

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 6
Governance statement	7 - 10
Statement on regularity, propriety and compliance	11
Statement of Trustees' responsibilities	12
Independent auditors' report on the financial statements	13 - 15
Independent reporting accountant's assurance report on regularity	16 - 17
Statement of financial activities incorporating income and expenditure account	18
Balance sheet	19 - 20
Statement of cash flows	21
Notes to the financial statements	22 - 47

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017**

Members

J Mondon
D Ravenscroft
C McLoughlin
R Gill
K Howell

Trustees

S Godden, Exec Head^{1,2,3}
J Mondon, Chair^{1,3}
C McLoughlin¹
V Jones^{1,3}
G Baker^{2,3}
A Crawford-Thomas²
G Mark, Staff Trustee (resigned 1 November 2017)¹
N Hooper^{2,3}

¹ Member of The Resources Committee

² Member of the Audit Committee

³ Member of the Pay, Performance Management and Personnel Committee

Company registered number

09617166

Company name

Bridgnorth Area Schools' Trust

Principal and registered office

Oldbury Wells School, Bridgnorth, Shropshire, WV16 5JD

Senior management team

S Godden, Executive Headteacher (Oldbury Wells School)
G Mark, Deputy Headteacher (Oldbury Wells School)
L Thomas, Deputy Headteacher (Oldbury Wells School)
B Brown, Assistant Headteacher (Oldbury Wells School)
K Warner, Assistant Headteacher (Oldbury Wells School)
J S Wycherley, Assistant Headteacher (Oldbury Wells School)
K Cook, Director of Finance and Business
P O'Malley, Head of School (Alveley Primary School, appointed 22 October 2016)

Independent auditors

Whittingham Riddell LLP, Belmont House, Shrewsbury Business Park, Shrewsbury, Shropshire, SY2 6LG

Bankers

Lloyds Bank, 8 High Street, Bridgnorth, WV16 4DN

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2016 to 31 August 2017. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Structure, governance and management

a. Constitution

The Multi Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Multi Academy Trust. The Trustees of Bridgnorth Area Schools' Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Bridgnorth Area Schools' Trust (BAST).

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

b. Members' liability

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

c. Method of recruitment and appointment or election of Trustees

There are five Member appointed Trustees. These Trustees appoint a further three Trustees. One of these appointments is a Staff Trustee and two are Multi Academy Trustees. In addition, the Executive Headteacher is also a Trustee. The Trustees use a Skills Audit to ensure the right skills blend in Trustees.

d. Policies and procedures adopted for the induction and training of Trustees

An induction pack and meeting is arranged for new Trustees. Other training is provided after a need area is identified. One Trustee is responsible for this coordination.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

e. Organisational structure

The Trust has a Scheme of Delegation which reserves some decisions to Trustees. This includes areas such as Finance, Audit and Premises matters. Policies related to staff terms and conditions are also reserved for Trustees. The Trustees organise their work into:

- Board level
- Audit Committee
- Resources Committee (Finance and Premises)
- Pay, Performance Management and Personnel Committee

Some work is devolved to the Oldbury Wells School Local Governing Body (LGB). This includes curriculum, behaviour and attendance matters. The senior team has devolved responsibility for the day to day running of the school, strategic development, monitoring and reporting.

f. Pay policy for key management personnel

The Board of Trustees follows an adjusted policy based on the LA agreed Pay Policy which is endorsed annually by the Members with regard to the setting of key management personnel pay.

Following performance management meetings (comprising performance management governors, School Improvement Partner and key management personnel) pay recommendations within the wage bands are set. Performance management outcomes are assessed in line with evidence that targets have been met and pay progression recommendations are then recommended by the Pay, Performance Management and Personnel Committee and endorsed by the Resources Committee.

g. Connected organisations, including related party relationships

The Trust works with Idsall School and William Brookes School to jointly deliver/support some Key Stage 4 vocational courses.

