

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 12
Governance Statement	13 - 17
Statement on Regularity, Propriety and Compliance	18
Statement of Trustees' Responsibilities	19
Independent Auditors' Report on the Financial Statements	20 - 22
Independent Reporting Accountant's Assurance Report on Regularity	23 - 24
Statement of Financial Activities Incorporating Income and Expenditure Account	25
Balance Sheet	26
Statement of Cash Flows	27
Notes to the Financial Statements	28 - 50

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2019

Members Sanjay Maraj
Toby Blume
Roger Chapman (resigned 26 November 2018)
Avis Johns
Sarah Pearce
David Adams (appointed 26 September 2019)

Trustees Avis Johns, Chair of Governors (resigned as Governor 26 September 2019,
resigned as Chair of Governors 26 September 2019)
David Adams, Chair of Governors (appointed as Governor 14 May 2019, appointed
as Chair of Governors 26 September 2019)
Jon Hindmarsh, Governor
Toby Blume, Governor
Sarah Pearce, Governor
Cathy Halstead, Governor
Andry Moustras, Governor
Patricia Choiral, Governor
Martin Bright, Parent Governor (resigned 15 November 2018)
Bryan Marcus, Governor
Lucy Harrison, Headteacher
Simran Jouhal, Governor
Louise Dobrin-Glaser, Governor
Benjamin Whittaker, Governor
Johanna Moses, Governor
Claire Straus, Governor (appointed 17 January 2019)
Adam Fagan, Governor
Grace Palazzolo, Governor
Judith Vanderveide, Governor

**Company registered
number** 07952786

Company name The Archer Academy

**Principal and registered
office** 3 Beaumont Close
The Bishops Avenue
London
N2 0GA

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2019**

Advisers (continued)

Company secretary Sarah Pearce

Clerk to the governors Maisie Cox

Senior leadership team

Lucy Harrison, Headteacher
Joanna Mahoney, Senior Assistant Headteacher (appointed 1 September 2019)
Lindsay Gillham, Assistant Headteacher
Oliver Naylor, Assistant Headteacher (resigned 31 August 2019)
Oliver Oakley, Assistant Headteacher
Paul Morrison, Assistant Headteacher
Richard Gillo, Senior Teacher
Amber Martin, Senior Teacher (appointed 1 September 2019)
Leanne Chase, Director of Finance
Leo Latter, Head of SEND/Inclusion
Michele Harrison, Business Manager

Independent auditors MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

Bankers Lloyds Bank PLC
Threadneedle Street
London
EC2R 8AU

The Co-Operative Bank Plc
Skelmersdale
WN8 6WT

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates a non-selective academy for pupils aged 11 to 16 serving a catchment area in East Finchley and the surrounding area. It had a pupil capacity of 774 and had a roll of 771 in the school census on 4 October 2018.

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 Academy Trust. The trustees of the Archer Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as the Archer Academy.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on pages 3 and 4.

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 was no qualifying third party indemnity provision in place in the year ended 31 August 2019.

Method of Recruitment and Appointment or Election of Trustees

In accordance with the Articles of Association, procedures were established for the election of staff and parent Governors. Under the terms of the Academy Trust's Articles of Association and Funding Agreement, the Members of the Trust and the Governing Body have powers to appoint Governors.

The Governors undertake a regular skills audit, based on the National Governors' Association model, to appraise existing competencies and identify any areas for development. In addition to this the Chair and Vice-chair(s) of governors look at the membership of the board and succession planning on an annual basis and hold annual governor reviews in early summer each year. During the year elections for a new parent governor were held to replace Martin Bright and Claire Straus was duly appointed to the Board.

The Trust's founding Chair of Governors, Avis Johns, stood down at the end of the period having overseen the successful establishment and development of the school. Following discussion by the Board, a recruitment process was conducted to identify a suitable successor to Ms Johns, overseen by a working group of the Board. An open invitation for expressions of interest was circulated, coupled with proactive discussion to encourage applications. Following a rigorous process, the working group recommended the appointment of David Adams as Chair Designate and, with their agreement, the Board appointed Mr Adams to the board on 16 May 2019. Ms Johns stood down as Chair of Governors and from the Board on 26 September 2019 and Mr Adams was appointed as Chair of Governors

Policies and Procedures Adopted for the Induction and Training of Trustees

The Governors have established the expectation for the appointment and running of a skilled and dedicated Governing Body. To that end a series of procedures and standards were established in order to set out and operate this framework.

