



Pennine Academies Yorkshire

(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

for the year ended 31 August 2019

Company Registration No. 10975521

Pennine Academies Yorkshire

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Pennine Academies Yorkshire REFERENCE AND ADMINISTRATIVE DETAILS

Members	Imran Khan (from 22 November 2019) Qia Mahfooz (from 22 November 2019) Asia Gordon (from 22 November 2019) Linda Nudd (from 22 November 2019) Greg Rogers (from 22 November 2019) Paul Bilton (until 31 August 2019) Vic Cornwell (until 25 November 2019) Hugh Figgess (until 25 November 2019) Nasreen Karim (until 25 November 2019) Jacqueline Laybourn (until 31 August 2019)
Trustees	Imran Khan (resigned 3 December 2019) (Chair from 13 December 2018 to 3 December 2019) Donna Benn (resigned 13 February 2019) Richard Edwards (resigned 21 June 2019) Nigel Brent Fitzpatrick (Vice Chair) Siobhan Hammond Brenda Hickling (resigned 17 July 2019) Paul Triner Emma Wilson Andrew Bairstow (appointed 15 May 2019) Syra Shakir (appointed 15 May 2019) Neil Donkin (resigned 31 October 2018) (Chair until 31 October 2018) Hugh Figgess (appointed 3 December 2019) Deirdre Bailey (appointed 3 December 2019) Nick Briggs (appointed 3 December 2019) (Chair from 10 December 2019)
CEO and Accounting Officer	Michael Thorp
Finance Director	Lisa Bradley
Executive Team: Co-Headteacher, Farnham Primary School Co-Headteacher, Farnham Primary School Headteacher, Laycock Primary School Headteacher, Hollingwood Primary School Executive Head, Crossley Hall Primary School Head of School, Crossley Hall Primary School	Baljit Bains David Quick Juliet Nove Jonathan Duke Michael Thorp Chris Young
Registered Office	Hollingwood Primary School Hollingwood Lane Bradford BD7 4BE
Company Registration Number	10975521 (England and Wales)
Independent Auditor	Murray Harcourt Limited 6 Queen Street Leeds LS1 2TW
Bankers	Lloyds Bank 45 Hustlergate Bradford BD1 1NT
Solicitors	Stone King LLP 1 Park Row Leeds LS1 5HN

Pennine Academies Yorkshire TRUSTEES' REPORT

The Trustees of Pennine Academies Yorkshire ('PAY', 'the Trust') present their annual report together with the financial statements of the charitable company for the period 1 September 2018 to 31 August 2019. The Trustees' Report also serves the purpose of a Directors' Report under Company Law.

The academy trust operates four primary academies in Bradford and Keighley. There are three founding primary schools that joined the Trust in May 2018, plus another primary school, Crossley Hall Primary School, which joined in December 2018, during the year. Its academies have a combined pupil capacity of 1,705 and had a roll of 1,798 in the school census on January 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust. The Trustees of PAY are also the directors of the charitable company for the purposes of company law. The charitable company operates as Pennine Academies Yorkshire.

Details of the Trustees who served during the period are included in the Reference and Administrative Details.

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

There are no qualifying third party indemnity provisions in respect of the Trustees, other than trustees' and officers' insurance arrangements, which are in place.

Method of recruitment and appointment or election of trustees

Trustees are appointed by the Members of PAY, under the rules contained within its Articles of Association. Potential new trustees are identified by the Board, ensuring that their skills and experience are complementary to those of existing Board members.

The membership of the Board is in accordance with the structure contained within its Articles of Association. Trustees have a breadth of skills and experience which are beneficial to PAY.

Policies and procedures adopted for the induction and training of trustees

All Trustees are provided with copies of procedures, minutes, accounts, budget plans and other documents required to undertake their roles as Trustees. All Trustees are aware of relevant information in the Academies Financial Handbook and updates. The Chair and CEO meet regularly with individual Trustees to discuss their roles and how they can make a positive contribution to the life and work of the Trust during the year. Trustees are invited to attend training sessions on governance organised by the PAY.

Organisational structure

There is a clear management structure to enable PAY to be effective. There are three levels: Members and Trustees; the Executive Team; and the schools themselves. The relationship and decision-making functions are outlined in The Scheme of Delegation, which is regularly reviewed.

The PAY Board meets regularly to discuss strategic matters and significant operational developments. The Academy has one sub-committee, which meet at least once per term to manage and oversee delegated matters. The committee has specific responsibility for Finance, Audit and Risk. Progress and Standards are dealt with at local governing body level.

The Trustees are responsible for setting policy, adopting an annual plan and budget, monitoring key performance indicators, most importantly pupil progress and outcomes and financial information, and making major decisions about the direction of PAY. The CEO has responsibility for the running of the multi-academy trust as an organisation. He works closely with school leaders in the Executive Team, which meets monthly to decide how best to implement school improvement priorities in their schools and review progress. Headteachers, with their local governing bodies, are responsible for the day to day operational running and oversight of individual schools. The Scheme of Delegation allows for higher levels of support and intervention if a school is considered vulnerable.

Pennine Academies Yorkshire TRUSTEES' REPORT (continued)

Arrangements for setting pay and remuneration of key management personnel

PAY has adopted a pay policy, which sets out the benchmarks, parameters and criteria for setting the pay of senior school leaders. This pay policy is based on the Bradford Local Authority agreed Pay Policy, and is kept under annual review. The pay and remuneration of the CEO is set by the Trustees. The performance management of the CEO is guided by external advisers and trustees who provide advice and support on the performance management review.

Related parties and other connected charities and organisations

Related party transactions are set out in note 22 to the financial statements.

OBJECTIVES AND ACTIVITIES

Objects and aims

The objects of PAY set out in its Articles of Association are specifically restricted to the following: 'to advance for the public benefit education in the United Kingdom..... by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum'.

Objectives, strategies and activities

Our vision <ul style="list-style-type: none">• PAY will be effective in helping our member academies ensure that every child makes exceptional progress in both their personal and academic development.• Our MAT exists to serve its academies in helping them continue their improvement and move ever closer to achieving their visions.	Our values: <ul style="list-style-type: none">• Collaboration with high levels of challenge and support• Transparency and honesty• Inclusivity and valuing all equally• Treating all with respect so that we ensure the dignity of each individual• Listening to all views and taking them into account in making decisions• The individual character and identity of our member academies <p>PAY is committed to:</p> <ul style="list-style-type: none">• ensuring that we operate in the best interests of the children in our academies• sharing the best practice and expertise of each academy• providing opportunities for children to experience the diverse communities of our academies• providing the challenge of high quality assurance of the provision in each academy• providing opportunities for staff to develop professionally through sharing their experience• providing staff with wider career development opportunities in our MAT than is possible in individual academies• holding staff to account through high quality performance management within a clear staffing structure• supporting each academy when they have specific needs• operating agreed central functions in the most cost effective way so that the MAT distributes as many resources to its academies as possible• providing a strategic lead for our academies
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Objectives, strategies and activities (continued)

<p>Organisation:</p> <ul style="list-style-type: none"> • PAY will invest in resources so students have the best possible access to learning materials • PAY will develop a talent bank of high quality practitioners • PAY will have outstanding training programmes for ITT, NQTs, RQTs, middle leaders, senior leaders and Executive Leadership positions • All learning and working environments will be safe for students and staff • Strong data will be available across the Trust that will facilitate excellent progress for all pupils • All Academies will be 'Ofsted ready' at all times • External reviews of Academies will provide assurance they are 'on target' • The Trust will promote an environment where staff and students can live a healthy lifestyle • PAY will grow in a measured way and will examine further growth opportunities • All teaching and learning will be good or better • Teaching Schools will provide a pipeline of high quality trainees 	<p>External relationships:</p> <ul style="list-style-type: none"> • Parents and carers will feel engaged and speak positively about the Trust • Productive working relationships will exist with: <ul style="list-style-type: none"> - The Regional Schools Commissioner - The Local Authority - The ESFA and DFE • Relationships with the community will be widened and strengthened – including businesses, charities, other schools outside PAY • The strength of community reputation will be demonstrated through applications to PAY Schools and parent feedback
<p>Finance & Governance:</p> <ul style="list-style-type: none"> • The reserves objective of PAY is to eliminate the unrestricted reserve deficit by August 2020, and move to building reserves to £300,000 thereafter in line with the reserves policy. • PAY will use any reserves in excess of £300,000 of GAG for investment. • PAY will use its capital expenditure budget to focus on areas most in need of refurbishment across its academies. • Finance standards will at all times meet the requirements of the Academies Finance Handbook and all other standards issued by the ESFA. • Efficiencies will be maximised by the central team and best value will be demonstrable. • Board meetings will have a clear focus on strategic objectives and delivering against plans. • The Board and LGBs will have a good mix of skills and will review their performance at least once an academic year so they are satisfied they are fulfilling their role appropriately. • Governance structures will focus on progress, performance and key strategic objectives for our students and the education system as well as meeting core legal duties. 	
<p>Employee Engagement:</p> <ul style="list-style-type: none"> • The Trust will be highly regarded by its employees as an 'Employer of Choice' • All staff will have a sense of engagement with and affiliation to the Trust • The Trust will provide its employees with opportunities for learning, development and promotion 	<p>Reputation:</p> <ul style="list-style-type: none"> • The Trust will have a strong reputation for its ability to deliver outstanding rates of progress and the quality of its leadership programmes • It will be known for its ability to ensure all students make progress and the gaps between key groups are narrowed substantially