Objectives and Activities

a. Objects and aims

The object of the Bridgnorth Area Schools' Trust is to build on the current strengths of the founding school, Oldbury Wells, and support schooling in Bridgnorth and the surrounding area. The aims of the Trust are as follows:

- To bring about the very best educational outcomes for our Multi Academy students
- To support and enrich education in our area. As a school we are committed to local education and have been for a long time. Our aim is to help bring about the best learning for pupils that we can, beyond our own school gates where that is appropriate
- To further develop and strengthen partnerships to the benefit of the Trust.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

b. Objectives, strategies and activities

1. Establish our Academies and structure processes outside of the local authority:
Completed through Board of Trustees, Local Governing Bodies, Senior Leadership Group and Clerk to the Governors.
Aided by the appointment of the Director of Finance and Business.
2. Become a successful Sponsoring Trust
Ensuring good and improving outcomes for our sponsored school.
3. Ensure good educational outcomes.
Strategic work of Senior Leadership Group and school staff in both of our schools.
4. Ensure good financial control
Work with auditors, accountants and Director of Finance and Business.
5. Establish further schools partnership within our Trust
- Work with local schools who may wish to collaborate and work in formal partnership

c. Public benefit

We can confirm that in our activities we have been mindful of our Trust's purposes. Our activities have been for the public benefit and for our students and community. As such we have acted with due regard to the guidance issued by the Charity Commissioner to ensure our powers and duties are exercised properly.

Strategic report

Achievements and performance

a. Key performance indicators

OLDBURY WELLS SCHOOL

Key Performance Indicators: all met.

KPI: Current performance is good or better: self evaluation, moderated by our independent School Improvement Advisor, judges current performance as 'Good'. Met.

KPI: Outcomes are above floor standards. Met.

KPI: Attendance should be at 94% or higher: Met.

KPI: The local authority is not working with our school in response to concerns. Met.

KPI: 70% of PAN for Year 7 entry: entry exceeds PAN. Met.

Key Financial Performance Indicators: all met.

KFPI: Operate a realistic balanced budget. Met.

KFPI: Monitor a control budget. Met.

KFPI: Multi Academy staff costs controlled between 70% and 80%. Met.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

ALVELEY SCHOOL

Key Performance Indicators: largely met.

KPI: Current performance is good or better: Not met. Current performance is very much improved from poor outcomes before sponsorship. Outcomes in the main indicator are 45% higher than the previous year. Self evaluation is grade 3 'Requires Improvement'

KPI: Outcomes are above floor standards. Met. (Coasting standards however are not met.)

KPI: Attendance should be at 94% or higher: Met.

KPI: The local authority is not working with our school in response to concerns. Met.

KPI: 70% of PAN for Year 7 entry: entry exceeds PAN. Met.

Key Financial Performance Indicators: all met.

KFPI: Operate a realistic balanced budget. Met.

KFPI: Monitor a control budget. Met.

KFPI: Multi Academy staff costs controlled between 70% and 80%. Met.

b. 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 Accounting Policies.

Financial review

a. Reserves policy

The Trustees review the level of reserves and are aware of the requirement to balance current and future needs. The Trustees always aim to set a balanced budget with annual income balancing annual expenditure. As such, the Trustees review the reserve levels of the Multi Academy Trust annually. This review encompasses the nature of income and expenditure streams. The Multi Academy Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £80,062. The cash balance of the Multi Academy Trust has been much improved during the year, ending the year with a balance of £671,471. Trustees will seek to invest these free reserves in line with strategic objectives.

b. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Multi Academy is exposed. These include; specific teaching, provision of facilities and other operational areas of the Multi Academy and its finances. The Trustees have implemented a number of systems to address the risks that the Multi Academy faces especially in the areas relating to teaching, ICT, health and safety and internal financial controls.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

Plans for future periods

a. Future developments

The Bridgnorth Area Schools' Trust was approved by the Department of Education to become an Multi Academy sponsor and approval was given for Alveley Primary School to join the Trust with effect from 1 November 2016. Additionally the DFE has granted approval for two further primaries to join our Trust. These are strong schools that do not require sponsorship. The Diocese of Hereford has granted permission for a Church of England school to join the Trust, which will require a change to our Articles of Association, to Mixed MAT category. These two schools are Castlefields Primary School and St Leonards CE Primary School. All schools are within the Bridgnorth area.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 13 December 2017 and signed on its behalf by:

