roofs to be fitted to Albury and Hill House, new windows and exterior doors to Albury, Hill and the older part of Sharman House. Also, a new Fire Alarm has been fitted to the entire site and the aged cafeteria is being re-housed in Albury Hall, with a new kitchen and new equipment and furniture. The SEN provision is being completely rebuilt – attached to Sharman House, freeing up vital space.

In this academic year we are seeking funds to replace the Music Block and upgrade the site wide security equipment and perimeter fencing.

The community lettings programme has been enhanced at both Grey Court and at Hollyfield schools. An increased range of tenants and a reduction in bad debts has improved the profitability of lettings at both Hollyfield and Grey Court. Profits from lettings enable reinvestment in equipment with minimal impact on premises budgets.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Trust did not hold any funds as a custodian trustee on behalf of any other organisation during the year.

AUDITOR

MHA MacIntyre Hudson LLP has indicated its willingness to continue in office.

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

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

.....
F Kitson
Chair of Trustees

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2018

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer 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 the Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met four (4) times during the year; the Performance and Standards Committee (P&S) has met three (3) times during the year; and the Leadership, Management and Resources Committee (LMR) has met four (4) times during the year. The Members have met twice (2) in the year.

Attendance at these meetings was as follows:

	Member	Board	LMR	P&S
F Kitson (Chair, Board of Trustees)	2/2	4/4	4/4	
J Botterill	2/2			
D Muallem	2/2			
S Oviatt Ham	2/2			
B Alexander		4/4	4/4	
M Baines (Resigned 11 December 2017)		0/1		
D Bealing		4/4	4/4	
E England		2/4		3/3
D Farquharson (Appointed 11 December 2017)		2/3	2/2	
Dr L Goodwin (Appointed 11 December 2017)		3/4		1/3
J Spencer (Resigned 13 May 2018)		3/3		2/2
P St Martin		3/4	4/4	
B Watkin		4/4		3/3
M Bailey (CEO and Accounting Officer)	2/2	4/4	4/4	3/3

In addition to the above, a one-day governance conference for Members, Trustees and local governing bodies was hosted by the Trust (held on 6 July 2018).

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the 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 Trustees 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:

- Continuing to improve results for our students
- Effective financial governance and oversight through Board/LMR Committee meetings and accurate and timely financial reporting
- Financial governance and oversight through Local Governing Body/sub-committee meetings and accurate and timely financial reporting
- Effective procurement in accordance with government best practice and regulations
- LMR adopting audit functions to review controls and managing risks

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trust from 1 September 2017 to 31 August 2018 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint MHA MacIntyre Hudson as internal auditor. MHA MacIntyre Hudson role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. On a termly basis MHA MacIntyre Hudson reports to the Local Governing Body's sub-committees on the operation of systems of controls, and to the Trust LMR annually on the discharge of the Trustees financial responsibilities.

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the 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 Leadership, Management and Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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

.....
F Kitson
Chair of Trustees

.....
M Bailey
Accounting Officer

**EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2018**

As Accounting Officer of the Trust I have considered my responsibility to notify the 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 2018.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2018.

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.

.....
M Bailey
Accounting Officer

10 December 2018

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Governing Body on 10 December 2018 and signed on its behalf by:

.....
F Kitson
Chair of Trustees

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF EVERY CHILD, EVERY DAY ACADEMY TRUST

OPINION

We have audited the financial statements of Every Child, Every Day Academy Trust (the 'Academy Trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF EVERY CHILD, EVERY DAY ACADEMY TRUST

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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustee's Report including the Strategic Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the Academy Trust 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.

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF EVERY CHILD, EVERY DAY ACADEMY TRUST

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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

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

Date: 21 December 2018

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO EVERY CHILD, EVERY DAY ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 13 July 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Every Child, Every Day Academy Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF EVERY CHILD, EVERY DAY ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Every Child, Every Day Academy Trust's funding agreement with the Secretary of State for Education dated 25 May 2012, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO EVERY CHILD, EVERY DAY ACADEMY TRUST AND THE EDUCATION & SKILLS 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 Trust, with reference to the income streams and other information available to us as auditors of the Academy Trust;
- 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 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