To support and induct new governors a handbook is provided which contains Articles of Association, history and vision of the Archer Academy, guidance from DfE and NGA, a job description and a copy of 'Welcome to Governance' (NGA publication). Further, new governors are offered a 'buddy' – an experienced governor able to act as a sounding board and to offer advice or guidance.

In addition, the Academy benefits from support provided by Governor Services at the Local Authority (and associated training) and information from NGA. Governors subscribe to The Key Support for Governors and have attended received training or briefing information during the period on topics including Prevent, safeguarding, pupil premium and the new Ofsted framework as well as the changing face of governance and governors.

With the appointment of David Adams to the Board as Chair designate, a programme of induction was undertaken which included shadowing the current Chair of Governors, meetings with the Head Teacher and Chair of Governors and a range of activity designed to support the smooth transition of appointing a new Chair of Governors.

Organisational Structure

The Governing Body of the Archer Academy is concerned with the strategic management of the Academy. In accordance with section 104 of the Articles of Association the Governors delegate operational management to the Head Teacher in order that she may lead day to day running of the organisation, management and control, including the implementation of policies established by the Governing Body. The Head Teacher is appointed as the Accounting Officer.

The Governing Body has established a committee structure in order to facilitate detailed scrutiny, risk management and development of key areas. Terms of reference for each committee and limits to delegated authority have been established and are reviewed each year.

Committees of the Governing Body:

- Finance and Audit
- Education and Standards
- Pastoral and Wellbeing
- Fundraising and Business Development
- Resources
- Pay Committee

Working Groups of the Governing Body:

- Communications and Community Engagement
- Facilities Working Party

A member of senior leadership is a member of each committee.

A bi-monthly Strategy and Planning meeting is convened to enable effective coordination between and across committees.

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

Responsibilities, priorities and progress of the committees are reported regularly to the Governing Body.

Associate governors are appointed by the Governing Body to contribute to its work.

Associate governors may attend the meetings of the Governing Body, which decides their voting rights. Their voting rights are limited by law to exclude matters concerning the budget, admissions, pupil discipline and the election or appointment of governors. Associate governors are not governors and are not included in the school's Instrument of Government.

Associate governors to the Governing Body:

- Anne-Marie Canning, Widening Participation
- Seema Shah, Finance and Audit
- Gary Bilkus, Information Technology

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration for all of the academy's key management personnel is determined in accordance with the "School teachers' pay and conditions document 2019 and guidance on school teachers' pay and conditions" (September 2019) and, where relevant, the local government pay arrangements. When determining an appropriate pay range, the school considers all of the permanent responsibilities of the role, any challenges that are specific to the role, and all other relevant considerations. In line with our Pay Policy, appropriate differentials are created and maintained between posts within the school, recognising accountability and job weight, and the governing body's need to recruit, retain and motivate sufficient employees of the required quality at all levels.

Head Teacher

The Head Teacher is appraised annually by the Head Teacher's performance management panel of the governing body, supported by a suitably skilled and experienced external adviser who has been appointed by the governing body for that purpose. The performance management panel consists of the Chair of Governors and two other governors.

The Head Teacher must demonstrate sustained high quality of performance, with particular regard to leadership, management and student progress at the Academy and is subject to a review of performance against performance objectives before any performance points are awarded. Objectives are focused on key school priorities and take account of the relevant Head Teacher standards. The objectives developed are SMART and measured accordingly. Objectives may be revised if circumstances change. The Head Teacher's objectives are set by the Head Teacher's performance management panel.

Salary progression for the Head Teacher is recommended by the Head Teacher's Performance Management panel and ratified by the Full Governing Body.

Other key management personnel

All other key management personnel (the academy's senior leadership team) are appraised annually by the Head Teacher. They must demonstrate sustained high quality of performance in respect of Academy leadership and management and, where relevant, student progress and are subject to an annual review of performance against their performance objectives before any performance points are awarded.

The performance management objectives are linked to the relevant standards and are linked to key school priorities and are appropriate to the leadership role and level of experience. Objectives may be revised if circumstances change. The Head Teacher is responsible for setting the objectives.

Salary progression for key management personnel (excluding the Head Teacher) is recommended by the Head Teacher and ratified by the Pay Committee (consisting of governors from the Education and Standards, Resources and Finance and Audit Committees). Any increase will be clearly attributable to the performance of

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

the member of the senior leadership team in question. In all case, the Pay Committee is able to justify its decisions.

If the evidence shows that the Head Teacher or any other member of the key management personnel has displayed exceptional performance, the governing body will consider awarding enhanced pay progression, up to the maximum of 1 additional point.