Measuring our Plan
Providing great outcomes for all our children

Reputation & Relationships

- DfE measurement tables will show PAY as a significantly above average MAT – and by 2020 within the top 15% of MAT in England based on published progress data
- PAY will be asked to take on additional schools / be engaged in system improvement
- At least 60% of Academies within the Trust will be over-subscribed
- Research projects will have been published externally to the Trust
- During 2019/20 we will develop a Virtual School Improvement Team to lead professional development across the Trust

Organisation Outcomes:

- At least 80% of all Academies will be over-subscribed based on applications
- Performance outcomes by Academy will show a narrowing gap with disadvantaged/pupil premium year by year
- All lessons observed across the Trust will be assessed as good or better
- All PAY Academies will have attendance which would be rated as Ofsted Good or better
- By 2020 all PAY schools will be rated Good or better and have a clear plan for achieving Outstanding.
- All Academies that have been with PAY for at least three years will have a parent satisfaction rate of at least 80% (as measured by an external survey)
- At least 20% of all Teaching Staff will have been internally assessed as 'Outstanding'
- Each academic year, all staff will receive a high quality CPD programme and opportunities for achieving a National qualification.
- PAY senior leadership vacancies will be filled by the best possible candidates and we will actively seek to talent spot, develop and interview from within PAY

Finance & Governance:

- All Academies will achieve a balanced budget
- The reserves objective of PAY is to eliminate the unrestricted reserve deficit by August 2020, and move to building reserves to £300,000 thereafter in line with the reserves policy.
- PAY Central Support Costs (Not Top Slice) set at 5% for 18/19.
- The Annual Report and Accounts will have been published on the PAY website by the 31 December of every year
- In no year will external auditors raise any significant concerns about financial irregularities.
- The PAY Board will each year have seen the Self-evaluation assessment of every Academy within the Trust. That SEF will have been reviewed and agreed by each Local Governing Body (including a review of its own performance)
- The PAY Board will have reviewed the risk register termly and risks will be evaluated regularly and actively managed
- The PAY Board will have formally reviewed and updated and strategic plan once a year and the key measures contained within it. The PAY Board will have reviewed its own performance once per academic year

Priorities 2019 – August 2020

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| <ul style="list-style-type: none"> • Achieve 'significantly above average' performance for PAY when compared to other MATs • A narrowing gap with FSM/Disadvantaged • All academies are moving towards Outstanding judgments | <ul style="list-style-type: none"> • The Trust will comprise at least 6 Academies by August 2020 • 'Above average' performance when compared to other MATs for every year to 2020. By September 2020, PAY is in the Top 25% of MATs for progress based on DfE measurement • All converter Academies will be rated at least Good by Ofsted at their first inspection • A narrowing gap with FSM/Disadvantaged |
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Public benefit

In exercising its powers and duties PAY has complied with its duty to have due regard to the guidance on public benefit published by the Charity Commission. The main public benefit delivered by PAY is the free provision of education to its learners.

STRATEGIC REPORT

Achievements and Performance

Improve outcomes for children and young people and expand opportunities for all in our school communities

In becoming a multi-academy trust, the schools embraced the concept of enhanced scrutiny and the PAY board members in reviewing strengths and key priorities.

The focus of the Trust this year was very much around exploring how to work together as a more accountable 'school improvement' partnership; this is the Trust's very highest priority, and has involved commissioning a range of external partners to help develop staff skills and accuracy. The Trust has commissioned headteacher consultancy support to ensure schools are addressing key priorities such as diminishing differences for disadvantaged pupils and quality of teaching, learning and curriculum. Headteachers have been open and supportive and espoused in the values of PAY and involved significant mutual support for each other's schools by sharing staff and expertise.

PAY has also developed a trust-wide assessment programme using the new Arbor information system.

A key focus of next year is to develop headteachers' roles and responsibilities as leaders to encompass PAY wide responsibilities, developing the Trust Executive Team.

Establish PAY as a well-governed and effective multi-academy trust

Ensuring good governance and clear accountability are priorities for PAY. Members both understood values and commitment to improving outcomes for children and young people across the communities served by PAY. They were instrumental in appointing a group of Trustees who brought a wide range of relevant skills to the Board, enabling it to ensure committees had appropriate experience in more specialist areas of focus, and that Board discussions and decision-making have been strategic and focused on key issues. There has since then been a rigorous External review of Governance which has resulted in recruiting further Trustees and members to be sure we have the correct spread of skills and commitment.

We expect to develop and refine the use of Arbor both as tools to support heads and other leaders in their work, and also to help governors and the PAY Board in identifying strengths and areas where greater support may be needed.

Develop business and financial systems efficiently and transparently to ensure good stewardship of public funds and assets

PAY has now begun the process of putting a central team in place and centralising the finance and business functions of the Trust. The appointment of a well-qualified and highly effective CFO has been an essential part of this strategy. Business managers have been brought to the central team with plans for ICT.

The Trust 'estate' – buildings, land and assets, are, adequate for the needs of learners and staff, and in some schools at least, provide an outstanding learning environment. However, at Laycock Primary we want to improve safeguarding issues at the exterior and improve the internal learning environment.

Develop a growth strategy to sustain and strengthen our partnership

Crossley Hall Primary School joined the trust during the year and we are working with a pipeline school to achieve success and we are in discussion with the regional Schools Commissioner about the academisation of this school. A 3 year growth plan has been submitted to the DfE outlining a proposed growth strategy which includes the Trust applying for Academy Sponsor status in 2020.

Develop our workforce

This area of work is key to the success and strategic approach of PAY during the year ahead. The Trust intends to develop and deliver a PAY wide programme of staff training and professional development aligned with individual school and wider trust school improvement priorities. In addition, the Trust will further develop staff appraisal and performance management so that it is effective across all staff and PAY schools, evaluating current appraisal and performance management processes for staff and developing best practice approaches.

It is important for PAY to develop and deliver a recruitment, talent management, leadership development and succession planning strategy which enables it to grow capacity and recruit and retain high quality staff across the schools. Strategies such as agreeing effective shared approaches to Initial Teacher Training, alongside partners such as Bradford College, as well as providing structured opportunities for leadership development – bursaries,

Pennine Academies Yorkshire TRUSTEES' REPORT (continued)

training (including apprenticeships), work-shadowing, secondments, acting-up opportunities within and beyond PAY.

PAY continues to work with Bradford Council PACT HR for the foreseeable future.

Key Performance Indicators – Outcomes for Learners

Improving pupil outcomes across PAY is vitally important for the Trust as a school partnership and more so for our young people as learners, in supporting their aspirations and helping them achieve their potential.

There were a number of very encouraging performance indicators across all four schools at every key stage and phase of learning, as well as ones that confirmed headteacher's judgements that the trust will need to focus on tackling to secure and sustain even better progress, achievement and attainment.