J Mondon
Chair of Trustees

JAMondon

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Bridgnorth Area Schools' 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 Executive Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bridgnorth Area Schools' 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 7 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Godden ,Executive Headteacher	7	7
J Mondon, Chair	7	7
C McLoughlin	6	7
V Jones	6	7
G Baker	6	7
A Crawford-Thomas	5	7
G Mark, Staff Trustee	6	7
N Hooper	3	7

The Resources Committee is a sub-committee of the main board of Trustees. The Committee is responsible for funding, budgeting, expenditure, financial procedures, health and safety, asset management, property management, insurances and policies within its remit. This year, particular issues dealt with have included the tendering process for the bus contract, the ESFA Condition Improvement Bid, reviewing the school's cleaning and catering contracts and provision of asset management.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
S Godden, Executive Headteacher	4	5
J Mondon, Chair	5	5
C McLoughlin	5	5
V Jones	5	5
G Mark, Staff Trustee	5	5

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The Audit Committee is also a sub-committee of the main board of Trustees. It is responsible for external audit, extended external audit procedures, financial management and policies within its remit. This year, particular issues dealt with have included the development of the Risk Register and a review of the school's IT software licences and subscription services.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
G Baker	2	3
A Crawford-Thomas	3	3
N Hooper	3	3

Review of Value for Money

As Accounting Officer, the Executive Headteacher 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 Trust has delivered improved value for money during the year by:

- Reviewing high value contracts and undertaking tendering exercises to ensure that these contracts are assessed against the market place on a regular basis to ensure that they remain competitive.
- Undertaken a Network review which has focussed around infrastructure, devices, WAN Provision and accessibility. Throughout this period we have been moving our major systems across to new sustainable systems and plan to continue on this course throughout the next year. These new systems will build a central resource which will be accessible at anytime, anywhere and on any device for all stakeholders. This will create savings on efficiencies, less add-ons required, IT infrastructure and the cost of devices required to access all systems for all stakeholders (giving more cost effective solutions for Home to School connection and increased engagement to learning).
- Renegotiated its current photocopying lease agreement; this reduced our current lease payments and reduced the CPC (Cost Per Copy) maintenance costs. We were also able to replace heavily used classroom and work room printers with fewer CPC printers and small MFDs (Multi-Functional Devices). We have replaced our print management software with a more able solution which allows us to manage and log all printers and MFDs, allowing staff to use Follow Me printing to less costly devices. This allows us to monitor printer usage and train staff on more efficient use of printing. Going forward we are working with departments to consider alternative methods of producing documents which will not affect the educational standards but may reduce printing and costs.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

- Looking at where economies of scale can be achieved across the Trust and looking at where costs can be reduced by the use of streamlining procurement strategies.
- Providing training and encouraging the sharing of good practice amongst Trust staff so they are aware of any potential cost savings that can be made. Some external services have been terminated as the Trust now has the expertise available in house.
- A register of all services and contracts has been developed and all contracts are now appraised and renegotiated within a time frame to allow quality and effectiveness whilst achieving value for money principles.

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

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

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

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 Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Whittingham Riddell LLP, the external auditors, to perform additional checks.

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

- Reviewing the operations of the systems of controls
- Review of procedures in place
- Reporting on their findings

On a termly basis, the auditors report to the Board of Trustees through the Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Review of Effectiveness


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

- the work of the external auditors;
- the 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 Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 13 December 2017 and signed on their behalf, by:


J Mondon
Chair of Trustees


S Godden, Executive Headteacher
Accounting Officer

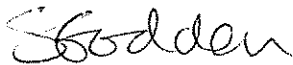
BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Bridgnorth Area Schools' Trust I have considered my responsibility to notify the Multi Academy Trust's 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 Multi Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Multi Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Multi Academy Trust, or material non-compliance with the terms and conditions of funding under the Multi Academy Trust's funding agreement and the Academies Financial Handbook 2016.

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



S Godden, Executive Headteacher
Accounting Officer

13/12/2017

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 13 December 2017 and signed on its behalf by:



J Mondon
Chair of Trustees

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BRIDGNORTH AREA SCHOOLS' TRUST**

Opinion

We have audited the financial statements of Bridgnorth Area Schools' Trust for the year ended 31 August 2017 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

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

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BRIDGNORTH AREA SCHOOLS' 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 Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BRIDGNORTH AREA SCHOOLS' TRUST

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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. The description forms part of our Auditor's report.