Trade union facility time

During the year ended 31 August 2019, no employees took up the opportunity to stand as trade union representatives therefore none of the Trust's pay bill was spent on facility time. However, the academy purchased Trade Union facilities time from the Local Authority at a cost of £1,593 for the year (2018 £1,388).

Related Parties and other Connected Charities and Organisations

There are no connected organisations or charities to declare. However, in line with our principles for community engagement we are actively working to develop effective cooperation with a range of local businesses, organisations and other schools.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The objects of the Archer Academy are to advance for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Objectives, Strategies and Activities

As a strategic body, the governors are focused on the long-term success of the school and the ambition of establishing a highly successful, first-choice secondary school serving the local community. We are delighted to be able to report so many successes over the past year, notably the Ofsted inspection report, but our attention now turns to ensuring that our progress continues into the future.

At the beginning of each academic year, the school's senior leadership team and governing board agree the School Development Plan (SDP). This is a strategic document which sets the school's priorities for the year ahead and specifies steps to be taken to deliver them. The governing board scrutinises the school's progress against these priorities through its six committees. Each has a specific area of focus, and is charged with supporting and challenging staff to ensure that the vision of the school is realised, and the SDP adhered to, in the way that it operates on a day-to-day basis. The board also meets regularly to discuss key developments, opportunities and challenges at full board and through Strategy and Planning meetings.

Public Benefit

The Governors of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. The activities undertaken to further the Academy Trust's purpose for the Public Benefit include the provision of educational facilities that are accessible and appropriate for children from the whole community, regardless of race, gender, faith, disability, sexuality or socio-economic background. The development and delivery of a programme of community engagement that actively benefits the whole community within which the school

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

STRATEGIC REPORT

Achievements and Performance

The vision for the school focuses on 'realising potential, inspiring creativity and engaging with our community.' Our staff and students constantly strive to deliver on this vision, both for themselves and for all those around them. As a result, there have been some wonderful events, achievements and successes over the past year. The outstanding grading from Ofsted was clearly a highlight of an incredible year, together with another set of very strong GCSE exam results. Governors continued to support and challenge the school to deliver against the founders' vision of realising potential, inspiring creativity and engaging with our community.

The academic year 2018-19 was a milestone in the progress of the school with an Ofsted inspection in June 2019 rating the school 'outstanding' in all categories. The inspection report confirmed the Trustees' own self-assessment of the school's performance and the positive progress made by students attending.

Our second cohort of students produced an impressive set of GCSE results. Our Progress 8 score, which measures how well our students progressed during their time with us, was 0.67. This is an improvement on last year's already excellent figure, and puts the Archer Academy firmly within the top 10% of schools nationally for progress.

In terms of attainment, headline figures include 76% of our students gaining five or more GCSEs including English and Maths at grade 4+. Furthermore, 37% of all exams entered by our students were awarded a grade 7+ (the equivalent of the old A-A*).

These results ensured that most of our students were able to secure their first choice of post-16 education. The majority transferred to Woodhouse College, one of our strategic partners, with others joining our other partner college, Barnet & Southgate. Other destinations included the London Screen Academy, City & Islington College, Henrietta Barnet, Highgate and UCS.

There were, in addition to the Ofsted inspection and the GCSE results, a number of other achievements and experiences to mention. We were delighted to see our curriculum awarded 'Area of Excellence' by Challenge Partners. This is real recognition of the value-driven way in which we develop our curriculum, with bespoke provision such as Thematic Learning, Enrichment and the Extended Project, as well as the use of Year 9 as a GCSE foundation year.

We were also thrilled to see both our Junior and Senior entries win the Welwyn Youth Drama Festival with special commendation, and to achieve more sporting success and trophies than ever before (including nomination for the Barnet Sports Awards). Our first whole school production, *Fame at the Arts Depot*, was a triumph, with over 100 students taking part.

Key Performance Indicators

Following discussion of a range of possible financial performance indicators the Trustees selected four KPIs that they feel provide a good indication of the financial health of the organisation and provide a suitable breadth of information to assist internal and external accountability.

KPIs

- Total revenue income (excluding capital)/ pupil £7,184 (2018 - £7,206)
- Total GAG/pupil £5,463 (2018 - £5,634)
- Staff costs/total revenue income (excluding capital) 74% (2018 – 75%)
- Teaching staff costs/per pupil £3,744 (2018 - £3,809)

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

The figures show an overall reduction in statutory funding (GAG) and teaching staff costs per pupil compared with the previous financial year, and the proportion of staff costs to total revenue has decreased by one percentage point to 74 per cent. Total revenue income per pupil has decreased only marginally compared to the prior year, reflecting the significant effort put into maximising self-generated income and fundraising activity.

