

WOOD GREEN ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

WOOD GREEN ACADEMY
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the academy, its trustees and advisers	1 - 2
Trustees' report	3 - 11
Trustees' responsibilities statement	16
Independent auditor's report	17 - 18
Independent auditor's assurance report on regularity	19 - 20
Statement of financial activities	21 - 22
Balance sheet	23
Governance statement	12 - 14
Statement on regularity, propriety and compliance	15
Cash flow statement	24
Notes to the financial statements	25 - 48

WOOD GREEN ACADEMY
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2016**

Trustees

Mrs J. Walker, Chair
Mr P. Francis, Vice Chair
Mrs D. Bannister MBE, Co-Opted trustee
Mr G. Berdesha, Staff trustee
Mr J. Blackband, Community trustee
Mrs N. Brant, Staff trustee
Mr K. Byrne, Staff trustee
Mr D. Fellows, Parent trustee
Mrs J. Hawkins, Parent trustee (resigned 13 July 2015)
Mr I. Kirk, Co-Opted trustee
Mr M. Langley, Parent trustee (resigned 16 November 2015)
Mr G. Metcalfe, Parent trustee (resigned 21 March 2016)
Mr D. Patidar, Parent trustee (resigned 23 May 2016)
Mrs C. Hurst, Community trustee
Mrs T Simpson, Parent trustee (resigned 21 September 2015)
Mr J. Topham, Headteacher
Mrs H. Nightingale, Parent trustee (appointed 16 November 2015)
Mr A. Mohammed, Community trustee (appointed 7 March 2016)
Ms K Dawkins, Parent trustee (appointed 16 November 2015)
Mrs S. Tranter, Parent trustee (appointed 21 March 2016)

Members

Mrs J. Walker
Mr P. Francis
Mrs D. Bannister MBE

Company registered number

07538389

Principal and registered office

Wood Green Academy
Wood Green Road
Wednesbury
West Midlands
WS10 9QU

WOOD GREEN ACADEMY
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2016**

Advisers (continued)

Company secretary

Mr P Hesslegrave

Responsible officer

Mr C Marsh ACA

Senior management team

Mr J. Topham, Headteacher
Mrs J. Badham, Director of Student Achievement and Welfare
Mr P. Hesslegrave, Director of Finance and Resources
Mrs E. Haskins, Director of CPD
Mrs S. Taylor, Director of Curriculum
Mr G. Yates, Director of Teaching Schools

Independent auditor

Crowe Clark Whitehill LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

Lloyds Bank
111 Walsall Street
Wednesbury
West Midlands
WS10 9BY

Investment Manager

Quilter Cheviot
39 Bennetts Hill
Birmingham
B2 5SN

WOOD GREEN ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The trustees present their annual report together with the audited financial statements of Wood Green Academy, (the Academy), for the period 1st April 2015 to 31st March 2016. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

Wood Green Academy is an 11-19 mixed comprehensive high school specialising in sports, mathematics and computing. The Academy was rated as Outstanding by Ofsted in 2002, 2006 and 2012, and was awarded Teaching School status in September 2011. It is a National Support and Leading Edge School. The Headteacher is a National Leader of Education. The Academy has achieved a host of other awards including Healthy Schools Award, Sports Mark, Investors in People and the Cultural Diversity Awards.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

Wood Green Academy Trust is a company limited by guarantee and is an exempt charity. The Charitable Company's Memorandum and Articles of Association and Funding Agreement are the primary governing documents of the Academy.

The governors act as the trustees for the charitable activities of Wood Green Academy Trust and as directors of the Charitable Company for the purposes of Company law. The Charitable Company is incorporated as Wood Green Academy.

MEMBERS' LIABILITY

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

TRUSTEES' INDEMNITIES

As allowed by the provisions of the Articles of Association of the academy and as disclosed in note 11 professional indemnity insurance is paid on behalf of the directors of the academy.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The Academy's Board of Trustees is subject to retirement by rotation. Trustees are eligible for re-election at the meeting at which they retire. The trustees to retire are those who have served the longest in office since their appointment or re-election. New trustees are recruited in accordance with the Articles of Association and 'A Guide to the Law for School Governors.' The term of office for any trustee is 4 years, although this time limit does not apply to the Headteacher.

Details of the trustees who served the academy throughout 2015/16 are included in the Reference and Administrative Details on pages 1 and 2.

WOOD GREEN ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The Academy continues to procure Governor Support Services provided by Sandwell Metropolitan Borough Council, the local authority. The Headteacher and Director of Finance and Resources provide an initial governor induction. Additional training is provided as required based on individual or collective need. External advice and support is commissioned where necessary. The Vice Chair of Governors was enrolled on a Governor Impact Training Programme in 2015/16. The Clerk completed the Clerk of Governors Development Programme. There was a review of the internal skills audit and an external review of the Governing Body and subsequent action plan.

ORGANISATIONAL STRUCTURE

The Academy has three senior organisation levels: the Board of Trustees, (including the Headteacher), the Deputy Headteacher's and the broader Senior Leadership Team. An aim of this management structure is to distribute responsibility and accountability and to encourage involvement in decision making at all levels so the Academy nurtures the talents of its entire staff to support continual improvement and excellence.

The Board of Trustees is responsible for setting the Academy's policies, adopting the Academy Improvement Plan and budget, monitoring performance against these plans and making major decisions about the direction of the Academy to advance the achievement and welfare of students. The Board's key considerations this year have included reviewing the Board's vision for the school and school progress, the outcome of the internal and external review of governance, Multi Academy Trust conversion and sponsorship, monitoring the school's finances, including Pupil Premium, the new school day and the new curriculum and detention system.

The Headteacher, Deputy Headteacher's and Senior Leadership Team control the Academy at an executive level, implementing the policies set by the Board of Trustees and reporting back to them.

The Board of Trustees has 3 Strategy and Vision meetings and 3 Operational meetings a year. The Board has also established Achievement and Standards and Finance, Premises and Safety sub-committees. These sub-committees have their own terms of reference detailing the responsibilities discharged to the sub-committee, to the Headteacher, (The Accounting Officer), to the Deputy Headteacher, the Director of Finance and Resources and to the Senior Management Team. The terms of reference and meeting frequency for each sub-committee are reviewed and approved by the Board of Trustees annually. The terms of reference for the Finance Sub-committee detail the Academy's authorised spending limits.

Further, group(s) of trustees may be formally organised outside the sub-committee structure to support the academy as required, to consider:

- Headteacher, Associate Headteacher and Deputy Headteacher recruitment;
- Performance management of the Headteacher;
- Pupil behaviour;
- Staff discipline;
- Complaints and appeals;
- Areas of significant change, such as conversion to a MAT.