Early Years Foundation Stage

At the end of the Early Years Foundation Stage the percentage of pupils achieving a Good Level of Development (GLD) was 63% across all four schools compared to 72% nationally. This is a year on year increase of 9%

		EYFSP									
		Good Level of Development (%)				Average Total Point Score					
		2017	2018	2019	Trend	2017	2018	2019	Trend		
National Average	All	71	72	72		35	35	35			
	Boys	64	65	0		33	33	0			
	Girls	78	78	0		36	36	0			
Bradford Average	All	68	67	68		34	33	34			
	Boys	60	60	61		33	32	33			
	Girls	75	74	75		35	35	35			
MAT Average	All	52	54	63		31	32	33			
	Boys	41	44	57		29	31	33			
	Girls	63	62	69		33	33	34			

2. School Detail:

		EYFSP									
		Good Level of Development (%)					Average Total Point Score				
		2017	2018	2019	3yr Trend	RAG	2017	2018	2019	3yr Trend	RAG
Crossley Hall Primary School 3802024	All	48	48	57			31	32	34		
	Boys	32	33	52			27	30	33		
	Girls	66	57	63			34	34	34		
Laycock Primary School 3802126	All	57	73	80			31	35	37		
	Boys	43	71	86			29	34	41		
	Girls	71	75	75			33	36	33		
Farnham Primary School 3802183	All	55	56	63			32	30	32		
	Boys	48	43	55			31	28	30		
	Girls	61	70	71			33	31	33		
Hollingwood Primary School 3805204	All	54	55	67			31	32	33		
	Boys	48	50	59			31	32	33		
	Girls	60	61	72			32	33	34		

Pennine Academies Yorkshire TRUSTEES' REPORT (continued)

Key Stage One Phonics

In Key Stage One the percentage of pupils achieving the national standard in the Year One Phonics Screening Check was 85% compared to 82% nationally. Two of the four schools were well above the national average.

		Phonics							
		Year 1 Standard (%)				Year 2 Standard (%)			
		2017	2018	2019	Trend	2017	2018	2019	Trend
National Average	All	81	82	82		92	92	92	
	Boys	78	79	0		90	90	0	
	Girls	85	86	0		94	94	0	
Bradford Average	All	80	81	81		90	90	91	
	Boys	75	76	77		88	88	89	
	Girls	84	85	85		93	92	93	
MAT Average	All	83	78	85		90	93	91	
	Boys	80	74	82		87	91	90	
	Girls	86	84	88		95	96	92	

		Phonics									
		Year 1 Standard (%)					Year 2 Standard (%)				
		2017	2018	2019	3yr Trend	RAG	2017	2018	2019	3yr Trend	RAG
Crossley Hall Primary School 3802024	All	88	82	94			91	96	93		
	Boys	81	75	91			87	92	92		
	Girls	94	92	96			95	100	95		
Laycock Primary School 3802126	All	73	58	93			93	93	91		
	Boys	64	57	86			92	90	86		
	Girls	100	60	100			100	100	100		
Farnham Primary School 3802183	All	82	78	79			89	89	88		
	Boys	82	70	78			91	84	86		
	Girls	82	87	79			88	96	90		
Hollingwood Primary School 3805204	All	80	77	76			90	93	90		
	Boys	82	78	75			81	97	91		
	Girls	78	75	78			100	90	88		

Key Stage One Reading

At the end of Key Stage One the percentage of pupils achieving the national standard in Reading was 66% compared to 75% nationally, with two of the four schools showing an upward trend.

		Reading										Key St
		Expected Standard (%)					Greater Depth / Higher Att (%)					
		2017	2018	2019	Trend		2017	2018	2019	Trend		
National Average	All	76	75	75			25	26	25			
	Boys	72	71	0			22	22	0			
	Girls	80	80	0			29	29	0			
Bradford Average	All	72	71	73			20	20	20			
	Boys	67	67	68			16	17	17			
	Girls	77	77	78			23	22	23			
MAT Average	All	66	70	66			19	18	12			
	Boys	59	68	61			14	20	8			
	Girls	73	73	71			24	15	17			

		Reading										Key St
		Expected Standard (%)					Greater Depth / Higher Att (%)					
		2017	2018	2019	Trend	RAG	2017	2018	2019	Trend	RAG	
Crossley Hall Primary School 3802024	All	68	79	60			12	24	19			
	Boys	62	74	52			8	31	10			
	Girls	74	85	71			17	18	29			
Laycock Primary School 3802126	All	53	67	55			20	27	9			
	Boys	50	64	43			17	18	0			
	Girls	67	75	75			33	50	25			
Farnham Primary School 3802183	All	69	72	77			27	18	7			
	Boys	73	66	72			27	16	7			
	Girls	65	80	81			27	20	6			
Hollingwood Primary School 3805204	All	62	57	65			18	7	8			
	Boys	45	62	69			6	10	6			
	Girls	79	52	60			31	3	12			

Pennine Academies Yorkshire TRUSTEES' REPORT (continued)

Key Stage One Writing

In Writing the percentage achieving the national standard was 60% compared to 69% nationally with two out of four schools showing a three year upward trend.

		Key Stage 1 Writing									
		Expected Standard (%)				Greater Depth / Higher Att (%)					
		2017	2018	2019	Trend	2017	2018	2019	Trend		
National Average	All	68	70	69		16	16	15			
	Boys	62	63	0		11	12	0			
	Girls	75	77	0		20	20	0			
Bradford Average	All	66	67	68		13	13	13			
	Boys	58	60	60		9	10	9			
	Girls	74	74	75		18	17	17			
MAT Average	All	60	61	60		7	12	5			
	Boys	50	57	54		4	13	3			
	Girls	72	67	68		9	11	7			
2. School Detail:											
		Key Stage 1 Writing									
		Expected Standard (%)				Greater Depth / Higher Att (%)					
		2017	2018	2019	Trend	RAG	2017	2018	2019	Trend	RAG
Crossley Hall Primary School 3802 024	All	59	64	57			4	19	8		
	Boys	49	59	48			5	21	4		
	Girls	69	69	68			2	18	13		
Laycock Primary School 3802 126	All	53	60	45			0	20	0		
	Boys	42	55	29			0	18	0		
	Girls	100	75	75			0	25	0		
Farnham Primary School 3802 183	All	66	61	68			8	7	7		
	Boys	64	53	59			6	6	7		
	Girls	69	72	77			12	8	6		
Hollingswood Primary School 3805 204	All	57	58	60			10	5	0		
	Boys	39	59	63			3	7	0		
	Girls	76	58	56			17	3	0		

Key Stage One Maths

In Maths the percentage achieving the national standard was 64% compared to 76% nationally.

		Key Stage 1 Maths									
		Expected Standard (%)				Greater Depth / Higher Att (%)					
		2017	2018	2019	Trend	2017	2018	2019	Trend		
National Average	All	75	76	76		21	22	22			
	Boys	74	75	0		22	24	0			
	Girls	77	77	0		19	20	0			
Bradford Average	All	72	73	74		17	18	19			
	Boys	70	71	72		18	20	20			
	Girls	75	74	76		16	16	18			
MAT Average	All	68	70	64		11	17	12			
	Boys	63	70	63		11	23	14			
	Girls	74	70	65		11	10	10			
2. School Detail:											
		Key Stage 1 Maths									
		Expected Standard (%)				Greater Depth / Higher Att (%)					
		2017	2018	2019	Trend	RAG	2017	2018	2019	Trend	RAG
Crossley Hall Primary School 3802 024	All	77	77	59			11	26	15		
	Boys	69	77	52			18	36	10		
	Girls	83	77	68			5	15	21		
Laycock Primary School 3802 126	All	60	80	55			7	20	9		
	Boys	50	82	43			8	18	14		
	Girls	100	75	75			0	25	0		
Farnham Primary School 3802 183	All	69	63	73			15	16	13		
	Boys	73	56	76			12	22	21		
	Girls	65	72	71			19	8	6		
Hollingswood Primary School 3805 204	All	58	65	63			8	7	8		
	Boys	52	72	71			3	10	14		
	Girls	66	58	52			14	3	0		

Pennine Academies Yorkshire TRUSTEES' REPORT (continued)

Key Stage Two

In Key Stage Two the percentage of pupils achieving the national standard in Reading, Writing and Maths combined was 67% compared to 65% nationally, with all four schools showing a highly significant three year average.