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

Date: 21 December 2018

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations & capital grants:						
Academy transfer	2	-	-	-	-	37,024,000
Other donations and capital grants	2	-	18,144	2,482,122	2,500,266	2,749,029
Charitable activities:	5					
Teaching School		-	97,934	-	97,934	117,451
Other charitable activities		23,333	13,685,040	-	13,708,373	13,736,989
Other trading activities	3	508,791	-	-	508,791	443,810
Investments	4	2,692	-	-	2,692	3,402
TOTAL INCOME		534,816	13,801,118	2,482,122	16,818,056	54,074,681
EXPENDITURE ON:						
Raising funds		-	36,931	-	36,931	122,412
Charitable activities	7	150,575	14,974,552	998,863	16,123,990	16,191,898
TOTAL EXPENDITURE	6	150,575	15,011,483	998,863	16,160,921	16,314,310
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		384,241	(1,210,365)	1,483,259	657,135	37,760,371
Transfers between Funds	19	-	(225,834)	225,834	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		384,241	(1,436,199)	1,709,093	657,135	37,760,371
Actuarial gains on defined benefit pension schemes	24	-	1,229,000	-	1,229,000	1,205,000
NET MOVEMENT IN FUNDS		384,241	(207,199)	1,709,093	1,886,135	38,965,371
RECONCILIATION OF FUNDS:						
Total funds brought forward	19	417,936	(2,383,506)	68,028,652	66,063,082	27,097,711
TOTAL FUNDS CARRIED FORWARD		802,177	(2,590,705)	69,737,745	67,949,217	66,063,082

The notes on pages 32 to 61 form part of these financial statements.

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08185432

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	14		67,063,540		66,354,975
Investments	15		100		-
			<u>67,063,640</u>		<u>66,354,975</u>
CURRENT ASSETS					
Debtors	16	2,150,254		1,946,012	
Cash at bank and in hand	22	2,984,925		2,423,353	
			<u>5,135,179</u>	<u>4,369,365</u>	
CREDITORS: amounts falling due within one year	17		<u>(1,277,602)</u>	<u>(1,037,258)</u>	
NET CURRENT ASSETS			<u>3,857,577</u>		<u>3,332,107</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>70,921,217</u>		<u>69,687,082</u>
CREDITORS: amounts falling due after more than one year	18		<u>(7,000)</u>		<u>(9,000)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>70,914,217</u>		<u>69,678,082</u>
Defined benefit pension scheme liability	24		<u>(2,965,000)</u>		<u>(3,615,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>67,949,217</u></u>		<u><u>66,063,082</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	19	374,295		1,231,494	
Restricted fixed asset funds	19	69,737,745		68,028,652	
			<u>70,112,040</u>	<u>69,260,146</u>	
Restricted income funds excluding pension liability			<u>70,112,040</u>	<u>69,260,146</u>	
Pension reserve	19	(2,965,000)		(3,615,000)	
			<u>67,147,040</u>	<u>65,645,146</u>	
Total restricted income funds			<u>67,147,040</u>	<u>65,645,146</u>	
Unrestricted income funds	19		<u>802,177</u>	<u>417,936</u>	
TOTAL FUNDS			<u><u>67,949,217</u></u>	<u><u>66,063,082</u></u>	

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2018

The financial statements on pages 28 to 61 were approved by the Trustees, and authorised for issue, on 10 December 2018 and are signed on their behalf, by:

.....
F Kitson

Chair of Trustees

The notes on pages 32 to 61 form part of these financial statements.

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	<u>1,459,803</u>	<u>(875,291)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		2,692	3,402
Investments		(100)	-
Purchase of tangible fixed assets		(1,707,428)	(433,214)
Capital grants from DfE Group		718,319	2,656,719
Capital funding received from sponsors and others		97,000	52,825
Net cash (used in)/provided by investing activities		<u>(889,517)</u>	<u>2,279,732</u>
Cash flows from financing activities:			
Repayments of climate change and SALIX loans		(8,714)	(21,866)
Net cash used in financing activities		<u>(8,714)</u>	<u>(21,866)</u>
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		<u>2,423,353</u>	<u>1,040,778</u>
Cash and cash equivalents carried forward	22	<u><u>2,984,925</u></u>	<u><u>2,423,353</u></u>

The notes on pages 32 to 61 form part of these financial statements.