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

Working in the academy sector Wood Green Academy Trust believes that it is important to be transparent about pay levels of its key management personnel and how those salaries are set. Our salaries are benchmarked against similar roles in the academy sector. The academy generally uses a recognised pay scale for the sector, however some flexibility is applied to take into consideration the specific requirements for each post and ensure we can recruit and retain the best people for the role with both the skills required and the passion for the service.

WOOD GREEN ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The Academy continues to work in partnership with a number of local schools, especially South Wolverhampton and Bilston Academy, Willenhall E-ACT Academy and George Salter Academy in furthering the pursuit of the Academy's charitable activities.

Wood Green Academy has been awarded Teaching School status for the period 1st September 2011 to 31st August 2016. The Teaching School programme furthers the pursuit of the Academy's charitable activities. A separate Teaching School trading company has not been formed. The Academy has developed an alliance with a number of other schools and higher education institutions since becoming a Teaching School.

The Academy's Senior Leadership Team has been re-organised to support these partnerships, to deliver the Teaching School programme and to maintain and improve standards of excellence at the Academy.

OBJECTIVES AND ACTIVITIES

OBJECTS AND AIMS

The object of Wood Green Academy is set out in the Company's Articles of Association, namely "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 and carrying on, managing and developing a school offering a broad and balanced curriculum."

The Board of Trustees continues to set the Academy's aims, objectives and strategies through the Academy Improvement Plan. This is monitored by the Board of Trustees by way of Headteacher and Senior Team Reports and through the work of the sub-committees.

The aims and objectives for the Academy are derived from the school's mission statement which is 'To value all members of the school community and foster the pursuit of quality and excellence in all that we do.'

The key aims detailed in the Academy's improvement plan for the forthcoming year are to:

1. Raise levels of attainment and progress of all students.
2. Reduce the attainment gap between specified groups, including between disadvantaged and other students.
3. Improve the quality of teaching and learning, with particular reference to developing teaching models that are most effective in a linear examination setting.
4. Improve teaching standards at Key Stage 5.
5. Improve the effectiveness of in class support.
6. Improve the consistency and quality of approaches to independent learning outside the classroom.
7. Continue to ensure that the Academy's Safeguarding procedures are effective.
8. Improve the Academy's monitoring systems.
9. Improve the learning, teaching and social environment.
10. Building capacity to improve.
11. Further develop the behaviour and welfare support given to students to maximise progress.
12. Continue developing strategies to keep students safe.
13. Further widen student engagement so all students feel part of the school community.
14. Improve student attendance.
15. Develop ITT provision in partnership with Wolverhampton University.
16. Increase the provision of high quality CPD across the Teaching School Alliance.
17. Increase leadership development to support succession planning.
18. Provide and coordinate targeted support for schools throughout the Alliance.
19. Further explore MAT conversion following DfE sponsorship approval.

WOOD GREEN ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

OBJECTIVES, STRATEGIES AND ACTIVITIES

The key objectives for the achievement of students in the forthcoming academic year, (summer 2016 examination results) are:

1. 80% of KS3 students in each subject are making 2 sub levels of progress per year
2. 70% of students achieve 5+ A*-C at GCSE including maths and English
3. 80% of students make expected progress in English (3 levels KS2 - KS4).
4. 78% of students make expected progress in maths (3 levels KS2 - KS4).
5. 78% of students make expected progress in Science (3 levels KS2 - KS4).
6. 80% + of students in each subject achieve Nov FFT15 (Fischer Family Trust top 15%).
7. 100% of students to achieve A*-E at A2. 85% of entries to be A*-C grades.
8. 95% of students to achieve A-E at AS; 22% of entries to be A-B grades; 61% of entries to be A-C grades.
9. All departments to have clear and effective intervention strategies for vulnerable groups and incorporate literacy and numeracy starters in their schemes of work.

ACTIVITIES FOR ACHIEVING OBJECTIVES

The strategies and activities for achieving these aims are detailed in the Academy's self-evaluation and improvement plans, (whole school and department level).

PUBLIC BENEFIT

In setting objectives and planning the Academy's activities, the Board of Trustees have paid due regard to the published guidance from the Charity Commission regarding the principle of public benefit.

WOOD GREEN ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

STRATEGIC REPORT

ACHIEVEMENTS, PERFORMANCE AND KEY PERFORMANCE INDICATORS

The Academy achieved an Outstanding Ofsted rating in May 2012 in all five key areas of the Ofsted framework: Overall Effectiveness, Achievement of Pupils, Quality of teaching, Behaviour and Safety of Pupils and Leadership and Management. This was the school's third successive overall Outstanding Ofsted judgment, (Outstanding in 2002, 2006 and 2012). This achievement reflects the consistently high level of expectations at the school and the determination and hard work of students, parents, staff and Trustees.

There were 1,476 students on roll, (including 206 in the sixth form), on 31st March 2016. The forecast student roll for September 2016 is 1,502, (including 225 in the sixth form). There were 323 (304) first, 238 (166) second and 122 (123) third choice preferences for year 7 places for September 2016, (September 2015 figures in brackets). There are waiting lists in each year group. The Pupil Admission Number into year 7 is 256.

The Academy is committed to continual improvement achieved through, for example: improvement planning, review meetings, continual professional development, lesson observations, performance management, learning walks, self-evaluation, data analysis and action planning.

Tables 1 - 4 provide a summary of the Academy's academic and attendance performance for the three years to 2015:

Table 1. Summary of GCSE Examination Results, (2013-2015)

	Objective (%)			Actual (%)		
	2013	2014	2015	2013	2014	2015
5A*-C Inc. English and maths	70	70	70	69	58	52
3 levels of progress in GCSE English	80	80	80	82	81	64
3 levels of progress in GCSE Maths	78	78	78	77	66	69

Table 2. Summary of A Level Examination Results, (2013-2015)

	Objective (%)			Actual (%)		
	2013	2014	2015	2013	2014	2015
A2 pass rate, (A-E)	100	100	100	99	99	99
A2 A*-B	50	50	50	45	36	47
A2 A*-C	80	80	85	75	70	78

WOOD GREEN ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

Table 3. Expected Progress - Disadvantaged Students, (2013-2015)

	Objective (%)			Actual (%)		
	2013	2014	2015	2013	2014	2015
English gap	n/a	n/a	n/a	-12	-9	-13
Maths gap	n/a	n/a	n/a	-16	-17	-18

Table 4. Summary of Attendance and Persistence Absence, (2013-2015)

	Objective (%)			Actual (%)		
	2013	2014	2015	2013	2014	2015
Attendance	95	95	96	94.3	95	95.5
Persistent absence	6	5	n/a	6.8	6.9	6

GOING CONCERN

The Academy's academic success, the demand for places, its financial position and plans, provide reasonable assurance that the Academy has and will continue to have adequate resources for it to be a sustainable going concern in 2016/17 and for the foreseeable future. For this reason the Academy continues to adopt the Going Concern principle in preparing its financial statements. Further details regarding the adoption of the Going Concern basis can be found in the statement of accounting policies.