The trustees will continue to monitor closely the variation between total revenue income per pupil and total GAG per pupil to determine the respective level of dependence on statutory and non-statutory sources of funding. Trustees will endeavour to strike a balance between maximising fundraising and earned income, without becoming overly dependent on it to operate.

Staff costs as a proportion of total income are in line with trustees' expectations, although they will continue to monitor the position and consider whether this figure should be reduced over time.

Going Concern

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

FINANCIAL REVIEW

During the year the academy received total incoming funds of £5,587,776 (2018 - £5,415,340) and total expenditure was £5,882,988 (2018 - £5,901,393). After an actuarial loss on the defined benefit pension scheme of £165,000 (2018 - £83,000 gain), this resulted in a movement for the year of £(460,212) (2018 - £(403,053)).

The Trust's total funds stood at £27,089,351 at the year-end (2018 - £27,549,563), with the vast majority of these relating to the Trust's restricted fixed asset fund of £27,487,884 (2018 - £27,855,289), mainly representing property assets at Beaumont Close and Eagans Close. The restricted fixed asset fund includes unspent capital income of £56,827 (2018 - £53,556).

The academy has reported an in-year revenue surplus of £179,193 (2018 - £75,521), giving a surplus on reserves as at 31 August 2019 of £57,467 (2018 - £(121,726)).

The primary source of income was funding from the Department for Education, via the Education and Skills Funding Agency, of £4,451,623 (2018 - £4,421,577). Other income has been received in the form of charitable donations and grants, which have been offered in order to enhance the quality and type of provision the academy can offer, notably £126,782 was received during the year (2018 - £29,021) for our Make Beaumont Brilliant campaign.

Reserves Policy

The Governors recognise that when the Academy is in a position to do so, it will need to hold reserves for a range of reasons. The Governors will always try to match income with expenditure in the current year by setting and managing a balanced budget. We will carry forward reserves when we are in a position to do so and in the context of a clear understanding of how such reserves will be used to benefit our students.

Our aim will be to build up our reserves to use as follows:

- Provide contingency funds to deal with minor adjustments to expenditure from a range of budget areas
- Implement future strategies in line with the school development plan
- Invest as necessary in the maintenance of our capital assets

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

- Protect against any shortfall from rental income and other income generating initiatives
- Provide sufficient working capital to cover delays between spending and receipt of grant income
- Provide a cushion to deal with unexpected emergencies and long-term sickness
- Cash flow management to enable variable cash demands.

The Governors have determined that the appropriate level of free reserves should be approximately £320,000.

At 31st August 2019, the Academy held funds of £27,089,351 of which £101,272 was unrestricted and £26,988,078 was restricted, and £27,487,884 related to fixed assets. The Governors have decided that surplus funds held at 31st August 2019 should be allocated into the 2019-20 budget in order to maximise resources in the year, with a significant proportion allocated to completion of our Upper School library. The Governors recognise that the current financial climate and the ongoing pressures on school budgets make it difficult to build up reserves whilst maintaining the necessary level of expenditure required to deliver the Academy's vision. They will continue to monitor the position closely and to identify opportunities to build up reserves as soon as it is practical to do so.

At 31 August 2019 the total funds comprised:

Unrestricted		£ 101,272
Restricted:	Fixed asset funds	£ 27,487,884
	GAG	£ (137,879)
	Pension reserve	£ (456,000)
	MBB library funds	£ 79,566
	Other	£14,508
		<hr/>
		£27,089,351
		<hr/>

The deficit on the pension scheme reserve relates to the non-teaching staff pension scheme where, unlike the Teachers' Pension Scheme, separate assets are held to fund future liabilities (note 20). The deficit can be met in the longer term from any combination of increased employer and employee contributions, by increased government funding or in changes to scheme benefits.

Investment Policy

Surplus funds are held in an interest-bearing bank account (0.1%)

The Academy's investment policy, in accordance with the school's wider procurement policy, is based on extracting maximum social value from the use of resources. This is based on an assessment of social, environmental and economic benefits and costs, in accordance with the Public Services (Social Value) Act 2012.

Principal Risks and Uncertainties

The Academy Trust practices through its Board, namely the Governing Body and the constituted sub-committees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated. The Chair of Governors and Head Teacher also review major risks as part of their regular meetings.