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

1.2 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

1.3 Exemption from preparing group accounts

These financial statements present information about the Academy as an individual undertaking and not about its group. During the year, Grey Court Education Fund (company registration 07499941) and Grey Court School Farm (company registration 07438223), both charitable companies incorporated in England and Wales, were under the control of the Academy through common control (a majority of the companies directors were also Trustees of the Academy). As permitted by Companies Act 2006 and the Large and Medium-sized Companies and Group (Accounts and Reports) Regulations 2008 as well as paragraphs 8.2.4 and 8.2.5 in the Academies Accounts Direction 2017 to 2018, the Trustees have elected not to prepare group accounts on the basis that the activities of Grey Court Education Fund and Grey Court School Farm are immaterial to the financial statements of the Academy.

ECED Trading Company Ltd (company number 11053001) was incorporated on 8 November 2017 as a subsidiary of the Trust and remained dormant in the period to 31 August 2018.

Grey Court Education Fund Statement of Accounts can be viewed on the Companies House website: <https://beta.companieshouse.gov.uk/company/07499941/filing-history>.

Grey Court School Farm Statement of Accounts can be viewed on the Companies House website: <https://beta.companieshouse.gov.uk/company/07438223/filing-history>.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.4 Income

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

General Annual Grant is recognised in full in the Statement of Financial Activities 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.

1.5 Expenditure

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

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

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

All expenditure is inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.6 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 Trust 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.

1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Academy Trust. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities incorporating Income and Expenditure Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Tangible fixed assets and depreciation

All assets costing more than £3,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than long leasehold 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:

Freehold and long leasehold property	-	2% per annum (buildings only) on cost
Fixtures, fittings and equipment	-	10% per annum on cost
Computer equipment	-	25% per annum on cost

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.9 Investments

The academy's shareholding in the wholly owned subsidiary, ECED Trading Company Ltd, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

1.10 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.

1.11 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.

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 Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.15 Taxation

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

1.16 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.17 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 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The judgements that have a significant effect on amounts recognised in the financial statements are those concerning the choice of depreciation policies and asset lives.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Academy transfer	-	-	-	-	37,024,000
Donations	-	18,144	144,500	162,644	39,485
Capital grants	-	-	2,337,622	2,337,622	2,709,544
Subtotal	-	18,144	2,482,122	2,500,266	2,749,029
	-	18,144	2,482,122	2,500,266	39,773,029
Total 2017	-	(1,651,515)	41,424,544	39,773,029	

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings income	109,349	-	109,349	109,952
Staff consultancy	109,641	-	109,641	87,817
Other income	289,801	-	289,801	246,041
	508,791	-	508,791	443,810
Total 2017	443,810	-	443,810	

4. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income	2,692	-	2,692	3,402
Total 2017	3,402	-	3,402	

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	11,585,313	11,585,313	11,597,274
Pupil premium	-	453,206	453,206	464,401
Other DfE/ESFA revenue grants	-	176,769	176,769	107,599
Teaching school	-	88,459	88,459	117,451
	-	12,303,747	12,303,747	12,286,725
Other government grants				
SEN income	-	428,599	428,599	448,454
Other government grants	-	10,819	10,819	11,915
	-	439,418	439,418	460,369
Other funding				
Trip income	-	738,905	738,905	513,664
Catering income	-	300,904	300,904	593,682
Other income	23,333	-	23,333	-
	23,333	1,039,809	1,063,142	1,107,346
	23,333	13,782,974	13,806,307	13,854,440
Total 2017	-	13,854,440	13,854,440	

There are no unfulfilled conditions or other contingencies attached to the government grants above.

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Teaching school					
Direct costs	36,931	-	-	36,931	122,412
Support costs	-	-	-	-	-
Academy's educational operations:					
Direct costs	9,336,534	-	1,854,433	11,190,967	10,913,759
Support costs	2,305,686	1,375,446	1,251,891	4,933,023	5,278,139
	11,679,151	1,375,446	3,106,324	16,160,921	16,314,310
Total 2017	11,473,672	1,006,376	3,834,262	16,314,310	

In 2018, of the total expenditure of £16,160,921 (2017: £16,314,310) £150,575 (2017: £108,276) was to unrestricted funds, £15,011,483 (2017: £15,240,795) was to restricted funds and £998,863 (2017: £965,239) was to restricted fixed asset funds.