FINANCIAL REVIEW

The Academy received income into its Unrestricted Fund, Restricted General Funds and Fixed Asset Funds during the year.

Restricted General Fund

The majority of the Academy's income was received from the Education Funding Agency's, (EFA), recurrent revenue grants into the Restricted General Fund, the use of which is restricted to the Academy's charitable activities, (its educational operations). These revenue grants, and the associated revenue expenditure made against them, are detailed in the Statement of Financial Activities, (SOFA). General restricted fund income for the year was £8,864,314; expenditure against the fund was £9,458,022, giving an in year restricted revenue fund deficit of £593,708 before transfers to/from the restricted fixed fund offsetting capital expenditure; a deficit of £27,766 after transfers.

Unrestricted Funds

Income received into the unrestricted fund was £362,519. Expenditure against the fund was £264,602 for the year, giving an unrestricted fund in year surplus of £97,917 before investment losses of £22,928. Expenditure against the fund is set out in the notes to the accounts.

WOOD GREEN ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

Restricted Fixed Asset Fund

The restricted fixed asset fund balance is reduced by an annual depreciation charge over the expected useful life of the assets concerned in line with the Academy's depreciation policy.

Income received into the fund was £734,332 in devolved formula capital funding and condition improvement funding.

The SOFA details a £299,866 restricted fixed asset fund deficit for the year after transfers between funds. This is detailed in note 17 to the accounts.

Summary of Financial Performance

The total funds balance as at 31st March 2016 was £21,723,833 which comprises £355,739, £2,216,560 and £20,429,534 in unrestricted, restricted general and restricted fixed asset funds respectively as well as a £1,278,000 pension reserve deficit.

Balance Sheet

The Academy's assets were predominantly used for providing education to school students. Some assets were used by the local community, as part of the school's sports focus and strategic aims to promote health, pathways into the community and work, and community cohesion.

The net book value of the Academy's tangible fixed assets was £20,429,534 as at 31st March 2016. The movement in this account is detailed in note 12.

Cash in hand at 31st March 2016 was £2,471,165 including £2,400,000 on deposit in short term, fixed interest bank accounts.

The Reserves and Investment Policies are detailed below.

RESERVES POLICY

The Board of Trustees reviews the Academy's Reserve Policy annually. The Board of Trustees has determined that the appropriate level of free reserves should be at least £550,000, a sum equivalent to one month's payroll.

The reason for this reserve is to provide sufficient working capital and a cushion to deal with unexpected emergencies. Repairs, maintenance and development projects may be factored into future reviews of the reserves policy.

The Academy's free reserves as at 31st March 2016 were £2,572,299, including unrestricted reserves of £355,739 and restricted general reserves of £2,216,560. All reserves can be used towards the general purposes of the Academy. We are aware of the excess in reserves over the £550,000 policy and that is why the monies have been placed into short term fixed interest deposit accounts. These reserves provide additional comfort that unexpected costs can be met without an impact on the Academy meeting its charitable objectives.

INVESTMENT POLICY

The Board revised its Investment Policy during the year. The Academy's investment risk appetite is low. Prosser Knowles Associates Ltd are the Academy's Independent Financial Advisor; Quilter Cheviot are the Academy's Fund Manager. The Academy has identified and directed free funds available for medium term investment into a fixed interest diversified corporate bond portfolio. Other free funds have been held in short term fixed interest deposit accounts with Lloyds bank.

WOOD GREEN ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

Investment performance is monitored by the Board of Trustees.

The Academy does not have any endowment funds.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the Academy is exposed, in particular those related to operations and finances of the Academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks identified include governance, statutory compliance, insurance, attainment, attendance, behaviour, health and safety, organisation, operations, safeguarding, reputation, HR and finance. The latter finance risks considered include: economic / financial uncertainty, liquidity and solvency, credit risk, the risk of fraud and compliance with financial / statutory requirements. A risk rating mechanism is in place with greater emphasis directed towards those identified higher risk areas.

The Trustees consider the local pension scheme deficit and the additional cash outflow as a key risk. The Academy's pension fund deficit was £1,278,000, (£1,424,000 as at 31/3/2015). As requested by West Midlands Pension Fund, an additional payment of £38,100 was paid during 2015/16; a further payment of £38,100 will be made in 2016/17.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The objective of the Academy's Risk Management procedure is to identify the principal risks facing the Academy so that existing controls may be considered and further action taken if required, including external insurance. The Board of Trustees has a comprehensive risk management process to identify and monitor the risks faced by the Academy.

The Board of Trustees has implemented a number of control measures to reduce the likelihood and potential impact of these risks especially in operational areas in relation to teaching, health and safety, (including school trips and the school's minibus), behaviour management, and in relation to the control of finances. The Board revised the Pupil Admission Number (increase of 6 students / year) in 2012, for example, and may do so again in 2017. It has introduced policies and systems for the recruitment, selection and vetting of new staff, continual professional development, child protection and supervision arrangements and internal financial policies and controls. Adequate insurance has been arranged where significant financial risk remains. The Academy has an effective system of internal financial control, explained in the Governance Statement.

WOOD GREEN ACADEMY
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016

FUTURE DEVELOPMENTS

The Academy strives to continually improve levels of attainment for all students, equipping them with the qualifications, skills and character to follow their chosen pathway into further and higher education and / or employment.

The quality of teaching and learning, the curriculum and the impact of interventions are consistently reviewed to help every child achieve their full potential.

The Academy believes that developing the whole child is critical to improving levels of attainment and in developing broader skills and character that will strengthen students' commitment to lifelong learning and their active engagement in the community that will enrich their quality of life. The Academy supports this belief through, not least, its strong ethos, broad curriculum, exceptional behaviour and attendance management support and an extensive range of extra-curricular activities.