Andrew Malpass BA FCA (Senior statutory auditor)

for and on behalf of

Whittingham Riddell LLP

Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

19 December 2017

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
BRIDGNORTH AREA SCHOOLS' TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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

This report is made solely to Bridgnorth Area Schools' Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Bridgnorth Area Schools' 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 Bridgnorth Area Schools' Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Bridgnorth Area Schools' Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Bridgnorth Area Schools' Trust's funding agreement with the Secretary of State for Education dated 23 March 2015, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

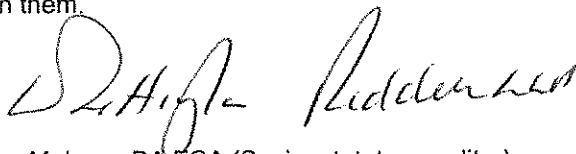
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Trust's income and expenditure.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
BRIDGNORTH AREA SCHOOLS' TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY
(continued)

Conclusion

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



Andrew Malpass BA FCA (Senior statutory auditor)

Whittingham Riddell LLP

Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

15 December 2017

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:					
Donations & capital grants:					
Balances introduced on conversion	2	32,914	(145,950)	1,754,144	1,641,108
Other donations and capital grants	2	-	77,701	-	77,701
Charitable activities	3	-	4,709,184	-	4,709,184
Other trading activities	4	25,885	106,405	-	132,290
Investments	5	-	356	-	356
TOTAL INCOME		58,799	4,747,696	1,754,144	6,560,639
EXPENDITURE ON:					
Charitable activities		3,085	4,774,458	64,930	4,842,473
TOTAL EXPENDITURE	8	3,085	4,774,458	64,930	4,842,473
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS					
Transfers between Funds	20	55,714	(26,762)	1,689,214	1,718,166
		60,000	(128,516)	68,516	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		115,714	(155,278)	1,757,730	1,718,166
Actuarial gains/(losses) on defined benefit pension schemes	24	-	40,000	-	40,000
NET MOVEMENT IN FUNDS		115,714	(115,278)	1,757,730	1,758,166
RECONCILIATION OF FUNDS:					
Total funds brought forward		(153,160)	(1,052,968)	6,293,595	5,087,467
TOTAL FUNDS CARRIED FORWARD		(37,446)	(1,168,246)	8,051,325	6,845,633

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 09617166

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	16		8,051,325		6,293,595
CURRENT ASSETS					
Debtors	17	66,933		65,997	
Cash at bank and in hand		671,471		357,618	
		<u>738,404</u>		<u>423,615</u>	
CREDITORS: amounts falling due within one year	18	<u>(335,011)</u>		<u>(195,235)</u>	
NET CURRENT ASSETS			<u>403,393</u>		<u>228,380</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,454,718</u>		<u>6,521,975</u>
CREDITORS: amounts falling due after more than one year	19		<u>(79,085)</u>		<u>(117,508)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>8,375,633</u>		<u>6,404,467</u>
Defined benefit pension scheme liability	24		<u>(1,530,000)</u>		<u>(1,317,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>6,845,633</u>		<u>5,087,467</u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	20	361,754		264,032	
Restricted fixed asset funds	20	8,051,325		6,293,595	
Restricted income funds excluding pension liability		<u>8,413,079</u>		<u>6,557,627</u>	
Pension reserve		<u>(1,530,000)</u>		<u>(1,317,000)</u>	
Total restricted income funds			<u>6,883,079</u>		<u>5,240,627</u>
Unrestricted income funds	20		<u>(37,446)</u>		<u>(153,160)</u>
TOTAL FUNDS			<u>6,845,633</u>		<u>5,087,467</u>

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2017

The financial statements on pages 18 to 47 were approved by the Trustees, and authorised for issue, on 13 December 2017 and are signed on their behalf, by:



J Mondon, Chair
Chair of Trustees

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	22	<u>382,369</u>	<u>358,718</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(68,516)</u>	<u>(1,100)</u>
Net cash used in investing activities		<u>(68,516)</u>	<u>(1,100)</u>
Change in cash and cash equivalents in the year		313,853	357,618
Cash and cash equivalents brought forward		<u>357,618</u>	-
Cash and cash equivalents carried forward	23	<u><u>671,471</u></u>	<u><u>357,618</u></u>

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

Bridgnorth Area Schools' Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Fund accounting

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

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

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

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

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

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure

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

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

1.5 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Multi Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.6 Turnover

Turnover comprises revenue recognised by the Trust in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

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

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

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

Long-term leasehold property	-	125 years straight line
Fixtures and fittings	-	20% straight line
Computer equipment	-	20% straight line

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

Upon conversion to academy status the Trust entered into a long term lease agreement with the Local Authority to occupy the school site over 125 years at nil rental charge.