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

7. CHARITABLE ACTIVITIES

	Total funds 2018 £	Total funds 2017 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	9,336,534	9,452,844
Depreciation	236,295	204,597
Other staff costs	120,587	91,510
Educational resources	254,415	261,852
Exam fees	260,730	222,131
Technology costs	16,295	24,703
Educational consultancy	173,579	156,644
School trips	737,692	451,885
Other direct costs	54,840	47,593
	<u>11,190,967</u>	<u>10,913,759</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	2,305,686	1,942,642
Depreciation	762,568	760,642
Pension finance cost	91,000	93,000
Technology costs	67,873	74,394
Maintenance of premises	323,887	769,573
Cleaning	94,445	99,703
Rates	80,243	86,206
Energy	208,274	213,833
Non-staff related insurance	57,474	51,643
Security	32,665	25,521
Catering	383,449	658,849
Legal and professional	18,265	12,940
Other support costs	470,124	464,364
Governance costs	37,070	24,829
	<u>4,933,023</u>	<u>5,278,139</u>
	<u><u>16,123,990</u></u>	<u><u>16,191,898</u></u>

8. EXPENDITURE - ANALYSIS OF SPECIFIC EXPENSES

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000 Amount £
Gifts made by the trust	1,395	-

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018	2017
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	998,863	965,239
Auditors' remuneration - audit	15,000	14,200
Auditors' remuneration - other services	6,750	10,629
Operating lease rentals	38,261	33,728
	=====	=====

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. STAFF COSTS

a. Staff costs

Staff costs during the year were as follows:

	2018 £	2017 £
Wages and salaries	8,754,171	8,488,123
Social security costs	864,212	841,581
Pension costs	1,850,646	1,735,159
	<u>11,469,029</u>	<u>11,064,863</u>
Agency staff costs	180,122	408,809
Staff restructuring costs	30,000	-
	<u><u>11,679,151</u></u>	<u><u>11,473,672</u></u>

Staff restructuring costs comprise:

	2018 £	2017 £
Severance payments	<u><u>30,000</u></u>	<u><u>-</u></u>

b. Non-statutory/non-contractual staff severance payments

Included within staff restructuring costs are non-statutory/non-contractual payments totalling £30,000 (2017: £Nil). Individually, the payment was for £30,000 made on 31 August 2018 to one person.

c. Staff numbers

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

	2018 No.	2017 No.
Teaching	141	159
Administration and support	222	131
Management	22	15
	<u><u>385</u></u>	<u><u>305</u></u>

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. STAFF COSTS (continued)

d. Higher paid staff

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

	2018	2017
	No.	No.
In the band £60,001 - £70,000	8	4
In the band £70,001 - £80,000	3	4
In the band £80,001 - £90,000	1	0
In the band £90,001 - £100,000	0	1
In the band £140,001 - £150,000	1	1

All of the above participated in the Teachers' Pension Scheme. During the year ended 31 August 2018, pension contributions for these staff amounted to £150,816 (2017: £127,493).

e. Key management personnel

The key management personnel of the Academy Trust comprises the Trustees and the senior management team as listed on page 1 and senior leadership teams at each local school. The total amount of employee benefits (including employer pension and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,885,531 (2017: £1,446,521).

11. CENTRAL SERVICES

The Academy Trust has provided the following central services to its academies during the year:

- Administration and governance costs including legal and audit fees

The Academy Trust charges for these services on the following basis:

1% of General Annual Grant income (2017: no central services were provided by the Academy Trust to its academies and no central charges arose).

The actual amounts charged during the year were as follows:

	2018	2017
	£	£
Grey Court School	53,080	-
Hollyfield School	40,400	-
	93,480	
Total	93,480	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

12. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

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

		2018	2017
		£	£
M Bailey, Headteacher	Remuneration	140,000-145,000	140,000-145,000
	Pension contributions paid	20,000-25,000	20,000-25,000

Remuneration disclosures for Trustees who resigned prior to 1 September 2017 have not been reflected in these financial statements.

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

13. TRUSTEES' AND OFFICERS' INSURANCE

Grey Court School

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2018 was £371 (2017 - £361).

Hollyfield School

The school opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

14. TANGIBLE FIXED ASSETS

	Freehold and long leasehold property £	Fixtures, fittings and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2017	66,657,025	1,795,132	496,057	68,948,214
Additions	1,551,431	109,924	46,073	1,707,428
At 31 August 2018	<u>68,208,456</u>	<u>1,905,056</u>	<u>542,130</u>	<u>70,655,642</u>
Depreciation				
At 1 September 2017	1,908,642	364,773	319,824	2,593,239
Charge for the year	762,568	194,042	42,253	998,863
At 31 August 2018	<u>2,671,210</u>	<u>558,815</u>	<u>362,077</u>	<u>3,592,102</u>
Net book value				
At 31 August 2018	<u>65,537,246</u>	<u>1,346,241</u>	<u>180,053</u>	<u>67,063,540</u>
At 31 August 2017	<u>64,748,383</u>	<u>1,430,359</u>	<u>176,233</u>	<u>66,354,975</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2018 £	2017 £
Fixtures, fittings and equipment	<u>10,934</u>	<u>12,149</u>

Freehold and long leasehold property additions comprise roofing works, toilet refurbishment and heating project costs at Grey Court School and roofing, windows, canteen and astroturf work at Hollyfield School.