The Academy believes that the attainment and development of students at Wood Green Academy, and at other schools, will be enhanced by the formation of a Multi Academy Trust, with the Academy providing sponsorship and partnership support as appropriate. The formation and growth of a Multi Academy Trust is a key strategic option that will be further explored in 2016/17.

FUNDS HELD AS CUSTODIAN

Wood Green Academy Trust acts as an agent in distributing bursary funds and grants from the EFA and other government bodies. Payments received and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. In some instances the trust can use a percentage of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 26.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee have taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditor in connection with preparing its report and to establish that the charitable company's auditor is aware of that information.

AUDITOR

The auditors, Crowe Clark Whitehill are willing to continue in office for 2016/17 and a resolution to appoint them will be proposed at the Annual General Meeting. (AGM).

This report, incorporating the strategic report, was approved by order of the Board of Trustees on 19 July 2016 and signed on its behalf by:

J Walker

Mrs J. Walker
Chair of Trustees

WOOD GREEN ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Board of Trustees has formally met 8 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
Mrs J. Walker , Chair	8	8
Mr P. Francis, Vice Chair	7	8
Mrs D. Bannister MBE	7	8
Mr G. Berdesha	6	8
Mr J. Blackband	5	8
Mrs N. Brant	3	8
Mr K. Byrne	7	8
Mr D. Fellows	5	8
Mrs J. Hawkins	0	1
Mr I. Kirk	7	8
Mr M. Langley	1	3
Mr G. Metcalfe	3	7
Mr D. Patidar	6	8
Mrs C. Hurst	3	8
Mrs T Simpson	1	2
Mr J. Topham	8	8
Mrs H. Nightingale	3	4
Mr A. Mohammed	2	2
Ms K Dawkins	0	1
Mrs S. Tranter	0	0

GOVERNANCE REVIEW

An external review of governance took place during the year with the final report being presented in April 2016. A number of activities were undertaken in the completion of this review, including: a full review of board minutes, external benchmarking and the last Ofsted inspection. In addition a meeting with the chair of Trustees and interviews with a range of Trustees was undertaken.

The outcome from the review was very positive and many of the recommendations were to continue the work already being carried out. An action plan is in place to support the future needs of the school and the Multi Academy Trust. A follow up on this review will be carried out in two terms time from the date of the initial review.

WOOD GREEN ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The Finance, Premises and Safety Committee is a sub-committee of the main governing body. Its purpose is to ensure the financial affairs of the school are conducted in an efficient and effective manner in line with the Funding Agreement, the Academies Financial Handbook and the Academy's financial policies and procedures. Attendance at meetings in the year was as follows:

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Patidar, Chair	3	3
Mr P. Francis	2	3
Mr G. Berdesha	2	3
Mr J. Topham	3	3
Mr J Blackband	2	2
Mrs J. Walker	3	3
Mr M. Langley	0	2

REVIEW OF VALUE FOR MONEY

As Accounting Officer the head teacher has responsibility for ensuring that the Academy delivers good value for the use of public resources. The Accounting Officer understands that value for money refers to the education 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 has delivered improved value for money during the year by:

- Pre contract design and tendering for the refurbishment of 6 science laboratories and benchmarking the contract sum against a similar project carried out locally
- Pre contract design and tendering for the Condition Improvement Fund grant application to replace a number of windows and roof sections at the Academy
- A budget process which includes comparison against historic key performance indicators
- Consistently robust oversight of financial policies and procedures including spending limits.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Wood Green Academy for the year 1 April 2015 to 31 March 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 April 2015 to 31 March 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

WOOD GREEN ACADEMY
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance Sub-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 Mr. C. Marsh ACA, a qualified accountant, as Responsible Officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a termly basis, the RO reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

In particular the checks carried out in the current period included the review of the purchase authorisation system, fixed asset additions and disposals and budgeting procedures. In addition the payroll system, bank reconciliation's and ledger controls were reviewed.

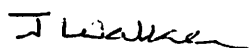
REVIEW OF EFFECTIVENESS

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance Sub-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 19 July 2016 and signed on their behalf, by:



Mrs J. Walker
Chair of Trustees



Mr J. Topham
Accounting Officer

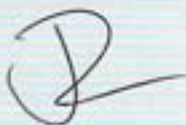
WOOD GREEN ACADEMY
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Wood Green Academy I have considered my responsibility to notify the Academy Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbooks (2014 and 2015).

I confirm that I and the Academy Board of Trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2015).

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



Mr J. Topham
Accounting Officer

Date: 19 July 2016

WOOD GREEN ACADEMY
(A company limited by guarantee)

TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016

The Trustees (who act as governors of Wood Green Academy 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 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:

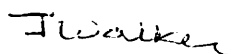
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 the EFA/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 and signed on its behalf by:



Mrs J. Walker
Chair of Trustees

Date: 19 July 2016

WOOD GREEN ACADEMY
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WOOD GREEN ACADEMY

We have audited the financial statements of Wood Green Academy for the year ended 31 March 2016 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

WOOD GREEN ACADEMY
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WOOD GREEN ACADEMY

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or 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.


Helen Drew (Senior statutory auditor)

for and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 26 September 2016

WOOD GREEN ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO WOOD GREEN
ACADEMY AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 12 May 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wood Green Academy during the year 1 April 2015 to 31 March 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF WOOD GREEN ACADEMY'S ACCOUNTING OFFICER AND THE
REPORTING AUDITOR**

The accounting officer is responsible, under the requirements of Wood Green Academy's funding agreement with the Secretary of State for Education dated 23 March 2011, and the Academies Financial Handbooks 2014 and 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 April 2015 to 31 March 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes a review of the design and implementation of the Charitable Company's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the charitable company and specific transactions identified from our review.