1.8 Operating leases

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

1.9 Debtors

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

1.10 Cash at Bank and in hand

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

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.11 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

1.12 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the 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 17. Prepayments are not financial instruments.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 18 and 19. 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.

1.13 Taxation

The 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 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.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.15 Conversion to an Academy trust

The conversion from a state maintained school to Multi Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Alveley Primary School to an Multi Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Charitable activities - transfer from local authority on conversion in the Statement of financial activities incorporating income and expenditure account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 2.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.16 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 Trust 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.

Critical areas of judgement are:

Assumptions used in pensions valuation

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 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Land and Buildings introduced on conversion

These are valued by reference to the ESFA valuation report. In the absence of this valuation for the year ended 31 August 2017, the values introduced have been determined by reference to the net book value the assets were held at by the Local Authority.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Surplus/(Deficit) introduced from local authority	32,914	-	-	32,914	(192,508)
Pension scheme introduced on conversion	-	(149,000)	-	(149,000)	(768,000)
School fund introduced on conversion	-	3,050	-	3,050	25,626
Land and buildings introduced on conversion	-	-	1,754,144	1,754,144	6,352,000
Balances introduced on conversion	32,914	(145,950)	1,754,144	1,641,108	5,417,118
Donations	-	-	-	-	1,367
Grants	-	77,701	-	77,701	41,139
Subtotal	-	77,701	-	77,701	42,506
	32,914	(68,249)	1,754,144	1,718,809	5,459,624
<i>Total 2016</i>	(192,508)	(699,868)	6,352,000	5,459,624	

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	4,131,521	4,131,521	4,363,813
Other DfE / ESFA Grants	-	201,449	201,449	196,022
	-	4,332,970	4,332,970	4,559,835
Other government grants				
Other Grants	-	193,793	193,793	73,876
	-	193,793	193,793	73,876
Other funding				
Other Income	-	71,327	71,327	2,633
School fund income	-	111,094	111,094	107,061
	-	182,421	182,421	109,694
	-	4,709,184	4,709,184	4,743,405
<i>Total 2016</i>	-	4,743,405	4,743,405	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Music Income	9,390	-	9,390	7,158
Lettings	16,495	-	16,495	21,715
Coach Income	-	106,405	106,405	111,335
	25,885	106,405	132,290	140,208
Net income from other trading activities	25,885	106,405	132,290	140,208

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Investment income - local cash	-	356	356	421
<i>Total 2016</i>	-	421	421	

6. DIRECT COSTS

	Activities £	Total 2017 £	Total 2016 £
Pension Income	30,000	30,000	31,000
Educational Supplies and Services	192,547	192,547	181,683
Staff Development	6,750	6,750	4,112
Other Costs	28,385	28,385	18,943
Examination Fees	74,275	74,275	70,500
Security and Transport	123,748	123,748	171,297
Other Support Costs	-	-	4,600
Wages and Salaries	2,367,425	2,367,425	2,417,341
National Insurance	229,563	229,563	287,008
Pension Cost	440,095	440,095	295,425
	<u>3,492,788</u>	<u>3,492,788</u>	<u>3,481,909</u>
<i>At 31 August 2016</i>	<u>3,481,909</u>	<u>3,481,909</u>	