		RWM									
		Expected Standard (%)				Greater Depth / Higher Att (%)					
		2017	2018	2019	Trend	2017	2018	2019	Trend		
National Average	All	61	64	65		9	10	10			
	Boys	57	61	60		7	8	9			
	Girls	65	68	70		10	12	12			
Bradford Average	All	57	61	62		7	8	9			
	Boys	54	57	57		6	7	8			
	Girls	60	65	67		7	9	9			
MAT Average	All	61	74	67		4	11	6			
	Boys	54	73	66		6	8	6			
	Girls	67	75	68		3	14	7			

2. School Detail:		RWM									
		Expected Standard (%)				Greater Depth / Higher Att (%)					
		2017	2018	2019	Trend	RAG	2017	2018	2019	Trend	RAG
Crossley Hall Primary School 3802024	All	66	74	60			2	11	6		
	Boys	58	73	62			5	8	8		
	Girls	71	76	58			0	14	3		
Laycock Primary School 3802126	All	23	63	79			0	13	7		
	Boys	33	71	71			0	0	14		
	Girls	14	56	86			0	22	0		
Farnham Primary School 3802183	All	63	77	69			2	8	5		
	Boys	53	70	73			3	7	0		
	Girls	74	83	66			0	10	9		
Hollingswood Primary School 3805204	All	59	73	72			10	14	8		
	Boys	54	76	65			11	11	5		
	Girls	65	68	83			10	18	13		

Overall Results

IMD - out of 100.	School	EYFS	Y1 Phonics	KS1 Read	KS1 Read GD	KS1 Write	KS1 Write GD	KS1 Maths	KS1 Maths GD	KS1 RWM	KS2 Read	KS2 Read GD	KS2 Write	KS2 Write GD	KS2 Maths	KS2 Maths GD	KS2 RWM	Reading Prog	Writing Prog	Maths Prog	Attendance	Persistent Absence
71	CHPS	57	94	61	18	57	8	59	15	48	68	19	72	8	74	27	60	0.7	0.4	1.5	4	11
55	FPS	63	78	77	7	68	7	73	13	65	79	29	77	8	90	29	69	2.8	1.5	4	4.8	14
107	HPS	67	76	65	8	60	0	63	8	50	73	18	85	15	92	35	72	1.4	2.6	4.5	4.5	16
44	LPS	80	93	55	9	46	0	55	9	45	79	36	86	14	79	7	79	3.3	1.9	-0.3	3.8	12.2
	MAT	66.8	85.3	64.5	10.5	57.8	3.75	62.5	11.3	52	74.8	25.5	80	11.3	83.8	24.5	70	2.05	1.6	2.43	4.28	13.3
	Nat	72	82	75	25	69	15	76	22	60	73	27	78	20	79	27	65	0	0	0	3.7	9.2

Reading results are broadly at National Average at expected and greater depth.

Writing results are broadly at National Average at expected but lower at greater depth.

Maths results are broadly at National Average at expected but lower at greater depth.

Progress

In reading progress measures ranged from average to well above average with an overall progress measure of 2.05

In writing progress measures ranged from average to well above average with an overall progress measure of 1.6

In maths progress measures ranged from average to well above average with an overall progress measure of 2.43

All measures are above national averages and in some cases well above national average.

Attendance

Attendance in all schools was broadly at national average with a Trust attendance level better than National.

Persistent Absenteeism is higher than National Average at 13.3%

While there is much to celebrate in terms of improved performance, and the hard work of pupils and staff, there are also areas for development. A key challenge for us is the progress and performance of greater depth Writing

Pennine Academies Yorkshire TRUSTEES' REPORT (continued)

at the end of Key Stage Two. Crossley Hall had a dip in results this year due to some changes in leadership as it supported another school, a some cohort variance.

Going concern

At 31 August 2019 the Trust had a deficit on unrestricted funds of £304,000 (2018: £322,000), net current liabilities of £176,000 (2018: £204,000) and a positive balance of cash at bank and in hand of £766,000 (2018: £421,000). The main reasons for the deficit being accumulated are set out in the Trustees' Report on page 11.

Since opening, the Trust has operated a positive balance of cash at bank and continues to do so. A significant factor in this was the ability of the Trust to settle its wages and salaries liabilities to its outsourced payroll provider on a deferred basis after payment to employees, and importantly after principal grant income monies for the following month or sometimes two months have been remitted to the Trust. The Trust has also had the benefit of deferred payment terms on settling the inherited deficit of £115,000 on one of the schools that transferred in on 1 May 2018. Monthly repayments commenced in February 2019.

The Trust has prepared income and expenditure projections to 2022 and cashflow projections up to October 2020. The income and expenditure projections show anticipated underlying surplus generation for each of the three years ended 31 August 2020, 2021 and 2022 and by elimination of the unrestricted deficit by August 2020. Reflecting the anticipated improved financial performance, the cash flow forecasts show that the Trust should be able to pay its debts as they fall due, accordingly the Trustees consider that it remains appropriate to prepare the financial statements on a going concern basis.

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

FINANCIAL REVIEW

The financial results for the period are set out in the Statement of Financial Activities on page 24 and the financial position of the Trust as at 31 August 2019 is set out in the Balance Sheet on page 25.

The Trust recorded a net surplus of £2,380,000 (2018: £10,292,000) in the year ended 31 August 2019. This surplus included the transfer into the Trust of the net assets of Crossley Hall Primary School measured at fair value on 1 December 2018 totalling £4,733,000. These net assets comprised the local authority surplus inherited, land and buildings and share of the local government pension scheme deficit.

At 31 August 2019 the Trust had an overall deficit on unrestricted funds of £304,000 (2018: £322,000).

Principal reasons contributing to the deficit carried forward included:

- Significant delays and expense in the set up of the Trust caused by factors outside of the Trust's control. Additional legal costs, consultancy costs and Local Authority costs totalling £146,000 were incurred prior to conversion of the three founding schools. Conversion was originally scheduled to take place in early 2017 but did not take place until May 2018.
- Capital project costs including IT infrastructure required for the set up of the Trust as well as safeguarding works at one of the schools totalling £120,000, £111,000 of which was funded from unrestricted reserves in 2018. Originally the Trust IT costs were planned to be part-funded by the ESFA start up grant monies. However due to severe delays in the conversion of the schools those grant monies were expended on other conversion costs whilst under local authority control resulting in these costs being funded by the Trust itself.
- The small current year surplus on reserves has been impacted by the cost of restructuring (specifically, redundancy costs) which are part of a programme of cost reductions across the Trust, as well as the cost associated with changes in the executive team and interim staff required as a result.

Reserves policy

The Trust holds three categories of reserves:

- Restricted general funds, which is the General Annual Grant and other similar revenue funding provided by central Government, used to carry out the principal objectives of the organisation;
- Fixed asset reserve used to fund fixed assets; and
- Unrestricted reserves which are used under the discretion of the Board of Trustees

As at 31 August 2019 restricted general funds were £nil (2018: £nil) and a unrestricted reserves deficit of £304,000 (2018: £322,000) existed. The Trust is committed to eliminating the unrestricted deficit through careful management of school and Trust budgets. Following a programme of cost reductions commenced during the

Pennine Academies Yorkshire TRUSTEES' REPORT (continued)

financial year, the Trust expects to generate revenue surpluses in future years which will contribute to reducing the unrestricted deficit further.

In the longer term, the Trust aims to build reserves to a target of £300,000.

As at 31 August 2019 and 31 August 2018, the Trust held the following reserves:

	2019	2018
	£'000	£'000
Restricted General Fund	(3,981)	(1,385)
Restricted Fixed Asset Fund	16,957	11,999
Unrestricted Fund	(304)	(322)
Total	12,672	10,292

Investment policy

The purpose of the investment policy is to ensure that any surplus funds are invested well so that they achieve the best financial returns with the minimum risk. Good financial returns mean that more money can be spent on educating pupils.

For the avoidance of doubt, the Trustees currently only authorise the investment of funds in bank/building society accounts including short/medium term deposits. Lloyds Banking Group are deemed to be appropriate for this purpose. Other banks/building societies will be considered by the Trustees for approval as required, or as is necessary.

Adequate cash balances must be maintained to ensure that there are always sufficient funds in the Trust's current account to cover financial commitments such as payroll and day-to-day expenses. If there is a surplus of funds after all financial commitments have been considered, this surplus may be invested.

Funds should be invested in tranches of up to £85,000 (or such other amounts covered by FSCS (Financial Services Co-operation Scheme)) and after agreement from the Finance Committee. It may be beneficial to invest each tranche with a different financial institution. Funds, and any interest they earn, will be automatically reinvested, unless they are required for immediate or anticipated expenditure.