WOOD GREEN ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO WOOD GREEN
ACADEMY AND THE EDUCATION 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 April 2015 to 31 March 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Helen Drew
Helen Drew (Senior statutory auditor)

for and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date:

26 September 2016

WOOD GREEN ACADEMY
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Restricted pension funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
INCOME AND ENDOWMENTS FROM:							
Donations and capital grants	2	28,453	400	734,332	-	763,185	44,482
Charitable activities	3	198,998	8,861,014	-	-	9,060,012	9,065,925
Trading activities	4	72,520	2,900	-	-	75,420	76,643
Investments	5	62,548	-	-	-	62,548	49,753
TOTAL INCOME		362,519	8,864,314	734,332	-	9,961,165	9,236,803
EXPENDITURE ON:							
Raising funds		69,095	-	-	-	69,095	23,230
Charitable activities		195,507	9,458,022	468,456	107,000	10,228,985	9,029,970
TOTAL EXPENDITURE	6	264,602	9,458,022	468,456	107,000	10,298,080	9,053,200
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT LOSSES							
		97,917	(593,708)	265,876	(107,000)	(336,915)	183,603
Net losses on investments	13	(22,928)	-	-	-	(22,928)	(19,508)
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS, CARRIED FORWARD							
		74,989	(593,708)	265,876	(107,000)	(359,843)	164,095

WOOD GREEN ACADEMY
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 MARCH 2016

		Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Restricted pension funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
	Note						
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS, BROUGHT FORWARD		74,989	(593,708)	265,876	(107,000)	(359,843)	164,095
Transfers between Funds	17	-	565,742	(565,742)	-	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES		74,989	(27,966)	(299,866)	(107,000)	(359,843)	164,095
Actuarial gains/(losses) on defined benefit pension schemes	24	-	-	-	253,000	253,000	(467,000)
NET MOVEMENT IN FUNDS		74,989	(27,966)	(299,866)	146,000	(106,843)	(302,905)
RECONCILIATION OF FUNDS:							
Total funds at 1 April 2015		280,750	2,244,526	20,729,400	(1,424,000)	21,830,676	22,133,581
TOTAL FUNDS AT 31 MARCH 2016		355,739	2,216,560	20,429,534	(1,278,000)	21,723,833	21,830,676

All activities relate to continuing operations.

The notes on pages 25 to 48 form part of these financial statements.

WOOD GREEN ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 07538389

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	12		20,429,534		20,729,400
Investments	13		519,445		509,790
			<u>20,948,979</u>		<u>21,239,190</u>
CURRENT ASSETS					
Debtors	14	294,560		155,607	
Cash at bank and in hand	20	2,471,165		2,542,638	
		<u>2,765,725</u>		<u>2,698,245</u>	
CREDITORS: amounts falling due within one year	15	(510,767)		(451,783)	
NET CURRENT ASSETS			<u>2,254,958</u>		<u>2,246,462</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>23,203,937</u>		<u>23,485,652</u>
CREDITORS: amounts falling due after more than one year	16		(202,104)		(230,976)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>23,001,833</u>		<u>23,254,676</u>
Defined benefit pension scheme liability	24		(1,278,000)		(1,424,000)
TOTAL NET ASSETS			<u><u>21,723,833</u></u>		<u><u>21,830,676</u></u>
FUNDS OF THE ACADEMY					
Restricted pension funds	17		(1,278,000)		(1,424,000)
Restricted funds:					
Restricted funds	17	2,216,560		2,244,526	
Restricted fixed asset funds	17	20,429,534		20,729,400	
			<u>22,646,094</u>		<u>22,973,926</u>
Total restricted funds					
Unrestricted funds	17		355,739		280,750
TOTAL FUNDS			<u><u>21,723,833</u></u>		<u><u>21,830,676</u></u>

The financial statements were approved by the trustees, and authorised for issue, on 19 July 2016 and are signed on their behalf, by:

J Walker
Mrs J. Walker
Chair of Trustees

The notes on pages 25 to 48 form part of these financial statements.

WOOD GREEN ACADEMY
(A company limited by guarantee)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	19	<u>65,061</u>	<u>684,636</u>
Cash flows from investing activities:			
Interest received		62,548	49,753
Capital grants from EFA		30,962	29,178
Purchase of tangible assets		(168,590)	(316,678)
Proceeds from sale of investments		59,458	436,524
Purchase of investments		(92,040)	(463,651)
Net cash used in investing activities		<u>(107,662)</u>	<u>(264,874)</u>
Cash flows from financing activities:			
Repayments of borrowings		(28,872)	(28,872)
Net cash used in financing activities		<u>(28,872)</u>	<u>(28,872)</u>
Change in cash and cash equivalents in the year	20	(71,473)	390,890
Cash and cash equivalents brought forward		<u>2,542,638</u>	<u>2,151,748</u>
Cash and cash equivalents carried forward	20	<u><u>2,471,165</u></u>	<u><u>2,542,638</u></u>

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES

1.1 Statement of accounting policies

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

1.2 Basis of preparation of financial statements

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

Wood Green Academy Trust meets the definition of a public benefit entity under FRS 102.

1.3 Going concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval 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, this they continue to adopt the going concern basis of accounting in preparing the financial statements.

WOOD GREEN ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 Income

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

Grants are included in the Statement of financial activities 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 the Statement of Financial Activities 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 their is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations are recognised on a receivable basis (where there is no performance-related conditions) where the 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 academy trust has provided the goods or services.

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

Charitable activity expenditure relate to costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,500 are capitalised as tangible fixed assets and are carried at cost, not 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 and carried forward in the Balance sheet. Depreciation on the relevant assets is charged to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each assets on a straight line basis over its expected useful live as follows:

Freehold property	- 50 years
Plant & machinery	- 10 years
Fixtures & fittings	- 10 years
Computer equipment	- 5 years

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

1.7 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. This treatment is in accordance paragraph 11.14(d) of FRS 102.

1.8 Interest receivable

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

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered.

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.

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES (continued)

1.11 Liabilities and Provisions

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

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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 Leased Assets

Rentals under operating leases are charged on a straight line basis over the lease term.

1.13 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 part 11, chapter 3 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.

1.14 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 25, 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.

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. ACCOUNTING POLICIES (continued)

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

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

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

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

1.16 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 March 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Other Donation	28,453	400	-	28,853	15,304
Capital grants	-	-	734,332	734,332	29,178
	<u>28,453</u>	<u>400</u>	<u>734,332</u>	<u>763,185</u>	<u>44,482</u>

The income from donations and capital grants was £763,185 (2015: £44,482) of which £28,453 was unrestricted (2015: £12,459), £400 restricted (2015: £2,845) and £734,332 restricted fixed assets (2015: £29,178).

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
Funding for the Academy's educational operations	-	8,861,014	8,861,014	8,944,640
School Fund activities	119,458	-	119,458	62,441
Catering income	79,540	-	79,540	58,844
	<u>198,998</u>	<u>8,861,014</u>	<u>9,060,012</u>	<u>9,065,925</u>

The income from charitable activities was £9,060,012 (2015: £9,065,925) of which £198,998 was unrestricted (2015: £121,285) and £8,861,014 restricted (2015: £8,944,640).