Included within freehold and long leasehold property is land at valuation of £41,472,679 (2017 - £41,472,679) which is not depreciated.

15. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
Market value	
At 1 September 2017	-
Additions	<u>100</u>
At 31 August 2018	<u>100</u>

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

15. FIXED ASSET INVESTMENTS (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Holding
ECED Trading Company Ltd	100%

The aggregate of the share capital and reserves as at 31 August 2018 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
ECED Trading Company Ltd	100	-

16. DEBTORS

	2018 £	2017 £
Trade debtors	173,710	27,729
Other debtors	29,981	102,773
Prepayments and accrued income	1,882,234	1,774,790
VAT recoverable	64,329	40,720
	2,150,254	1,946,012

17. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Climate change and SALIX loans	2,000	8,714
Net obligations under finance leases and hire purchase contracts	-	13,006
Trade creditors	626,495	194,424
Other taxation and social security	228,201	225,721
Other creditors	161,100	116,717
Accruals and deferred income	259,806	478,676
	1,277,602	1,037,258

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

17. CREDITORS: Amounts falling due within one year (continued)

	2018	2017
	£	£
Deferred income		
Deferred income at 1 September 2017	298,696	304,583
Resources deferred during the year	148,407	298,696
Amounts released from previous years	(298,696)	(304,583)
	<hr/>	<hr/>
Deferred income at 31 August 2018	148,407	298,696
	<hr/> <hr/>	<hr/> <hr/>

Deferred income relates mainly to amounts collected for school trips which will take place after the year end and the rates reimbursement for 2018/19 received from the ESFA in advance.

Included above is a SALIX loan of £2,000 (2017: £2,000) from the ESFA which is provided on the following terms: interest is not charged and repayments will be made through a reduction in revenue grants over 7 years.

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

	2018	2017
	£	£
SALIX loan	7,000	9,000
	<hr/> <hr/>	<hr/> <hr/>

Included above is a SALIX loan of £7,000 (2017: £9,000) from the ESFA which is provided on the following terms: interest is not charged and repayments will be made through a reduction in revenue grants over 7 years.

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

19. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General unrestricted funds	417,936	534,816	(150,575)	-	-	802,177
Restricted funds						
	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
General Annual Grant (GAG)	1,227,455	11,585,313	(12,268,206)	(225,834)	-	318,728
Pupil premium	-	453,206	(453,206)	-	-	-
Other DfE/ESFA grants	-	176,769	(176,769)	-	-	-
Teaching school	4,039	88,459	(36,931)	-	-	55,567
SEN income	-	428,599	(428,599)	-	-	-
Other restricted funds	-	1,068,772	(1,068,772)	-	-	-
Pension reserve	(3,615,000)	-	(579,000)	-	1,229,000	(2,965,000)
	(2,383,506)	13,801,118	(15,011,483)	(225,834)	1,229,000	(2,590,705)
Restricted fixed asset funds						
	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Fixed asset fund	66,354,975	-	(998,863)	1,707,528	-	67,063,640
Condition improvement fund	1,673,677	2,289,106	-	(1,296,468)	-	2,666,315
Devolved formula capital	-	48,516	-	(40,726)	-	7,790
Capital donations	-	144,500	-	(144,500)	-	-
	68,028,652	2,482,122	(998,863)	225,834	-	69,737,745
Total restricted funds	65,645,146	16,283,240	(16,010,346)	-	1,229,000	67,147,040
Total of funds	66,063,082	16,818,056	(16,160,921)	-	1,229,000	67,949,217

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

19. STATEMENT OF FUNDS (continued)

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 and Skills Funding Agency and 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.

Other Local Authority and DfE/ESFA grants represent grants from the respective bodies.

The teaching school fund is to work with others to provide high-quality training, development and support to the new and experienced school staff.

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

The transfers between the restricted General Annual Grant fund and the restricted fixed asset funds represents amounts capitalised during the period or amounts spent on revenue expenditure.