The Governing Body accepts managed risk as an inevitable part of its operations but seeks to avoid unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior leaders or sub-committees.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

The principal risks facing the Academy are:

- Reputational risk – mitigated by a Communications operational group, overseeing and delivering a programme of effective and proactive communications, designed to minimise the likelihood of reputational risks and respond in a timely and effective manner to any perceived or actual reputational risks.
- Performance risk – mitigated by an Education and Standards Committee, overseeing school performance and ensuring adequate systems and procedures are in place to monitor performance risks. Individual learning plans and regular monitoring of pupil data are used to mitigate against performance risks. The establishment of a robust school development plan, closely aligned to the school's vision and ethos, provides clear and measurable performance targets, which are monitored closely by the Governors and through regular Head Teacher reports.
- Financial Risk – The principal financial risks are a reduction in pupil numbers, reducing the Academy's income, unbudgeted increases in teaching or support staff costs, or that financial management, controls or reporting are not sufficiently robust. The risks presented here are mitigated by close financial control and regular reporting to the Finance and Audit Committee to monitor expenditure on a monthly basis and governor monitoring of staffing levels and requirements through the Resources Committee. A fundraising and income generation strategy, overseen by a Fundraising and Business Development Committee, has been established to secure additional income, to offset the risk of any unforeseen expenditure becoming necessary.
- Risks associated with personnel – the principal personnel risks relate to the loss of key staff and any delays or difficulties in replacing them. These risks are mitigated by the oversight of the Resources committee which seeks to ensure the Academy has sufficient staffing levels, adequate systems and procedures in place to monitor and support staff and a long-term staffing plan and recruitment schedule linked to the financial forecasts for the school.
- IT system failures, whether a single major incident or multiple minor ones, and whether due to technical failure, or malicious activity, could compromise the school's ability to operate effectively and impact on other systems and operations. Operating a single integrated IT system across two operational sites poses a further risk of systems failure. These risks are mitigated by the appointment of a dedicated Premises Manager and Business Manager with responsibility to oversee IT and infrastructure and to manage IT staff. The Resources Committee provides oversight and scrutiny at a strategic level to ensure appropriate policies and procedures are in place to mitigate risks.

FUNDRAISING

Fundraising is always an important issue for schools. At the Archer Academy we are ambitious in our desire to offer every student more than just a basic education. With school budgets increasingly stretched, the Fundraising and Business Development committee has a critical role to play. We work to secure both specific and general extra funds from a variety of sources, so the school can provide students with the opportunities and resources that will allow them to reach their full potential.

A highlight of 2018-19 was the Make Beaumont Brilliant campaign, supported by the Communications team, which raised over £150,000 from parents and other supporters to build a library at Upper School. Additionally, we have relaunched our parent contribution scheme, which delivers regular contributions to our bottom line, and continue to encourage widespread use of easyfundraising, an online shopping portal which has raised £8,000 to date.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

We also raised funds through a variety of other school and community activities such as the Restart project and a football tournament. And we continue to receive financial support from John Lyon's Charity for our enrichment programme. No professional fundraisers are used by the academy. The Trustees monitor all fundraising.

PLANS FOR FUTURE PERIODS

In 2019-20, with a successful year behind us, we will continue to build on our strong foundations and strive for even greater heights. Education is an ever-changing landscape and we will work hard to maintain our position at the forefront of it; developing our offering to students, playing an active role in our local community and ensuring we take excellent care of all our young people.

November 2019 sees the opening of our new Upper School library, a shining example of the power of working in partnership with parents and the community. Throughout the year we will further develop this engagement and will continue to raise much-needed funds to meet our aims. Governors will take every opportunity to support and challenge the school, and ensure it continues to deliver on the promise of our founders' vision.

The primary focus of the Academy for the future period is to fully establish the school as an efficient, effective and outstanding establishment, which reflects the Governors' vision and ethos and serves the community for which it has been established. A Vision Statement has been approved by the Governors that sets out the long term aims for the Academy, aligned to the three pillars of the school's vision – Realising Potential, Inspiring Creativity and Engaging with our Community. The school development plan reflects this longer-term vision in establishing clear objectives and targets for the short-to-medium term.

Whilst judging the school outstanding in all categories, Ofsted set the following areas for focus in order to improve further:

- Further raise the achievement of a small minority of pupils with low prior attainment by ensuring that:
- all staff take responsibility for the development of these pupils' literacy skills
- teachers find ways to break down difficult concepts so that those who struggle to understand can access the learning.