Principal risks and uncertainties

The principal risks and uncertainties affecting PAY and plans and strategies for managing the risks are outlined below:

- finance and funding – robust financial controls and monthly management accounts, additional bids for funding through a range of DfE grants
- pupil outcomes – focussed, school improvement strategies and interventions and a common assessment programme
- the conditions of buildings and facilities in particular schools – school business manager network, ongoing structural surveys
- recruitment and retention – working with DfE representatives to improve recruitment, promoting the Trust as an attractive employer, stress management strategies
- safeguarding – regular meetings of DSL (Designated Safeguarding Leads) from all schools, regular update of safeguarding audit
- health and safety for all stakeholders – liaison with local unions, health and safety SLA with the Local Authority

Plans for future periods

Improve outcomes for children and young people and expanding opportunities for all in PAY schools communities

- Increase capacity for internal and external school-to-school support and school improvement;
- Develop PAY wide strategic leadership roles;
- Implement PAY wide improvement strategies;
- Implement PAY wide curriculum enrichment opportunities; and
- Expand literacy, numeracy and science development;
- Improve inclusion and SEND opportunities and provision – across the trust.

Establish PAY as a well-governed and effective multi-academy trust

- Support for strategic planning processes and governance development at LGB level, including policy development and compliance;
- Develop a PAY wide communications strategy, focusing on internal communications and meetings structures within the PAY schools, and website and external communication beyond the Trust; and
- Develop strong and sustainable management systems, including IT, across the PAY including meeting General Data Protection Regulations.

Develop business and financial systems efficiently and transparently to ensure good stewardship of public funds and assets

- Consolidate and sustain financial processes and procedures with appropriate technical support until the Trust develops more 'in-house' capacity; complete fixed asset register and asset inventory, develop asset management strategy;
- Coherent estates strategy and implement Health and Safety recommendations from 2018 audits; and
- Shared service and procurement development plan.

Develop a growth strategy to sustain and strengthen our partnership

- Become an effective academy sponsor;
- Partnership development with local and regional schools and collaboratives, including support for academy conversion.

Develop our workforce

- High quality HR support to develop PAY HR strategy, to address recruitment and retention, staff professional development at all levels, including leadership and talent management, and support for tackling workload
- Develop an apprenticeship strategy; and
- Develop teacher training programme with local providers.

Disabled applicants and employees

Each academy will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. Through the support and guidance of Occupational Health employees who have been injured or disabled in the course of their employment can, where possible, continue in employment with the academy trust.

During employment the academy seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

Employee involvement

Each academy encourages the involvement of its employees in its leadership and management through various activities including for example; weekly meetings of the SLT, at least half-termly meetings of middle leaders and at least half-termly meeting of department teams. This ensures the sharing of vision and policy and discussion of key issues including the receiving of views of the staff.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating the strategic report, was approved by order of the Board of Trustees, as the Company Directors, on 18 December 2019 and signed on the board's behalf by:



Nick Briggs
Chair of Trustees

18 December 2019

Pennine Academies Yorkshire GOVERNANCE STATEMENT

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met seven 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
Donna Benn	1	9
Neil Donkin	2	2
Brent Fitzpatrick	7	9
Siobhan Hammond	2	9
Brenda Hickling	8	9
Imran Khan	7	9
Paul Triner	8	9
Emma Wilson	4	9
Richard Edwards	4	4
Syra Shakir	1	2
Andrew Bairstow	-	2

The CEO attended all Trust Board meetings.

The finance and audit committee is a sub-committee of the main board of trustees. Its purpose is to review the internal controls and risk profile of the academy trust and to ensure the highest levels of probity are achieved. Attendance at the meetings in the year is as follows:

Trustee	Meetings attended	Out of a possible
Brent Fitzpatrick	2	3
Imran Khan	2	3
Emma Wilson	2	3
Richard Edwards	2	2

Governance review

The Trust carried out an external review of governance in July 2019.

Review of Value for Money

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

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

- Undertaking a review of the Academy's insurance arrangements to ensure best value for money;
- Tendering contracts such as energy and external audit to maximise cost efficiency; and
- Continuing to review staffing needs and identifying areas where staffing costs can be reduced whilst avoiding a negative impact on educational provision.

Pennine Academies Yorkshire GOVERNANCE STATEMENT (continued)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in PAY for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period from 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the PAY Board and Finance and Audit Committee.

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- Regular reviews by Local Governing Bodies 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; and
- Identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and the Audit Committee, with input from Murray Harcourt, have designed a programme of internal checks.

These checks will include:-

- Register of business and pecuniary interests;
- Scheme of delegation and submission of annual budget;
- Financial reporting;
- Monthly payroll reports and payroll arrangements and payroll systems;
- Purchasing systems and procurement;
- Bank and control account reconciliations
- Cash collection

The outcomes and recommendations in the Internal Audit reports will be presented to the Trust Board, through the Audit Committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Pennine Academies Yorkshire GOVERNANCE STATEMENT (continued)

Review of effectiveness

As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the Academy has been informed by;

- The work of the external auditor, Murray Harcourt;
- The work of the relevant managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- The Financial Management and Governance Self-Assessment (FMGS) process
- An internal audit visit in regard to procurement, purchasing and payroll which reported after the year end.

The Accounting Officer has been advised of the implications of the result of these reviews by the Audit Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 18 December 2019 and signed on its behalf by:



Nick Briggs
Chair of Trustees



Michael Thorp
Accounting Officer

Pennine Academies Yorkshire
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer Pennine Academies Yorkshire I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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



Michael Thorp
Accounting Officer

Date: 18 December 2019

Pennine Academies Yorkshire STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who act as Governors of Pennine Academies Yorkshire 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 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 18 December 2019 and signed on its behalf by:



Nick Briggs
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENNINE ACADEMIES YORKSHIRE

Opinion

We have audited the financial statements of Pennine Academies Yorkshire (the 'Academy Trust') for the year ended 31 August 2019, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, the Statement of Accounting Policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2019, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENNINE ACADEMIES YORKSHIRE (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 18, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENNINE ACADEMIES YORKSHIRE (continued)

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 Academy Trust and the Academy Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Murray Harcourt Limited

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Steven Williams FCA (Senior Statutory Auditor)
For and on behalf of Murray Harcourt Limited, Statutory Auditor

6 Queen Street
Leeds
LS1 2TW

Date: 19 December 2019

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PENNINE ACADEMIES YORKSHIRE AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 28 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Pennine Academies Yorkshire during the period from 1 September 2018 to 31 August 2019 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 Pennine Academies Yorkshire and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Pennine Academies Yorkshire and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Pennine Academies Yorkshire and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Pennine Academies Yorkshire's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Pennine Academies Yorkshire's funding agreement with the Secretary of State for Education dated 25 April 2018 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 period from 1 September 2018 to 31 August 2019 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 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Documenting the framework of authorities which govern the activities of the Academy Trust;
- Reviewing the evidence supporting the representations included in the Accounting Officer's statement on regularity, propriety and compliance with the framework of authorities;
- Undertaking a risk assessment based on our understanding of the general control environment and any weaknesses in internal control identified by our audit of the financial statements;
- Reviewing the output from a self-assessment questionnaire completed by the Academy Trust;
- Testing compliance with delegated authorities for a sample of material transactions;
- Testing transactions with connected parties to determine whether the Academy Trust has complied with the 'at cost' requirements of the Academies Financial Handbook 2017;
- Confirming through enquiry and sample testing that the Academy Trust has complied with its procurement policies and that these policies comply with the delegated authorities; and
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO PENNINE ACADEMIES YORKSHIRE AND THE EDUCATION AND
SKILLS FUNDING AGENCY (continued)**

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period ended 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Murray Harcourt Limited

**Reporting Accountant
Murray Harcourt Limited**

Date: 19 December 2019

Pennine Academies Yorkshire
STATEMENT OF FINANCIAL ACTIVITIES
Including Income and Expenditure Account
for the period ended 31 August 2019

	Notes	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total 2019 £'000	Total 2018 £'000
INCOME AND ENDOWMENTS FROM:						
Donations and capital grants	1	-	-	101	101	3
Transfer from local authority on conversion	23	12	(479)	5,200	4,733	10,513
Incoming resources from charitable activities:						
Funding for the Academy Trust's educational operations	2	210	7,778	-	7,988	1,757
Other trading activities	3	192	-	-	192	11
Total		414	7,299	5,301	13,014	12,284
EXPENDITURE ON:						
Charitable activities:						
Academy Trust's educational operations	4	74	8,610	344	9,028	2,172
Total		74	8,610	344	9,028	2,172
NET INCOME/(EXPENDITURE)		340	(1,311)	4,957	3,986	10,112
Transfers between funds	14	(322)	321	1	-	-
OTHER RECOGNISED GAINS / (LOSSES)						
Actuarial (losses)/gains on defined benefit pension scheme	21	-	(1,606)	-	(1,606)	180
NET MOVEMENT IN FUNDS		18	(2,596)	4,958	2,380	10,292
RECONCILIATION OF FUNDS						
Total funds brought forward		(322)	(1,385)	11,999	10,292	-
Total funds carried forward		(304)	(3,981)	16,957	12,672	10,292

All of the Academy Trust's activities derive from continuing operations during the above financial period.