The Restricted Fixed Asset fund represents the net book value of capitalised fixed assets.

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

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Grey Court School	188,944	443,683
Hollyfield School	972,660	1,205,747
Central fund	14,868	-
Total before fixed asset fund and pension reserve	1,176,472	1,649,430
Restricted fixed asset fund	69,737,745	68,028,652
Pension reserve	(2,965,000)	(3,615,000)
Total	67,949,217	66,063,082

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

19. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2018 £	Total 2017 £
Grey Court School	5,236,912	1,202,209	1,032,279	1,259,274	8,730,674	8,671,019
Hollyfield School	4,136,556	616,474	585,862	513,592	5,852,484	6,678,052
Central costs	-	487,000	-	91,900	578,900	-
	<u>9,373,468</u>	<u>2,305,683</u>	<u>1,618,141</u>	<u>1,864,766</u>	<u>15,162,058</u>	<u>15,349,071</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds						
General unrestricted funds	79,000	447,212	(108,276)	-	-	417,936
Restricted funds						
	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General Annual Grant (GAG)	(27,000)	11,597,274	(10,945,472)	602,653	-	1,227,455
Pupil premium	-	464,401	(464,401)	-	-	-
Other DfE/ESFA grants	-	107,599	(107,599)	-	-	-
Teaching school	9,000	117,451	(122,412)	-	-	4,039
SEN income	-	448,554	(448,554)	-	-	-
Other restricted funds	378,711	1,158,646	(1,537,357)	-	-	-
Academy transfer	-	1,180,000	(1,180,000)	-	-	-
Pension reserve	(1,514,000)	(2,871,000)	(435,000)	-	1,205,000	(3,615,000)
	<u>(1,153,289)</u>	<u>12,202,925</u>	<u>(15,240,795)</u>	<u>602,653</u>	<u>1,205,000</u>	<u>(2,383,506)</u>

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

19. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed asset fund	28,172,000	38,715,000	(965,239)	433,214	-	66,354,975
Condition improvement fund	-	2,561,399	-	(887,722)	-	1,673,677
Devolved formula capital	-	95,320	-	(95,320)	-	-
Capital grant from LA	-	52,825	-	(52,825)	-	-
	<u>28,172,000</u>	<u>41,424,544</u>	<u>(965,239)</u>	<u>(602,653)</u>	<u>-</u>	<u>68,028,652</u>
Total restricted funds	<u>27,018,711</u>	<u>53,627,469</u>	<u>(16,206,034)</u>	<u>-</u>	<u>1,205,000</u>	<u>65,645,146</u>
Total of funds	<u>27,097,711</u>	<u>54,074,681</u>	<u>(16,314,310)</u>	<u>-</u>	<u>1,205,000</u>	<u>66,063,082</u>

A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General unrestricted funds	79,000	982,028	(258,851)	-	-	802,177
Restricted funds						
	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General Annual Grant (GAG)	(27,000)	23,182,587	(23,213,678)	376,819	-	318,728
Pupil premium	-	917,607	(917,607)	-	-	-
Other DfE/ESFA grants	-	284,368	(284,368)	-	-	-
Teaching school	9,000	205,910	(159,343)	-	-	55,567
SEN income	-	877,153	(877,153)	-	-	-
Other restricted funds	378,711	2,227,418	(2,606,129)	-	-	-
Academy transfer	-	1,180,000	(1,180,000)	-	-	-
Pension reserve	(1,514,000)	(2,871,000)	(1,014,000)	-	2,434,000	(2,965,000)
	<u>(1,153,289)</u>	<u>26,004,043</u>	<u>(30,252,278)</u>	<u>376,819</u>	<u>2,434,000</u>	<u>(2,590,705)</u>