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	7,990,484	7,990,484	8,036,125
Other EFA grants	-	645,579	645,579	662,085
	<u>-</u>	<u>8,636,063</u>	<u>8,636,063</u>	<u>8,698,210</u>
Other government grants				
Local Authority grants	-	22,554	22,554	9,821
Special educational projects	-	136,397	136,397	138,439
	<u>-</u>	<u>158,951</u>	<u>158,951</u>	<u>148,260</u>
Other funding				
Teaching school income	-	66,000	66,000	60,000
Other funding	-	-	-	38,170
	<u>-</u>	<u>66,000</u>	<u>66,000</u>	<u>98,170</u>
	<u>-</u>	<u>8,861,014</u>	<u>8,861,014</u>	<u>8,944,640</u>

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Hire of Facilities	33,320	-	33,320	33,771
Other Income	39,200	2,900	42,100	42,872
	<u>72,520</u>	<u>2,900</u>	<u>75,420</u>	<u>76,643</u>

The income from other trading activities was £75,420 (2015: £76,643) of which £72,520 was unrestricted (2015: £76,643) and £2,900 restricted (2015: £Nil).

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

5. INVESTMENT

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Income on listed investments	38,041	38,041	30,503
Interest on cash balances	24,507	24,507	19,250
	<u>62,548</u>	<u>62,548</u>	<u>49,753</u>

All the income from investing activities £62,548 (2015: £49,753) was unrestricted.

6. EXPENDITURE

	Staff costs 2016 £	Depreciation 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Costs of generating funds	59,190	-	9,905	69,095	23,230
Costs of generating funds	<u>59,190</u>	<u>-</u>	<u>9,905</u>	<u>69,095</u>	<u>23,230</u>
School Fund activities - direct	-	-	115,967	115,967	59,158
Academy's educational operations - direct	6,180,864	170,584	643,574	6,995,022	6,892,899
Academy's educational operations - support	832,975	297,872	1,907,609	3,038,456	2,019,069
Catering activities - support	-	-	79,540	79,540	58,844
Charitable activities	<u>7,013,839</u>	<u>468,456</u>	<u>2,746,690</u>	<u>10,228,985</u>	<u>9,029,970</u>
	<u>7,073,029</u>	<u>468,456</u>	<u>2,756,595</u>	<u>10,298,080</u>	<u>9,053,200</u>

The total expenditure was £10,298,080 (2015: £9,053,200) of which £264,602 (2015: £235,674) was unrestricted, £468,456 (2015: £418,820) was against restricted fixed assets, £107,000 (2015: £88,000) was against restricted pension and £9,458,022 (2015: £8,310,706) was restricted.

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

7. SUPPORT COSTS

	Catering activities £	Educational operations £	Total 2016 £	Total 2015 £
Premises costs	-	1,495,908	1,495,908	440,067
Other support costs	79,540	394,841	474,381	453,388
Governance costs	-	16,860	16,860	19,565
Support staff costs	-	643,167	643,167	695,502
National insurance	-	35,319	35,319	37,501
Pension cost	-	154,489	154,489	134,018
Depreciation	-	297,872	297,872	297,872
	<u>79,540</u>	<u>3,038,456</u>	<u>3,117,996</u>	<u>2,077,913</u>

The support costs expenditure was £3,117,966 (2015: £2,077,913) of which £79,540 was unrestricted (2015: £58,844) and £3,038,456 restricted (2015: £2,019,069).

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	468,456	418,820
Auditor's remuneration	11,300	11,000
Auditor's remuneration - non-audit	4,880	8,565
Operating lease rentals	<u>6,354</u>	<u>6,354</u>

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

9. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	5,649,601	5,665,374
Social security costs	437,387	437,491
Other pension costs (Note 24)	884,884	770,637
	<u>6,971,872</u>	<u>6,873,502</u>
Supply teacher costs	101,157	92,061
	<u>7,073,029</u>	<u>6,965,563</u>

During the current and previous year the Academy entered into no compromise agreements with staff members.

The average number of persons employed by the academy during the period was as follows:

	2016 No.	2015 No.
Teachers	101	95
Administration and support	90	97
Senior managers	12	12
	<u>203</u>	<u>204</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	3	4
In the band £70,001 - £80,000	3	2
In the band £80,001 - £90,000	1	1
	<u>7</u>	<u>7</u>

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 March 2016, pension contributions for these staff amounted to £78,877 (2015: £65,894).

The key management personnel of the academy trust comprise the Trustees and the core senior management team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £513,091 (2015: £545,073).

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

10. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. 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:

Mr P. Patel	- Remuneration	-	40,000-45,000
Mr P. Patel	- Employers pension contributions	-	5,000-10,000
Mr G. Berdesha	- Remuneration	20,000-25,000	40,000-45,000
Mr G. Berdesha	- Employers pension contributions	0-5,000	5,000-10,000
Mrs A. Birch	- Remuneration	-	40,000-45,000
Mrs A. Birch	- Employers pension contributions	-	5,000-10,000
Mrs N. Brant	- Remuneration	5,000-10,000	10,000-15,000
Mrs N. Brant	- Employers pension contributions	0-5,000	0-5,000
Mr J. Blackband	- Remuneration	5,000-10,000	5,000-10,000
Mr J. Blackband	- Employers pension contributions	0-5,000	0-5,000
Mrs C. Hurst	- Remuneration	-	0-5,000
Mrs C. Hurst	- Employers pension contributions	-	0-5,000
Mr J. Topham	- Remuneration	90,000-95,000	85,000-90,000
Mr J. Topham	- Employers pension contributions	10,000-15,000	10,000-15,000
Mr K. J. Byrne	- Remuneration	35,000-40,000	30,000-35,000
Mr K. J. Byrne	- Employers pension contributions	0-5,000	0-5,000

During the year £123 of expenses were reimbursed to Trustees (2015: £906).

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 March 2016 was £5,000,000 (2015 - £1,838).

The cost of this insurance is included in the total insurance cost.

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

12. TANGIBLE FIXED ASSETS

	Freehold property £	Plant & machinery £	Fixtures & fittings £	Computer equipment £	Total £
Cost					
At 1 April 2015	21,403,897	13,495	80,620	704,736	22,202,748
Additions	-	-	10,715	157,875	168,590
At 31 March 2016	<u>21,403,897</u>	<u>13,495</u>	<u>91,335</u>	<u>862,611</u>	<u>22,371,338</u>
Depreciation					
At 1 April 2015	1,191,487	4,724	36,838	240,299	1,473,348
Charge for the year	297,871	1,349	11,001	158,235	468,456
At 31 March 2016	<u>1,489,358</u>	<u>6,073</u>	<u>47,839</u>	<u>398,534</u>	<u>1,941,804</u>
Net book value					
At 31 March 2016	<u>19,914,539</u>	<u>7,422</u>	<u>43,496</u>	<u>464,077</u>	<u>20,429,534</u>
At 31 March 2015	<u>20,212,410</u>	<u>8,771</u>	<u>43,782</u>	<u>464,437</u>	<u>20,729,400</u>

Included in land and buildings is freehold land at valuation of £6,510,308 (2015 - £6,510,308) which is not depreciated.