Pennine Academies Yorkshire
BALANCE SHEET
As at 31 August 2019

Registration number: 10975521

	Notes	2019 £'000	2019 £'000	2018 £'000	2018 £'000
FIXED ASSETS					
Tangible assets					
	10		16,884		11,971
CURRENT ASSETS					
Debtors	11	300		370	
Cash at bank and in hand		766		421	
		<u>1,066</u>		<u>791</u>	
CREDITORS: Amounts falling due within one year	12	<u>(1,242)</u>		<u>(995)</u>	
NET CURRENT LIABILITIES			(176)		(204)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>16,708</u>		<u>11,767</u>
CREDITORS: Amounts falling due after more than one year	13		(55)		(90)
NET ASSETS EXCLUDING PENSION LIABILITY			<u>16,653</u>		<u>11,677</u>
Defined benefit pension scheme liability	21		<u>(3,981)</u>		<u>(1,385)</u>
TOTAL NET ASSETS			<u>12,672</u>		<u>10,292</u>
FUNDS OF THE ACADEMY TRUST:					
RESTRICTED FUNDS					
Fixed asset fund	14		16,957		11,999
Pension reserve	14		<u>(3,981)</u>		<u>(1,385)</u>
TOTAL RESTRICTED FUNDS			<u>12,976</u>		<u>10,614</u>
UNRESTRICTED INCOME FUNDS	14		(304)		(322)
TOTAL FUNDS			<u>12,672</u>		<u>10,292</u>

The financial statements on pages 24 to 44 were approved by the Trustees and authorised for issue on 18 December 2019, and are signed on their behalf by:



Nick Briggs
Chair of Trustees

Pennine Academies Yorkshire
CASH FLOW STATEMENT
for the period ended 31 August 2019

	Notes	2019 £'000	2018 £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	17	289	433
CASH FLOWS FROM INVESTING ACTIVITIES	18	44	(70)
CASH TRANSFERRED ON CONVERSION TO AN ACADEMY TRUST		12	58
		<hr/>	<hr/>
INCREASE IN CASH IN THE YEAR		345	421
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT 31 AUGUST 2019		766	421

Pennine Academies Yorkshire

STATEMENT OF ACCOUNTING POLICIES

for the period ended 31 August 2019

Basis of Preparation

The financial statements are prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charities' Statement of Recommended Practice (FRS 102), the Academies Accounts Direction issued by the Education Skills Funding Agency, the Companies Act 2006, and the Charities Act 2011. A summary of the principal accounting policies, which are applied consistently, except where noted, are set out below.

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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Conversion to an Academy Trust

The conversion from a state-maintained school to an academy trust involves the transfer of identifiable assets and liabilities and the continued operation of the school for £nil consideration and is accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion to an academy trust are valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market situation for an equivalent item. The fair value is in accordance with the accounting policies set out for all schools. The amounts are recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income/net expenditure in the Statement of Financial Activities and analysed under restricted general funds and restricted fixed asset funds. Recognition will only occur when the risks and rewards of ownership pass to the Trust. Further details of the transaction are set out in notes to the accounts.

Going concern

At 31 August 2019 the Trust had a deficit on unrestricted funds of £304,000 (2018: £322,000), net current liabilities of £176,000 (2018: £204,000) and a positive balance of cash at bank and in hand of £766,000 (2018: £421,000). The main reasons for the deficit being accumulated are set out in the Trustees' Report on page 11.

Since opening, the Trust has operated a positive balance of cash at bank and continues to do so. A significant factor in this was the ability of the Trust to settle its wages and salaries liabilities to its outsourced payroll provider on a deferred basis after payment to employees, and importantly after principal grant income monies for the following month or sometimes two months have been remitted to the Trust. The Trust has also had the benefit of deferred payment terms on settling the inherited deficit of £115,000 on one of the schools that transferred in on 1 May 2018. Monthly repayments commenced in February 2019.

The Trust has prepared income and expenditure projections to 2022 and cashflow projections up to October 2020. The income and expenditure projections show anticipated underlying surplus generation for each of the three years ended 31 August 2020, 2021 and 2022 and by elimination of the unrestricted deficit by August 2020. Reflecting the anticipated improved financial performance, the cash flow forecasts show that the Trust should be able to pay its debts as they fall due, accordingly the Trustees consider that it remains appropriate to prepare the financial statements on a going concern basis.

Pennine Academies Yorkshire
STATEMENT OF ACCOUNTING POLICIES
for the period ended 31 August 2019

Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, and certainty of receipt and amount can be measured with sufficient reliability. Probability of receipt means that it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity.

Grants receivable

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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the value of the income is accrued.

General Annual Grant is recognised in full 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's policies.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

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

Charitable activities

These are 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.

Pennine Academies Yorkshire

STATEMENT OF ACCOUNTING POLICIES

for the period ended 31 August 2019

Governance costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including strategic management and Trustee/Governor meetings and reimbursed expenses.

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Skills Funding Agency/Department for Education.

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. 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 asset over its expected useful life, as follows:

Asset class – Depreciation method and rate

Freehold land and buildings – Over 60 years on a straight line basis

Leasehold land and buildings – Over the residual period of the lease

Computer equipment or software – Over 3 years on a straight line basis

Furniture and equipment – Over 5 years on a straight line basis

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

In a limited number of circumstances a situation may arise when a restricted grant is received for a fixed asset but that it may in due course be appropriate to reclassify the asset as unrestricted.

Taxation

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

Debtors

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

Liabilities

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.

Pennine Academies Yorkshire
STATEMENT OF ACCOUNTING POLICIES
for the period ended 31 August 2019

Provisions

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.

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and debt instruments measured at amortised cost as detailed in note 11. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 12 and 13. Taxation and social security creditors are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Leased assets

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

Pensions benefits

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, are contracted out of the State Earnings-Related Pension Scheme (SERPS), and the assets are held separately from those of the Academy Trust.

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

Pennine Academies Yorkshire
STATEMENT OF ACCOUNTING POLICIES
for the period ended 31 August 2019

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.

Local Government Pension Scheme liability

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 different assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

Pennine Academies Yorkshire
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

1 DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £'000	Restricted funds £'000	2019 Total £'000	2018 Total £'000
Capital grants	-	101	101	-
Other donations	-	-	-	3
	-	101	101	3

2 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2019 Total £'000	2018 Total £'000
DfE/ESFA GRANTS				
General Annual Grant (GAG)	-	5,923	5,923	1,341
Start Up Grants	-	25	25	-
Other DfE/ESFA grants	-	783	783	60
	-	6,731	6,731	1,401
OTHER GOVERNMENT GRANTS				
SEN from Local Authority	-	-	-	11
Local Authority grants	-	1,013	1,013	273
	-	1,013	1,013	284
OTHER INCOME				
Catering income	155	-	155	58
Academy trips	-	24	24	7
Other income	55	10	65	7
	210	34	244	72
Total	210	7,778	7,988	1,757

3 OTHER TRADING ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	2019 Total £'000	2018 Total £'000
Income from lettings	15	-	15	5
Other income	177	-	177	6
	192	-	192	11

Pennine Academies Yorkshire
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2019

4 EXPENDITURE

	Staff costs £'000	Non Pay Expenditure		2019	2018
		Premises £'000	Other £'000	Total £'000	Total £'000
Academy's educational operations:					
Direct costs	5,332	275	275	5,882	1,422
Allocated support costs	1,583	454	1,109	3,146	750
	<u>6,915</u>	<u>729</u>	<u>1,384</u>	<u>9,028</u>	<u>2,172</u>

	2019 £'000	2018 £'000
Net income/(expenditure) for the period includes:		
Operating leases	12	1
Depreciation	344	98
Fees payable to auditor for:		
Audit	10	9
Other services	1	-

5 CHARITABLE ACTIVITIES

	2019 £'000	2018 £'000
Direct costs – educational operations	5,882	1,422
Support costs – educational operations	3,146	750
	<u>9,028</u>	<u>2,172</u>

Analysis of support costs

	Educational operation £'000	2019 Total £'000	2018 Total £'000
Staff costs	1,583	1,583	407
Depreciation	69	69	20
Technology costs	98	98	-
Premises costs	454	454	84
Governance costs	218	218	53
Other support costs	724	724	186
Total support costs	<u>3,146</u>	<u>3,146</u>	<u>750</u>

Expenditure on the Academy Trust's educational operations amounted to £9,028,000 (2018: £2,172,000) of which £74,000 (2018: £59,000) was attributable to unrestricted and £8,954,000 (2018: £2,113,000) was attributable to restricted funds.