These areas of focus, from our Ofsted Inspection, sit within our 2019/2020 development plan. Our School Development Plan sets out our priorities and focus for the coming year in order to enable strategic change. These are:

1. **Academic Results/Progress 8.** To secure substantial and sustained progress for all students regardless of their starting points aiming for an overall progress measure of 0.8.
2. **Realising Potential.** To secure student grades at least as high as FFT targets in all subjects.
3. **Curriculum.** To refine and review our KS3 curriculum to ensure a clear framework is in place, which underpins high quality teaching, learning and assessment.
4. **Literacy.** To ensure that all students have the opportunity to access a wide range of reading texts and through this see the value of reading in improving their progress across the curriculum.
5. **Behaviour & Discipline.** To embed excellent systems and process that secure excellent behaviour and discipline for all students.
6. **Financial.** To secure long term financial sustainability to enable ambitious strategic decision making and flexibility of resource deployment.
7. **Operational.** To secure operational effectiveness to ensure the development of our campus, to build on external relationships and partnerships and to embed the appraisal process for support staff

These priorities will drive the school's operational activity and provide the focus for the Governing Board and Committees in the year ahead.

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Governors hold no funds on behalf of others as Custodian Trustees.

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.

Following a competitive tendering exercise during the reported period, MacIntyre Hudson were reappointed as auditors.

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


.....
David Adams
Chair of Trustees

Date: 12/12/19

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2019

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to Lucy Harrison (Headteacher) as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Archer Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The **board of trustees** has formally met 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
David Adams	1	1
Toby Blume	6	7
Martin Bright	1	2
Patricia Choiral	7	7
Louise Dobrin	7	7
Adam Fagan	5	7
Cathy Halstead	7	7
Lucy Harrison (Headteacher)	7	7
Jon Hindmarsh	7	7
Avis Johns (Chair of Governors)	7	7
Simran Jouhal	7	7
Bryan Marcus	6	7
Johanna Moses	6	7
Andry Moustras	7	7
Grace Palazzolo	4	7
Sarah Pearce	6	7
Claire Straus	4	4
Judith Vandervelde	5	7
Ben Whittaker	4	7

The Governor Development and Audit policy which sets out the Board's approach to strategically evaluating its own performance and addressing any gaps or areas for improvement was last reviewed in November 2017 (and will be reviewed shortly, in line with a biannual review schedule). This outlines our training for new governors and a commitment from all governors to share training, knowledge and expertise. This policy codifies a range of existing practices into a single document to provide a clear and transparent approach to governance and continuous improvement.

The finance and audit committee is a committee of the main board of trustees. Its purpose is: Ensuring sound management of the Academy's finances and resources, including proper planning, monitoring and probity in line with the statutory and non-statutory guidance and good practice and providing assurance regarding the identification and management of risk.

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2019

The committee met 6 times during the course of the year. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Toby Blume (Chair)	6	6
Patricia Choiral	5	6
Isobel Collinge	5	6
Seema Shah	4	6
Lucy Harrison (Head Teacher and Accounting Officer)	6	6
Leanne Chase (Finance Director and Chief Finance Officer)	6	6
Michele Harrison (Business Manager) (attending as required)	3	6

REVIEW OF VALUE FOR MONEY

As accounting officer, the head teacher has responsibility for ensuring that the Academy 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 Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

The Archer Academy takes a prudent approach to expenditure. With approximately 74% of the Academy Trust budget spent on staffing, staffing structures are reviewed annually to ensure that they are fit for purpose and can adapt and respond to support the successful attainment of the objectives within the Academy Trust development plan. Staffing headcount was reduced at the end of the 2018/2019 academic year, following both a curriculum and staffing structure review, identified posts were not replaced.

The Academy Trust has a high proportion of skilled and experienced teaching and non-teaching staff, who are very effectively deployed to provide best value. Teachers' appraisal and support staff appraisal systems are in place, and HR policies, such as Whistleblowing, are implemented. Staff members have had a range of training opportunities, relating to: safeguarding, assessment for learning; e-safety; promoting independent study; behaviour for learning, developing and maintaining positive well-being and special educational needs. Several members of staff have also been accepted onto leadership and development courses; for the first time this year colleagues are completing both the NPQML and NPQSL which have been part funded by the school. We continue to take part in the Challenge Partners Review Programme and this has enabled members of the senior leadership team to complete leadership review activities at other schools; highlighted as a strength in professional development through the appraisal programme

The Academy Trust's payroll transferred to EPM from the spring, thus providing both payroll and HR advice through the same organisation. Detailed monthly reconciliations of payroll are undertaken by the Finance Director to ensure that payments to staff are correct.