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

7. SUPPORT COSTS

	Activities £	Total 2017 £	Total 2016 £
Maintenance of Premises	82,031	82,031	53,645
Catering & Hospitality	11,168	11,168	14,503
Governance Costs	56,380	56,380	55,870
Repairs and Maintenance	51,812	51,812	19,736
Technology Costs	20,516	20,516	36,122
Cleaning	68,509	68,509	87,693
Energy Costs	79,855	79,855	72,577
Rent and Rates	39,391	39,391	39,644
Security and Transport	27,862	27,862	21,658
Other Support Costs	74,862	74,862	73,246
Insurance	20,343	20,343	23,329
Pension Costs	34,683	34,683	25,158
School fund Expenditure	122,846	122,846	87,407
Wages and Salaries	492,598	492,598	502,979
National Insurance	30,054	30,054	31,130
Pension Cost	67,564	67,564	65,830
Depreciation	64,930	64,930	59,505
	<u>1,345,404</u>	<u>1,345,404</u>	<u>1,270,032</u>
<i>At 31 August 2016</i>	<u>1,270,032</u>	<u>1,270,032</u>	

8. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Activities:					
Direct costs	3,036,604	-	456,184	3,492,788	3,481,909
Support costs	590,695	295,529	459,180	1,345,404	1,269,611
	<u>3,627,299</u>	<u>295,529</u>	<u>915,364</u>	<u>4,838,192</u>	<u>4,751,520</u>
<i>Total 2016</i>	<u>3,599,713</u>	<u>273,295</u>	<u>878,512</u>	<u>4,751,520</u>	

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	64,930	59,505
Operating lease rentals	20,547	27,565
	<u> </u>	<u> </u>

10. AUDITORS' REMUNERATION

	2017	2016
	£	£
Fees payable to the Trust's auditor and its associates in respect of:		
The auditing of accounts of associates of the Multi		
Academy Trust	6,850	5,745
Audit-related assurance services	3,600	2,700
	<u> </u>	<u> </u>

11. TRUSTEES' AND OFFICERS' INSURANCE

The Trust has 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 Trust 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.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

12. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	2,812,752	2,883,963
Social security costs	259,617	318,138
Operating costs of defined benefit pension schemes	507,659	361,255
	<u>3,580,028</u>	<u>3,563,356</u>
Supply teacher costs	47,271	36,357
	<u>3,627,299</u>	<u>3,599,713</u>

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

	2017 No.	2016 No.
Teachers	55	42
Administration and Support	62	46
Management	8	7
	<u>125</u>	<u>95</u>

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0

The key management personnel received in total remuneration of £474,824 and pension contributions of £76,899 (2016: £456,782 and pension contributions of £73,948). Prior year figures related to a 15 month period.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

13. CENTRAL SERVICES

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

- Central Finance and budgetary reporting function
- Central HR and Payroll function
- Sourcing of insurance
- Health and safety planning
- Support with property maintenance and statutory planned maintenance
- Procurement and tendering advice
- Legal advice and advisory services

The Trust charges for these services on the following basis:

The Trust charged 5% of the School's General Annual Grant for the above central services during the year.

The actual amounts charged during the year were as follows:

	2017	2016
	£	£
Aiveley Primary School	<u>15,986</u>	<u>-</u>

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

14. TRUSTEES' REMUNERATION AND EXPENSES

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

		2017 £	2016 £
S Godden, Exec Head	Remuneration	85,000-90,000	70,000-75,000
	Pension contributions paid	10,000-15,000	10,000-15,000
G Mark, Staff Trustee	Remuneration	10,000-15,000	60,000-65,000
	Pension contributions paid	0-5,000	5,000-10,000

During the year ended 31 August 2017, no Governors received any reimbursement of expenses (2016 - £NIL).

15. OTHER FINANCE INCOME

	2017 £	2016 £
Interest on pension scheme liabilities	<u>(30,000)</u>	<u>(31,000)</u>

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

16. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2016	6,352,000	1,100	-	6,353,100
Additions	1,754,144	2,159	66,357	1,822,660
At 31 August 2017	<u>8,106,144</u>	<u>3,259</u>	<u>66,357</u>	<u>8,175,760</u>
Depreciation				
At 1 September 2016	59,285	220	-	59,505
Charge for the year	56,413	400	8,117	64,930
At 31 August 2017	<u>115,698</u>	<u>620</u>	<u>8,117</u>	<u>124,435</u>
Net book value				
At 31 August 2017	<u>7,990,446</u>	<u>2,639</u>	<u>58,240</u>	<u>8,051,325</u>
At 31 August 2016	<u>6,292,715</u>	<u>880</u>	<u>-</u>	<u>6,293,595</u>