Pennine Academies Yorkshire
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2019

6 STAFF COSTS

	2019	2018
	£'000	£'000
a. Staff costs		
Staff costs during the period were:		
Wages and salaries	4,986	1,221
Social security costs	394	97
Pension costs	1,138	165
Apprenticeship levy	21	1
	<u>6,539</u>	<u>1,484</u>
Agency staff costs	253	45
Staff restructuring costs	123	-
	<u>6,915</u>	<u>1,529</u>

Staff restructuring costs comprise redundancy costs of £123,000 (2018: £nil).

b. Staff numbers

The average number of persons employed by the Academy Trust during the period expressed as full time equivalents was as follows:

	2019	2018
	No.	No.
Charitable activities		
Teachers	42	43
Administration and support	206	146
Management	17	9
	<u>265</u>	<u>198</u>

c. Higher paid staff

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

	2019	2018
	No.	No.
£90,001 - £100,000	1	-
£70,001 - £80,000	2	-
£60,001 - £70,000	2	-

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £681,910 (2018: £104,300).

Pennine Academies Yorkshire
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2019

7 CENTRAL SERVICES

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

- Human resources;
- Educational support services;
- Financial services; and
- Governance.

The Academy Trust charges for these services on the basis of a 5% charge of each school's funding.

The actual amounts charged during the year were as follows:	2019	2018
	£'000	£'000
Crossley Hall Primary School	94	-
Farnham Primary School	91	35
Hollingwood Primary School	83	29
Laycock Primary School	28	9
Total	296	73

8 RELATED PARTY TRANSACTIONS – Trustees' remuneration and expenses

One Trustee has been paid remuneration or has received other benefits from an employment with the Academy Trust. The previous Headteacher of Farnham Primary School (also comprising the role of CEO and Accounting Officer) only received remuneration in respect of services he provided undertaking the roles of Headteacher and CEO under his contract of employment, and not in respect of his role as Trustee. The value of Trustees' remuneration and other benefits was as follows:

R Edwards (Headteacher, CEO, Accounting Officer and Trustee):
 Remuneration – £90,001 - £95,000 (2018: £25,001 - £30,000)
 Employer's pension contributions – £10,001 - £15,000 (2018: £nil - £5,000)

The value of the Headteacher of Crossley Hall Primary School's (also comprising the role of CEO and Accounting Officer) remuneration and other benefits was as follows:

M Thorp (Headteacher, CEO and Accounting Officer):
 Remuneration - £75,001 - £80,000 (2018: £nil)
 Employer's pension contributions - £10,001 - £15,000 (2018: £nil)

During the period ended 31 August 2019, no expenses were reimbursed or paid directly to any trustees.

Other related party transactions involving the Trustees are set out in note 22.

9 TRUSTEES' AND OFFICERS INSURANCE

In accordance with normal commercial practice the Academy has opted to take up the Department of Education's Risk Protection Arrangement ('RPA'), an alternative to insurance where UK government funds cover losses that arise. The scheme protects Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business and provides cover up to £10,000,000. It is not possible to quantify the Trustees and Officers indemnity element from the overall cost of the RPA scheme.

Pennine Academies Yorkshire
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2019

10 TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Fixtures and equipment £'000	Computer equipment £'000	Total £'000
Cost					
At 1 September 2018	6,246	5,583	114	126	12,069
Transfer on conversion	-	5,200	-	-	5,200
Additions	-	-	48	9	57
At 31 August 2019	6,246	10,783	162	135	17,326
Depreciation					
At 1 September 2018	38	27	15	18	98
Charged in year	113	165	23	43	344
At 31 August 2019	151	192	38	61	442
Net book values					
At 31 August 2019	6,095	10,591	124	74	16,884
At 31 August 2018	6,208	5,556	99	108	11,971

Further details regarding assets transferred on conversion are provided at note 23.

11 DEBTORS

	2019 £'000	2018 £'000
Trade debtors	28	57
VAT recoverable	15	18
Other debtors	-	130
Prepayments and accrued income	257	165
	300	370

12 CREDITORS: Amounts falling due within one year

	2019 £'000	2018 £'000
Trade creditors	898	746
Other taxation and social security	-	6
Other creditors	48	51
Accruals and deferred income	296	192
	1,242	995
Deferred income		
	2019 £'000	2018 £'000
Deferred income at 31 August 2018	79	-
Resources deferred in the year	161	79
Amounts released from previous years	(79)	-
Deferred income at 31 August 2019	161	79

At the balance sheet date, the Academy Trust was holding universal infant free school meals funding (£129,000), Rates Relief (£11,000) and Local Authority grant funding (£21,000) received in advance.

Pennine Academies Yorkshire
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2019

13 CREDITORS: Amounts falling due in greater than one year		
	2019	2018
	£'000	£'000
Other creditors	55	90
	<u>55</u>	<u>90</u>

14 FUNDS

	Balance at 1 September 2018 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses & transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	-	5,923	(6,244)	321	-
Start Up Grant	-	25	(25)	-	-
Other DfE/ESFA grants	-	783	(783)	-	-
LEA and other grants	-	1,013	(1,013)	-	-
Other restricted	-	34	(34)	-	-
	<u>-</u>	<u>7,778</u>	<u>(8,099)</u>	<u>321</u>	<u>-</u>
Pension reserve	(1,385)	(479)	(511)	(1,606)	(3,981)
	<u>(1,385)</u>	<u>7,299</u>	<u>(8,610)</u>	<u>(1,285)</u>	<u>(3,981)</u>
Restricted fixed asset funds					
Transferred on conversion	11,888	5,200	(278)	-	16,810
DfE Group capital grants	-	101	-	-	101
Capital expenditure from unrestricted reserves	111	-	(66)	1	46
	<u>11,999</u>	<u>5,301</u>	<u>(344)</u>	<u>1</u>	<u>16,957</u>
Total restricted funds	<u>10,614</u>	<u>12,600</u>	<u>(8,954)</u>	<u>(1,284)</u>	<u>12,976</u>
Total unrestricted funds	<u>(322)</u>	<u>414</u>	<u>(74)</u>	<u>(322)</u>	<u>(304)</u>
Total funds	<u>10,292</u>	<u>13,014</u>	<u>(9,028)</u>	<u>(1,606)</u>	<u>12,672</u>

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

- (i) Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the GAG that it could carry forward at 31 August 2019.
- (ii) Local Authority funding was received in the current year. This is restricted for provision of SEN and early years.
- (iii) The pension reserve relates to the pension deficit for the Local Government Pension Scheme (LGPS).

The academy trust is carrying a net deficit of £304,000 on restricted general funds (excluding pension reserve) plus unrestricted funds mainly due to a brought forward deficit of £322,000 driven by significant delays and expense in the set up of the Trust caused by factors outside of the Trust's control. Additional legal costs, consultancy costs and Local Authority costs totalling £146,000 were incurred prior to conversion of the three founding schools. Conversion was originally scheduled to take place in early 2017 but did not take place until May 2018. The brought forward deficit was also driven by capital project costs including IT infrastructure required for the set up of the Trust as well as safeguarding works at one of the schools totalling £120,000, £111,000 of which was funded from unrestricted reserves. Originally the Trust IT costs were planned to be part-funded by the ESFA start up grant monies.

Pennine Academies Yorkshire
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2019

14 FUNDS (continued)

However, due to severe delays in the conversion of the schools those grant monies were expended on other conversion costs whilst under Local Authority control resulting in these costs being funded by the Trust itself. The small current year surplus on reserves has been impacted by the cost of restructuring (specifically, redundancy costs) which are part of a programme of cost reductions across the Trust, as well as the cost associated with changes in the executive team and interim staff required as a result. The Trust has implemented a cost reduction strategy which has resulted in a budget plan for 2019/20 that shows a return to cumulative unrestricted surpluses of £96,000 for the Trust by August 2020. Since implementing this strategy the Trust has engaged with a Schools Resource Management Advisor who has made further proposals for efficiency gains. The Trust will be considering some of these additional efficiencies as part of their Financial Recovery Plan.