Monthly budget monitoring reports are produced by the Finance Director, with recommendations made for any corrective actions necessary in order to deliver an outcome within budget. In 2018/2019 spending across school departments was further streamlined and significant efficiencies made; most specifically in the areas of consumables. Administrative costs were also reduced significantly as a result of changes in expectations and limits surrounding photocopying. Financial information is now shared with all staff to enable them to support our cost cutting and value for money agenda; this is impactful and has been well received.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic risks are reviewed termly by the Finance Committee during the year with challenge on actions taken to manage and mitigate against the risks. In balancing risk against return the Archer Academy policy is clearly geared towards minimising risk rather than maximising returns. In view of increasingly tight financial resources in 2018/2019 the Archer Academy continued to place an even higher priority on scrutinising purchase order requests in order to reduce the likelihood of wasteful spending; centralising the ordering of stationery and applying greater scrutiny to school trips. Additionally, levels of financial control were reviewed again and identify strong confidence with budget forecasting.

The Archer Academy has in place a rolling programme of budget planning which focuses not only on the current and next financial year but also on the medium to longer term. We are constantly reviewing areas of spending and looking at ways to deliver savings, balance the budget and improve value for money. In reviewing expenditure, we have participated in benchmarking exercises to identify areas where we appear to be high spending. In doing so the Academy has sought to get the optimum balance between quality and cost. A strategic planning meeting took place in spring 2019 between senior members of staff, including the Finance Director, and senior governors building on the impact of this meeting in the previous school year. This will continue to be an annual point of reflection and review within the academic year.

Strategic Target Setting

A central school objective and target, in relation to income and capital, has been set within the main school development plan. This forms one of the schools 'top line strategies' and as such the responsibility to achieve it is shared by all members of staff. The target for the 2019 2020 academic year is to secure a surplus of £50,000; with each department carrying forward 5% of their budget and administrative spend being reduced by 10%. This target is planned into the development plans for each school leader, leadership and management training in the area of financial management is scheduled and all staff are provided with monthly updates in relation to impact.

Better Purchasing

Contracts are regularly reviewed and, where necessary, changed to ensure that they are fit for purpose. Individual budget holders are held accountable for the use of their budgets, and are vigilant with regard to sourcing best value.

Better Income Generation

Our income in relation to the lettings of our facilities continues to grow per annum. We are committed to further increasing the revenue secured in this area as the current contract with Schools Plus, our letting agent, concludes in August 2020. A facilities working party was formed in the spring of 2019, comprising school staff, governors and parent volunteers. A business case in relation to next steps has been delivered and we will go to tender in January 2020 to secure the best outcome for income generation. The school proposes to take on work to generate our own lettings and expand marketing.

Donations form a significant aspect of our budget forecasting and continue to be consistently high, both in relation to parental donations and wider successful bids to grants and foundations. Positive forecasts are consistent in this area of financial planning, we are in a solid position, but keen to expand further.

We are a maturing school which is securing outstanding outcomes for its young people. Our staff are committed. Management systems continue to be reviewed and refined to ensure that our processes generate efficiency but also secure standard operating practices. We look forward to continuing to grow and develop our excellent school; ensuring that every student realises their potential.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2019

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 The Archer Academy Trust 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 Academy 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 Academy Trust's significant risks that has been in place for the period 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 board of trustees.

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

The board of trustees has considered the need for a specific internal audit function and decided to appoint Bernard Manson as a Responsible Officer from 1st September 2016 and agreed a schedule of work for the 2018-19 year.

The responsible officer role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a termly basis, the responsible officer reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The responsible officer's control objectives included:

- Month end procedures
- Review of bank reconciliations and expenses
- Review of the Payroll system
- Review of Petty Cash
- Review of governance
- Review of policies

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2019

On a termly basis the responsible officer reports to the board of trustees, through the Finance and Audit Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Mr Manson has now completed a three-year term conducting internal audit as the school's responsible officer and the recruitment of a successor to take over the role is underway, with Mr Manson agreeing to support the transition handover to a new internal auditor once appointed.


REVIEW OF EFFECTIVENESS

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


- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and 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 and signed on its behalf by:


.....
David Adams
Chair of Trustees

Date: 12/12/19


.....
Lucy Harrison
Accounting Officer

Date: 12/12/19

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Archer Academy I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, 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 ESFA.



Lucy Harrison, Headteacher
Accounting Officer

Date: 12/12/19

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 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 trustee and signed on its behalf by:



David Adams
Chair of Trustees

Date: 12/12/19

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE TRUSTEES OF THE ARCHER ACADEMY

OPINION

We have audited the financial statements of The Archer Academy (the 'academy') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy 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.