All fixed assets are used for charitable purposes.

13. FIXED ASSET INVESTMENTS

	Listed securities £	Cash held at broker £	Total £
Market value			
At 1 April 2015	502,849	6,941	509,790
Additions	-	92,040	92,040
Disposals	(54,000)	(5,458)	(59,458)
Net losses in market value	(22,927)	-	(22,927)
At 31 March 2016	<u>425,922</u>	<u>93,523</u>	<u>519,445</u>

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

13. FIXED ASSET INVESTMENTS (continued)

Investments at market value comprise:

	2016 £	2015 £
Corporate Bonds	425,922	502,849
Cash held at broker	93,523	6,941
Total market value	<u>519,445</u>	<u>509,790</u>

All the fixed asset investments are held in the UK

Material investments

	31 March 2016 £	31 March 2015 £
BNP Paribas 2.375%	51,846	52,089
Next 5.875%	52,527	54,937
Places For People 5%	31,359	32,447
Close Bros Group 6.5%	52,396	54,812
British Telecommunications 6.625%	55,681	58,273
Vodafone Group 5.375%	53,902	55,984
Orange 8%	31,717	33,541
Provident Financial 7.5%	51,373	52,498
British Telecommunications 8.5%	45,121	48,142
Heathrow Funding 12.45%	-	60,126
	<u>425,922</u>	<u>502,849</u>

14. DEBTORS

	2016 £	2015 £
Trade debtors	4,489	5,564
Other debtors	187,476	62,993
Prepayments and accrued income	102,595	87,050
	<u>294,560</u>	<u>155,607</u>

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

15. CREDITORS:
Amounts falling due within one year

	2016 £	2015 £
Other loans	28,872	28,872
Trade creditors	161,915	136,387
Other taxation and social security	126,017	128,365
Other creditors	108,583	93,371
Accruals and deferred income	85,380	64,788
	<u>510,767</u>	<u>451,783</u>

Deferred income

Deferred income at 1 April 2015	9,007
Resources deferred during the year	20,379
Amounts released from previous years	(9,007)
	<u>20,379</u>
Deferred income at 31 March 2016	<u>20,379</u>

Deferred income consists of £8,000 of monies received in advance from NCTL, with the balance relating to school fund income received in advance.

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

	2016 £	2015 £
Other loans	<u>202,104</u>	<u>230,976</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2016 £	2015 £
Repayable by instalments	<u>86,616</u>	<u>115,488</u>

The loan relates to the Academy's share on conversion of a Local Authority loan for school improvement. There are 8 years remaining on the loan and it is not subject to any security or interest.

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

17. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Unrestricted funds	280,750	362,519	(264,602)	-	(22,928)	355,739
Restricted pension reserve fund						
Restricted pension fund	(1,424,000)	-	(107,000)	-	253,000	(1,278,000)
Restricted funds						
General Annual Grant (GAG)	2,244,526	7,990,484	(8,584,192)	565,742	-	2,216,560
SEN funding	-	136,397	(136,397)	-	-	-
Pupil premium grant	-	544,311	(544,311)	-	-	-
Other EFA grants	-	101,268	(101,268)	-	-	-
Other restricted funds	-	91,854	(91,854)	-	-	-
	<u>2,244,526</u>	<u>8,864,314</u>	<u>(9,458,022)</u>	<u>565,742</u>	<u>-</u>	<u>2,216,560</u>
Restricted fixed asset funds						
Restricted fixed assets	20,729,400	-	(468,456)	168,590	-	20,429,534
Devolved capital funding	-	30,962	-	(30,962)	-	-
Other EFA capital grants	-	703,370	-	(703,370)	-	-
	<u>20,729,400</u>	<u>734,332</u>	<u>(468,456)</u>	<u>(565,742)</u>	<u>-</u>	<u>20,429,534</u>
Total restricted funds	<u>22,973,926</u>	<u>9,598,646</u>	<u>(9,926,478)</u>	<u>-</u>	<u>-</u>	<u>22,646,094</u>
Total of funds	<u>21,830,676</u>	<u>9,961,165</u>	<u>(10,298,080)</u>	<u>-</u>	<u>230,072</u>	<u>21,723,833</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

17. STATEMENT OF FUNDS (continued)

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

Unrestricted funds

Unrestricted funds represent those funds that can be spent at the discretion of the Trustees and carry no restriction on their application.

Restricted pension funds

This fund represents the deficit associated with the Local Government Pension Scheme and the associated movement thereon.

General restricted funds

The restricted general fund is subject to specific expenditure within the academy's declared objectives. DfE grants relate to government funding for the provision of education by the academy. Funding is repayable if the academy does not meet all funding requirements.

Restricted fixed asset funds

Restricted fixed asset funds represent unamortised grants that are provided by the government for specific capital projects. Capital donations represent the value of donated assets recognised in the financial statements at their estimated value to the academy in the year in which they are receivable and where the benefit is both quantifiable and measurable.

Transfers

A Transfer of £703,320 was made from restricted fixed asset fund to restricted fund to match the expenditure incurred during the window replacements, as these costs have been expensed. A transfer of £137,578 has been made from restricted funds to restricted fixed assets for capital assets purchased out of GAG during the year.

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

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Restricted pension funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	20,429,534	-	20,429,534	20,729,400
Fixed asset investments	-	519,445	-	-	519,445	509,790
Current assets	355,739	2,409,986	-	-	2,765,725	2,698,245
Creditors due within one year	-	(510,767)	-	-	(510,767)	(451,783)
Creditors due in more than one year	-	(202,104)	-	-	(202,104)	(230,976)
Provisions for liabilities and charges	-	-	-	(1,278,000)	(1,278,000)	(1,424,000)
	<u>355,739</u>	<u>2,216,560</u>	<u>20,429,534</u>	<u>(1,278,000)</u>	<u>21,723,833</u>	<u>21,830,676</u>

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

	2016 £	2015 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(359,843)	164,095
Adjustment for:		
Depreciation charges	468,456	418,820
Losses on investments	22,928	19,508
Interest receivable	(62,548)	(49,753)
Capital grants from DfE	(30,962)	(29,178)
FRS 17 Pension movement	107,000	88,000
Increase in debtors	(138,954)	5,168
Increase in creditors	58,984	67,976
Net cash provided by operating activities	<u>65,061</u>	<u>684,636</u>

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	<u>2,471,165</u>	<u>2,542,638</u>
Total	<u>2,471,165</u>	<u>2,542,638</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

21. 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.