17. DEBTORS

	2017 £	2016 £
Trade debtors	17,867	4,478
Prepayments and accrued income	15,212	23,180
Tax recoverable	33,854	38,339
	<u>66,933</u>	<u>65,997</u>

18. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	132,085	1,650
Other taxation and social security	57,700	57,842
Due to ESFA	60,000	60,000
Due to Shropshire Council	10,789	-
Other creditors	43,781	34,029
Accruals and deferred income	30,656	41,714
	<u>335,011</u>	<u>195,235</u>

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

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

	2017	2016
	£	£
Deferred income		
Resources deferred during the year	946	-
	<u>946</u>	<u>-</u>

At the balance sheet date the Trust was holding funds received in advance for transport income paid for the Autumn Term 2017.

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

	2017	2016
	£	£
Due to Shropshire Council	21,577	-
Due to ESFA	57,508	117,508
	<u>79,085</u>	<u>117,508</u>

The amounts due after more than one year are being repaid over 3 years with nil interest being charged.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

20. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General Funds	24,348	58,799	(3,085)	-	-	80,062
Deficit from Local Authority	(177,508)	-	-	60,000	-	(117,508)
	<u>(153,160)</u>	<u>58,799</u>	<u>(3,085)</u>	<u>60,000</u>	<u>-</u>	<u>(37,446)</u>
Restricted funds						
GAG Funds	53,752	4,626,475	(4,289,459)	(78,516)	-	312,252
School Fund Income	45,280	121,221	(116,999)	-	-	49,502
Capital improvement fund	20,000	-	(20,000)	-	-	-
IT equipment replacement fund	50,000	-	-	(50,000)	-	-
Fund for deficit repayment	95,000	-	(95,000)	-	-	-
Pension reserve	(1,317,000)	-	(253,000)	-	40,000	(1,530,000)
	<u>(1,052,968)</u>	<u>4,747,696</u>	<u>(4,774,458)</u>	<u>(128,516)</u>	<u>40,000</u>	<u>(1,168,246)</u>
Restricted Fixed Asset Funds						
Fixed assets	6,293,595	1,754,144	(64,930)	68,516	-	8,051,325
Total restricted funds	<u>5,240,627</u>	<u>6,501,840</u>	<u>(4,839,388)</u>	<u>(60,000)</u>	<u>40,000</u>	<u>6,883,079</u>
Total of funds	<u><u>5,087,467</u></u>	<u><u>6,560,639</u></u>	<u><u>(4,842,473)</u></u>	<u><u>-</u></u>	<u><u>40,000</u></u>	<u><u>6,845,633</u></u>

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

The GAG, other DfE/ESFA grants and other restricted funds are to be applied for educational purposes.

Capital improvement fund is being held for the purposes of repair work required to the buildings. The deficit repayment fund has been allocated to fund the portion of the inherited deficit falling due in the next 12 months.

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.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

20. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £	Total 2016 £
Oldbury Wells School	175,897	110,872
Alveley Primary School	71,801	-
MAT	76,610	-
Total before fixed asset fund and pension reserve	<u>324,308</u>	<u>110,872</u>
Restricted fixed asset fund	8,051,325	6,293,595
Pension reserve	(1,530,000)	(1,317,000)
Total	<u><u>6,845,633</u></u>	<u><u>5,087,467</u></u>

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 2017 £	Total 2016 £
Oldbury Wells School	2,946,070	319,830	156,612	741,070	4,163,582	4,751,770
Alveley Primary School	298,473	37,715	22,430	70,222	428,840	-
MAT	-	-	-	44,767	44,767	-
	<u><u>3,244,543</u></u>	<u><u>357,545</u></u>	<u><u>179,042</u></u>	<u><u>856,059</u></u>	<u><u>4,637,189</u></u>	<u><u>4,751,770</u></u>

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	8,051,325	8,051,325
Current assets	1,196	737,208	-	738,404
Creditors due within one year	(17,065)	(317,946)	-	(335,011)
Creditors due in more than one year	(21,577)	(57,508)	-	(79,085)
Provisions for liabilities and charges	-	(1,530,000)	-	(1,530,000)
	<u>(37,446)</u>	<u>(1,168,246)</u>	<u>8,051,325</u>	<u>6,845,633</u>