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

19. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed asset fund	28,172,000	38,715,000	(1,964,102)	2,140,742	-	67,063,640
Condition improvement fund	-	4,850,505	-	(2,184,190)	-	2,666,315
Devolved formula capital	-	143,836	-	(136,046)	-	7,790
Capital grant from LA	-	52,825	-	(52,825)	-	-
Capital donations	-	144,500	-	(144,500)	-	-
	<u>28,172,000</u>	<u>43,906,666</u>	<u>(1,964,102)</u>	<u>(376,819)</u>	<u>-</u>	<u>69,737,745</u>
	27,018,711	69,910,709	(32,216,380)	-	2,434,000	67,147,040
Total of funds	<u><u>27,097,711</u></u>	<u><u>70,892,737</u></u>	<u><u>(32,475,231)</u></u>	<u><u>-</u></u>	<u><u>2,434,000</u></u>	<u><u>67,949,217</u></u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	67,063,540	67,063,540
Fixed asset investments	-	-	100	100
Current assets	802,177	1,658,897	2,674,105	5,135,179
Creditors due within one year	-	(1,277,602)	-	(1,277,602)
Creditors due in more than one year	-	(7,000)	-	(7,000)
Provisions for liabilities and charges	-	(2,965,000)	-	(2,965,000)
	<u>802,177</u>	<u>(2,590,705)</u>	<u>69,737,745</u>	<u>67,949,217</u>

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	2017 £	2017 £	2017 £	2017 £
Tangible fixed assets	-	-	66,354,975	66,354,975
Current assets	417,936	2,277,752	1,673,677	4,369,365
Creditors due within one year	-	(1,037,258)	-	(1,037,258)
Creditors due in more than one year	-	(9,000)	-	(9,000)
Provisions for liabilities and charges	-	(3,615,000)	-	(3,615,000)
	<u>417,936</u>	<u>(2,383,506)</u>	<u>68,028,652</u>	<u>66,063,082</u>

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

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	657,135	37,760,371
Adjustment for:		
Depreciation charges	998,863	965,239
Interest income	(2,692)	(3,402)
Decrease/(increase) in debtors	1,498,621	(1,594,572)
Increase in creditors	210,998	115,617
Capital grants from DfE and other capital income	(2,482,122)	(2,709,544)
Pension adjustments	579,000	435,000
Fixed assets on academy transfer	-	(38,715,000)
Pension on academy transfer	-	2,871,000
Net cash provided by/(used in) operating activities	<u>1,459,803</u>	<u>(875,291)</u>

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	2,984,925	2,423,353
Total	<u>2,984,925</u>	<u>2,423,353</u>

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

23. CAPITAL COMMITMENTS

At 31 August 2018 the Academy Trust had capital commitments as follows:

	2018	2017
	£	£
Contracted for but not provided in these financial statements	-	1,627,712

24. PENSION COMMITMENTS

The Academy Trust'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 Richmond Upon Thames. Both are Multi-Employer Defined Benefit Pension Schemes.

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

Contributions amounting to £96,376 were payable to the schemes at 31 August 2018 (2017 - £95,852) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

24. PENSION COMMITMENTS (continued)

- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £1,254,363 (2017 - £1,067,369).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £550,000 (2017 - £563,000), of which employer's contributions totalled £420,000 (2017 - £436,000) and employees' contributions totalled £130,000 (2017 - £127,000). The agreed contribution rates for future years are 17.8% for Grey Court School and 17.7% for Hollyfield School 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:

	2018	2017
Discount rate for scheme liabilities	2.73 %	2.60 %
Rate of increase in salaries	3.05 %	3.20 %
Rate of increase for pensions in payment / inflation	2.35 %	2.60 %
Inflation assumption (CPI)	2.30 %	2.70 %
RPI increase	3.30 %	3.60 %

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

	2018	2017
Retiring today		
Males	23.5	23.5
Females	25.4	25.4
Retiring in 20 years		
Males	25.5	25.5
Females	27.6	27.5

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

24. PENSION COMMITMENTS (continued)

Sensitivity analysis	At 31 August 2018 £	At 31 August 2017 £
Discount rate +0.1%	4,942,000	4,832,000
Discount rate -0.1%	5,220,000	5,101,000
Mortality assumption - 1 year increase	5,246,000	5,128,000
Mortality assumption - 1 year decrease	4,918,000	4,808,000
CPI rate +0.1%	5,205,000	5,085,000
CPI rate -0.1%	4,957,000	4,849,000
Discount rate - 0.5%	550,000	528,000
Salary rate +0.5%	64,000	68,000
CPI rate +0.5%	481,000	453,000

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	4,518,480	4,078,000
Gilts	155,000	155,000
Bonds	913,200	815,000
Property	263,800	192,000
Cash and other liquid assets	73,520	90,000
Alternative assets	595,000	299,000
Total market value of assets	6,519,000	5,629,000

The actual return on scheme assets was £406,000 (2017 - £663,000).