22. RELATED PARTY TRANSACTIONS

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

Three employees of the academy, Mrs V Birch (a cleaner), Mrs T Brant (a learning support assistant) and Mrs E Wilkes (a learning support assistant) are closely connected with certain trustees of the academy. These employees receive a normal commercial salary commensurate of the position held by the individual and the employees were recruited in line with the academy's recruitment policy.

23. CAPITAL COMMITMENTS

At 31 March 2016 the academy had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	-	47,725

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

24. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Barnett Waddingham. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £103,543 were payable to the scheme at 31 March 2016 (2015 - 92,858) 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' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

WOOD GREEN ACADEMY
(A company limited by guarantee)

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

24. PENSION COMMITMENTS (continued)

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

The employer's pension costs paid to TPS in the period amounted to £621,179 (2015: £594,735).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is 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 pension scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 March 2016 was £138,742, of which employer's contributions totalled £88,838 and employees' contributions totalled £49,904. The agreed contribution rates for future years are 10.80% for employers and between 5.5% and 7.5% for employees. Additional contributions for 2016/17 will total £38,100.

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.

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

24. PENSION COMMITMENTS (continued)

The Academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 March 2016 £	Fair value at 31 March 2015 £
Equities	742,000	629,000
Government bonds	96,000	84,000
Other bonds	57,000	113,000
Property	101,000	93,000
Cash/liquidity	56,000	44,000
Other	174,000	102,000
Total market value of assets	1,226,000	1,065,000
Present value of scheme liabilities	(2,504,000)	(2,489,000)
Deficit in the scheme	(1,278,000)	(1,424,000)

None of the fair values of the assets shown above include any of the Academy's own financial instruments or any property occupied by, or other assets used by, the Academy.

The expected return on assets is based on the long term future expected investment return for each asset class as at the beginning of the period. The return on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date. The return on equities and property is then assumed to be a margin above gilt yields.

The expected rate of return on assets is the average rate of return expected over the remaining life of the related obligation on the actual assets held by the Fund. It includes both income and changes in fair value but is net of scheme expenses. It is based on market expectations at the beginning of the reporting period. This assumption is used to determine the expected return on assets for the pension expense.

Changes to the Fund's strategic asset allocation would change the overall expected return even if the individual expected asset class returns were unchanged.

The amounts recognised in the Balance sheet are as follows:

	2016 £	2015 £
Present value of funded obligations	(2,504,000)	(2,489,000)
Fair value of scheme assets	1,226,000	1,065,000
Net liability	(1,278,000)	(1,424,000)

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

24. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2016 £	2015 £
Current service cost	(186,000)	(134,000)
Actual return on scheme assets	80,000	131,000

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

	2016 £	2015 £
Opening defined benefit obligation	2,489,000	1,674,000
Current service cost	186,000	134,000
Contributions by scheme participants	50,000	49,000
Actuarial (Gains)/losses	(297,000)	560,000
Interest cost	85,000	81,000
Benefits paid	(9,000)	(9,000)
Closing defined benefit obligation	2,504,000	2,489,000

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

	2016 £	2015 £
Opening fair value of scheme assets	1,065,000	805,000
Actuarial gains and (losses)	(44,000)	93,000
Interest on assets	39,000	41,000
Contributions by employer	125,000	88,000
Contributions by employees	50,000	49,000
Benefits paid	(9,000)	(9,000)
Administration expenses	-	(2,000)
	1,226,000	1,065,000

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities was £261,000 loss (2015 - £514,000 loss).

The Academy expects to contribute £128,000 to its Defined benefit pension scheme in 2017.

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

24. PENSION COMMITMENTS (continued)

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2016	2015
Equities	60.00 %	59.10 %
Government bonds	8.00 %	7.90 %
Other bonds	5.00 %	10.60 %
Property	8.00 %	8.70 %
Cash/liquidity	5.00 %	4.10 %
Other	14.00 %	9.60 %

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2016	2015
Discount rate for scheme liabilities	3.90 %	3.40 %
Rate of increase in salaries	3.95 %	3.85 %
Rate of increase for pensions in payment / inflation	2.20 %	2.10 %
Inflation assumption (CPI)	2.20 %	2.10 %

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

	2016	2015
Retiring today		
Males	23	23
Females	25.7	25.6
Retiring in 20 years		
Males	25.3	25.2
Females	28	28

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2016 £	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(2,504,000)	(2,489,000)	(1,674,000)	(1,491,000)	(1,180,000)
Scheme assets	1,226,000	1,065,000	805,000	641,000	467,000
Deficit	<u>(1,278,000)</u>	<u>(1,424,000)</u>	<u>(869,000)</u>	<u>(850,000)</u>	<u>(713,000)</u>
Experience adjustments on scheme liabilities	297,000	(560,000)	62,000	(128,000)	-
Experience adjustments on scheme assets	<u>(44,000)</u>	<u>93,000</u>	<u>(12,000)</u>	<u>31,000</u>	<u>(17,000)</u>

WOOD GREEN ACADEMY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

25. OPERATING LEASE COMMITMENTS

At 31 March 2016 the academy trust's total future minimum lease payments under non-cancellable operating leases was:

	Land and buildings 2016 £	2015 £	2016 £	Other 2015 £
Expiry date:				
Within 1 year	-	-	-	6,354
Between 2 and 5 years	-	-	-	12,179
	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,533</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,533</u>

26. AGENCY ARRANGEMENTS

The academy trust distributes bursary funds to students as an agent for the EFA. In the accounting period ending 31 March 2016 the academy received £32,698 and disbursed £27,658 from the fund. The amounts still to be distributed as at 31 March 2016 is £5,040 and is included in creditors.

27. FIRST TIME ADOPTION OF FRS 102

The policies applied under the entity's previous accounting framework, upon which the financial statements for the year ended 31 March 2015 were prepared, are not materially different to FRS 102 and have not impacted on reserves.

The only impact from transition was to the split between the actuarial gains or losses and the additional costs incurred from the scheme. The 31 March 2015 actuarial loss has been reduced by £13,000 to £476,000 with a corresponding increase to pension costs for the same amount. This has no impact on the restricted pension liability fund of £1,424,000.