Comparative information in respect of the preceding period is as follows:

	Incoming resources £'000	Resources expended £'000	Gains, losses & transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds				
General Annual Grant (GAG)	1,341	(1,574)	233	-
Other DfE/ESFA grants	60	(60)	-	-
LEA and other grants	284	(284)	-	-
Other restricted	13	(18)	5	-
	1,698	(1,936)	238	-
Pension reserve	(1,486)	(79)	180	(1,385)
	212	(2,015)	418	(1,385)
Restricted fixed asset funds				
Transferred on conversion	11,986	(98)	-	11,888
Capital expenditure from unrestricted reserves	-	-	111	111
	11,986	(98)	111	11,999
Total restricted funds	12,198	(2,113)	529	10,614
Total unrestricted funds	86	(59)	(349)	(322)
Total funds	12,284	(2,172)	180	10,292

Analysis of academies by fund balance

Fund balances at 31 August 2019 were allocated as follows:

	2019 £'000	2018 £'000
Crossley Hall Primary School	148	-
Farnham Primary School	(284)	(225)
Hollingwood Primary School	(191)	(11)
Laycock Primary School	83	110
Central services	(60)	(196)
Total before fixed assets and pension reserve	(304)	(322)
Restricted fixed asset fund	16,957	11,999
Pension reserve	(3,981)	(1,385)
Total	12,672	10,292

Pennine Academies Yorkshire
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2019

14 FUNDS (continued)

Farnham Primary School is carrying a net deficit of £284,000 on these funds because significant expense incurred in the conversion of the Trust (as detailed above) was borne by Farnham Primary School due to the staff members involved in the Trust's incorporation. The Trust is taking the following action to return the academy to surplus, by bedding in cost savings during the second half of the current financial year.

Hollingwood Primary School is carrying a net deficit of £191,000 on these funds because of the impact of restructuring costs, specifically redundancy costs, during the financial year. This has resulted in a current year deficit but cost savings are expected in the forthcoming year.

Central services is carrying a net deficit of £60,000 on these funds because of the opening deficit associated with conversion costs (as detailed above). The central services fund is expected to record year-on-year surpluses due to central charges levied on the constituent academies to cover the costs associated with the Trust as detailed in Note 7.

Total cost by academy

Expenditure incurred by each academy during the year (or part thereof) was as follows:

	Teaching and Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Dep'n)	Total
	£'000	£'000	£'000	£'000	£'000
Crossley Hall Primary School	1,863	340	20	480	2,703
Farnham Primary School	1,552	453	76	549	2,630
Hollingwood Primary School	1,439	618	30	277	2,364
Laycock Primary School	406	113	20	145	684
Central MAT	72	59	5	167	303
Academy Trust	5,332	1,583	151	1,618	8,584

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2019 are represented by:

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	16,884	16,884
Current assets	102	891	73	1,066
Current liabilities	(351)	(891)	-	(1,242)
Non-current liabilities	(55)	-	-	(55)
Pension scheme liability	-	(3,981)	-	(3,981)
Total net assets	(304)	(3,981)	16,957	12,672

Comparative information in respect of the preceding period is as follows:

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	11,971	11,971
Current assets	115	598	78	791
Current liabilities	(347)	(598)	(50)	(995)
Non-current liabilities	(90)	-	-	(90)
Pension scheme liability	-	(1,385)	-	(1,385)
Total net assets	(322)	(1,385)	11,999	10,292

Pennine Academies Yorkshire
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2019

16 COMMITMENTS UNDER OPERATING LEASES

OPERATING LEASES

At 31 August 2019 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was as follows:

	2019	2018
	£'000	£'000
Amounts due within one year	2	1
Amounts due within two and five years inclusive	6	2
	8	3

17 RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2019	2018
	£'000	£'000
Net income for the reporting period (as per the statement of financial activities)	3,986	10,112
Depreciation (note 10)	344	98
Capital grants from DfE and other capital income	(101)	-
Donations – transfer from local authority on conversion	(4,733)	(10,513)
Pension cost less contributions payable (note 21)	463	66
Pension finance income (note 21)	48	13
Decease/(increase) in debtors	70	(209)
Increase in creditors	212	866
Net cash provided by Operating Activities	289	433

18 CASH FLOWS FROM INVESTING ACTIVITIES

	2019	2018
	£'000	£'000
Purchase of tangible fixed assets	(57)	(70)
Capital grants from DfE Group	101	-
Net cash outflow from capital expenditure and financial investment	44	(70)

19 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019	2018
	£'000	£'000
Cash in hand and at bank	766	421
	766	421

20 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.

21 PENSION AND SIMILAR OBLIGATIONS

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2016.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pensions Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £391,000 (2018: £99,000).

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.

Pennine Academies Yorkshire
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2019

21 PENSION AND SIMILAR OBLIGATIONS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £400,000 (2018: £131,000) of which employer's contributions totalled £292,000 (2018: £101,000) and employees' contribution totalled £108,000 (2018: £30,000). The agreed rates for future years are 16.6 per cent for employers and ranging between 5.5 and 8.5 per cent for employees.

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

Principal actuarial assumptions	2019	2018
Rate of increase in salaries	3.35%	3.35%
Rate of increase for pensions in payment/inflation	3.20%	3.20%
Discount rate for scheme liabilities	1.80%	2.80%
Inflation assumption (CPI)	2.10%	2.10%
Commutation of pensions to lump sums	75.00%	75.00%

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

	2019	2018
<i>Retiring today</i>		
Males	22.2	22.1
Females	25.4	25.3
<i>Retiring in 20 years</i>		
Males	23.2	23.1
Females	27.2	27.1

Sensitivity analysis

The approximate impact of changing key assumptions on the present value of the funded defined benefit pension obligation is detailed below. In each case, only the assumption listed is altered; all other assumptions remain unchanged. A positive value represents an increase in the defined benefit pension obligation:

	2019	2018
	£'000	£'000
Discount rate +0.1%	(155)	(84)
Discount rate -0.1%	158	86
Mortality assumption – 1 year increase	(277)	(132)
Mortality assumption – 1 year decrease	280	133
CPI rate +0.1%	60	53
CPI -0.1%	(59)	(52)

Pennine Academies Yorkshire
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2019

21 PENSION AND SIMILAR OBLIGATIONS (continued)

The Academy Trust's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2019 £'000	Fair value at 31 August 2018 £'000
Equities	3,349	2,324
Government bonds	453	336
Corporate bonds	194	109
Property	190	131
Cash	82	69
Other	47	146
Total market value of assets	4,315	3,115
Present value of scheme liabilities		
- Funded	(8,296)	(4,500)
Deficit in the scheme	(3,981)	(1,385)

The actual return on scheme assets was £148,000 (2018: £108,000).

Amounts recognised in the statement of financial activities	2019 £'000	2018 £'000
Current service cost	567	167
Past service cost	188	-
Pension finance cost	48	13
Total amount recognised in the SOFA	803	180

Changes in the present value of defined benefit obligations were as follows:	2019 £'000	2018 £'000
Balance at 31 August	4,500	-
Balance acquired on conversion	1,248	4,365
Current service cost	567	167
Past service cost	188	-
Interest cost	152	39
Employee contributions	108	30
Actuarial loss/(gain)	1,648	(98)
Benefits paid	(115)	(3)
At 31 August	8,296	4,500

Changes in the fair value of Academy Trust's share of scheme assets		
Balance at 31 August	3,115	-
On conversion	769	2,879
Interest income	104	26
Actuarial gain	42	82
Employer contributions	292	101
Employee contributions	108	30
Benefits paid	(115)	(3)
At 31 August	4,315	3,115

The estimated value of employer contributions for the year ended 31 August 2020 is £862,000.

Pennine Academies Yorkshire
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2019

22 RELATED PARTIES

Certain Trustees' remuneration and expenses are disclosed in note 8.

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest.

All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Hugh Figgess

Hugh Figgess is a Member of the Academy Trust and Educational Consultant. During the period, Mr. Figgess provided services at cost in the sum of £350 (2018: £825) to the Trust. As at 31 August 2019, the Trust owed £nil (2018: £nil) to Mr. Figgess.

23 ASSETS TRANSFERRED ON CONVERSION

Crossley Hall Primary School

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2019 £'000
Tangible fixed assets				
- Land and leasehold buildings	-	-	5,200	5,200
	-	-	5,200	5,200
Current assets				
- Cash and cash equivalents	12	-	-	12
	12	-	-	12
Pension deficit	-	(479)	-	(479)
	12	(479)	5,200	4,733