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

	2018 £	2017 £
Current service cost	(907,000)	(775,000)
Interest cost	(91,000)	(93,000)
Administration expenses	(1,000)	(3,000)
Total	(999,000)	(871,000)

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

24. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Opening defined benefit obligation	9,244,000	4,301,000
Transferred in on existing academies joining the trust	-	4,815,000
Current service cost	907,000	775,000
Interest cost	241,000	200,000
Employee contributions	130,000	127,000
Actuarial gains	(973,000)	(932,000)
Benefits paid	(65,000)	(42,000)
	<u>9,484,000</u>	<u>9,244,000</u>

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

	2018 £	2017 £
Opening fair value of scheme assets	5,629,000	2,787,000
Transferred in on existing academies joining the trust	-	1,944,000
Interest income	150,000	107,000
Actuarial gains	256,000	273,000
Employer contributions	420,000	436,000
Employee contributions	130,000	127,000
Benefits paid	(65,000)	(42,000)
Administration expenses	(1,000)	(3,000)
	<u>6,519,000</u>	<u>5,629,000</u>

The amount shown in the Statement of Financial Activities is:

	2018 £	2017 £
Changes in financial assumptions	973,000	932,000
Return on assets excluding amounts included in net interest	256,000	273,000
	<u>1,229,000</u>	<u>1,205,000</u>

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

PENSION COMMITMENTS (continued)

The amount shown in the Balance Sheet is:

	2018	2017
	£	£
Present value of defined benefit obligation	(9,484,000)	(9,244,000)
Fair value of scheme assets	6,519,000	5,629,000
	<hr/>	<hr/>
Defined benefit pension scheme liability	<u>(2,965,000)</u>	<u>(3,615,000)</u>

25. OPERATING LEASE COMMITMENTS

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

	2018	2017
	£	£
Amounts payable:		
Within 1 year	30,572	37,328
Between 1 and 5 years	9,480	47,300
	<hr/>	<hr/>
Total	<u>40,052</u>	<u>84,628</u>

26. 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

27. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Grey Court School Farm

Grey Court School Farm is an associated company with some Directors being current employees or Trustees of Every Child, Every Day Academy Trust. During the year the Academy Trust provided various management and support services to Grey Court School Farm amounting to £18,954 (2017 - £2,374). At the Balance Sheet date, the amount due from Grey Court School Farm in respect of these services was £Nil (2017 - £18,954).

Richmond Music Trust

Richmond Music Trust is associated as some Trustees of the Trust are also Trustees of Every Child, Every Day Academy Trust. During the year, Richmond Music Trust provided music provision services to Every Child, Every Day Academy Trust amounting to £Nil (2017 - £3,867). No amounts were due to Richmond Music Trust at the Balance Sheet date.

School Food Matters

School Food Matters is associated as some Trustees of the Trust are also Trustees of Every Child, Every Day Academy Trust. During the year, School Food Matters provided an annual membership to Every Child, Every Day Academy Trust amounting to £650 (2017 - £50). No amounts were due to School Food Matters at the Balance Sheet date.

Grey Court Education Fund

Grey Court Education Fund is an associated company with some Directors being current employees or Trustees of Every Child, Every Day Academy Trust. During the year the Academy Trust paid for costs amounting to £35,129 (2017: £17,515) on behalf of Grey Court Education Fund. At the Balance Sheet date, the amount due from Grey Court Education Fund in respect of these costs was £2,098 (2017 - £8,242).

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

EVERY CHILD, EVERY DAY ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

28. TEACHING SCHOOL TRADING ACCOUNT

	2018 £	2018 £	2017 £	2017 £
INCOME				
DIRECT INCOME				
Teaching school grant	88,459		117,451	
	<hr/>		<hr/>	
TOTAL INCOME		88,459		117,451
		<hr/>		<hr/>
EXPENDITURE				
DIRECT EXPENDITURE				
Direct staff costs	36,931		78,187	
Other expenditure	-		44,225	
	<hr/>		<hr/>	
TOTAL DIRECT EXPENDITURE	36,931		122,412	
	<hr/>		<hr/>	
TOTAL EXPENDITURE		36,931		122,412
		<hr/>		<hr/>
SURPLUS / (DEFICIT) FROM ALL SOURCES		51,528		(4,961)
TEACHING SCHOOL BALANCES AT 1 SEPTEMBER 2017		4,039		9,000
		<hr/>		<hr/>
TEACHING SCHOOL BALANCES AT 31 AUGUST 2018		55,567		4,039
		<hr/> <hr/>		<hr/> <hr/>