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

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

	2017 £	2016 £
Net income for the year (as per Statement of Financial Activities)	1,718,166	5,591,467
Adjustment for:		
Depreciation charges	64,930	59,505
Increase in debtors	(936)	(65,997)
Increase in creditors	101,353	312,743
Defined benefit pension scheme cost less contributions payable	253,000	813,000
Net (loss) on assets and liabilities from local authority on conversion	(1,754,144)	(6,352,000)
Net cash provided by operating activities	<u>382,369</u>	<u>358,718</u>

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	671,471	357,618
Total	<u>671,471</u>	<u>357,618</u>

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

24. PENSION COMMITMENTS

The 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 Mercer. Both are Multi-employer defined benefit pension schemes.

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £366,095 (2016 - £281,425).

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

24. PENSION COMMITMENTS (continued)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £163,750 (2016 - £153,903), of which employer's contributions totalled £128,871 (2016 - £121,677) and employees' contributions totalled £34,879 (2016 - £32,226). The agreed contribution rates for future years are 15.5% for employers and 5.5-12.5% 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:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.10 %
Rate of increase in salaries	3.70 %	3.30 %
Rate of increase for pensions in payment / inflation	2.20 %	1.90 %
Inflation assumption (CPI)	2.20 %	1.80 %

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

	2017	2016
Retiring today		
Males	23	23.9
Females	26.2	26.4
Retiring in 20 years		
Males	25.2	26.2
Females	28.5	29.2

	At 31 August 2017	At 31 August 2016
Sensitivity analysis	£	£
Discount rate +0.1%	1,481	1,271
Mortality assumption - 1 year increase	1,567	1,354
CPI rate +0.1%	1,578	1,364
Pay growth +0.1%	1,544	1,334

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

24. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	317,000	462,000
Other Bonds	146,000	171,000
Corporate bonds	30,000	45,000
Cash and other liquid assets	29,000	-
Other	98,000	175,000
	<u>620,000</u>	<u>868,000</u>
Total market value of assets	<u>620,000</u>	<u>868,000</u>

The actual return on scheme assets was £131,000 (2016 - £76,000).

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

	2017 £	2016 £
Current service cost	(199,000)	(133,000)
Net interest cost	(30,000)	(31,000)
Admin expenses	(3,000)	(3,000)
	<u>(232,000)</u>	<u>(167,000)</u>
Total	<u>(232,000)</u>	<u>(167,000)</u>
Actual return on scheme assets	<u>131,000</u>	<u>76,000</u>

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

	2017 £	2016 £
Opening defined benefit obligation	2,185,000	-
Upon conversion	149,000	1,281,000
Current service cost	199,000	133,000
Interest cost	50,000	60,000
Employee contributions	35,000	32,000
Actuarial (gains)/losses	(439,000)	550,000
Benefits paid	(6,000)	129,000
	<u>2,173,000</u>	<u>2,185,000</u>
Closing defined benefit obligation	<u>2,173,000</u>	<u>2,185,000</u>

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

24. PENSION COMMITMENTS (continued)

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

	2017	2016
	£	£
Opening fair value of scheme assets	868,000	-
Upon conversion	-	513,000
Interest income	20,000	29,000
Actuarial gains/(losses)	(399,000)	46,000
Employer contributions	129,000	122,000
Employee contributions	35,000	32,000
Benefits paid	(6,000)	-
Admin expenses	(4,000)	(3,000)
	<u>643,000</u>	<u>868,000</u>

25. OPERATING LEASE COMMITMENTS

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

	2017	2016
	£	£
Amounts payable:		
Within 1 year	24,121	27,516
Between 1 and 5 years	70,356	3,354
Total	<u>94,477</u>	<u>30,870</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.

27. RELATED PARTY TRANSACTIONS

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

During the year there have not been any related party transactions.

BRIDGNORTH AREA SCHOOLS' TRUST
(A company limited by guarantee)

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

28. POST BALANCE SHEET EVENTS

On 01/11/2017 the Trust grew with the joining of Castlefields Primary School, Bridgnorth and St Leonards C of E Primary School, Bridgnorth. Both schools have surplus balances being brought into the Trust.