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE TRUSTEES OF THE ARCHER ACADEMY

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes Reference and Administrative details, Trustees Report, incorporating the Strategic Report and the Directors Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees Responsibilities Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report (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 and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE TRUSTEES OF THE ARCHER ACADEMY

RESPONSIBILITIES OF TRUSTEES

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

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

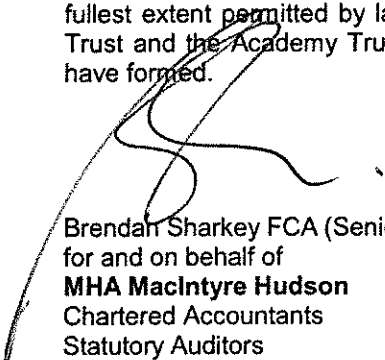
AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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



Brendan Sharkey FCA (Senior Statutory Auditor)
for and on behalf of

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

Date: 17th December 2019.

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE ARCHER ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 4 September 2017 and further to the requirements of the Education & 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 The Archer Academy during the year 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 The Archer Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Archer Academy and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Archer Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF THE ARCHER ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANTS

The Accounting Officer is responsible, under the requirements of The Archer Academy's funding agreement with the Secretary of State for Education dated April 2013, 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 year 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's income and expenditure.

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE ARCHER ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy
- testing of a sample of payroll payments to staff
- testing of a sample of payments to suppliers and other third parties
- consideration of governance issues and
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

MHA MacIntyre Hudson
Chartered Accountants

New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

Date: 17 December 2019.

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:						
Donations and capital grants	2	84,577	138,177	48,848	271,602	121,984
Charitable activities	5	433,553	4,817,313	-	5,250,866	5,216,867
Other trading activities	3	64,643	-	-	64,643	76,006
Investments	4	665	-	-	665	483
TOTAL INCOME		583,438	4,955,490	48,848	5,587,776	5,415,340
EXPENDITURE ON:						
Charitable activities		524,042	4,882,186	476,760	5,882,988	5,901,393
TOTAL EXPENDITURE	6	524,042	4,882,186	476,760	5,882,988	5,901,393
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS						
Transfers between funds	16	59,396 (10,585)	73,304 (49,922)	(427,912) 60,507	(295,212) -	(486,053) -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		48,811	23,382	(367,405)	(295,212)	(486,053)
Actuarial gains/(losses) on defined benefit pension schemes	20	-	(165,000)	-	(165,000)	83,000
NET MOVEMENT IN FUNDS		48,811	(141,618)	(367,405)	(460,212)	(403,053)
RECONCILIATION OF FUNDS:						
Total funds brought forward		52,461	(358,187)	27,855,289	27,549,563	27,952,616
TOTAL FUNDS CARRIED FORWARD		101,272	(499,805)	27,487,884	27,089,351	27,549,563

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 28 to 50 form part of these financial statements.

THE ARCHER ACADEMY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07952786

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	£	2019 £	£	2018 £
FIXED ASSETS					
Tangible assets	12		27,431,057		27,801,733
CURRENT ASSETS					
Debtors	13	204,442		251,908	
Cash at bank and in hand		914,224		815,530	
		<u>1,118,666</u>		<u>1,067,438</u>	
CREDITORS: amounts falling due within one year	14	<u>(912,175)</u>		<u>(996,863)</u>	
NET CURRENT ASSETS			<u>206,491</u>		<u>70,575</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>27,637,548</u>		<u>27,872,308</u>
CREDITORS: amounts falling due after more than one year	15		<u>(92,197)</u>		<u>(138,745)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>27,545,351</u>		<u>27,733,563</u>
Defined benefit pension scheme liability	20	(456,000)		(184,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>27,089,351</u></u>		<u><u>27,549,563</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	16	(43,805)		(174,187)	
Restricted fixed asset funds	16	27,487,884		27,855,289	
Restricted funds excluding pension liability		<u>27,444,079</u>		<u>27,681,102</u>	
Pension reserve		<u>(456,000)</u>		<u>(184,000)</u>	
Total restricted income funds			<u>26,988,079</u>		<u>27,497,102</u>
Unrestricted income funds	16		<u>101,272</u>		<u>52,461</u>
TOTAL FUNDS			<u><u>27,089,351</u></u>		<u><u>27,549,563</u></u>

The financial statements on pages 25 to 50 were approved by the Trustees, and authorised for issue, on 12/12/19 and are signed on their behalf, by:

David Adams
Chair of Trustees



Toby Blume
Chair of Finance



The notes on pages 28 to 50 form part of these financial statements.

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	18	<u>155,265</u>	<u>211,452</u>
Cash flows from investing activities:			
Investment income		665	483
Purchase of tangible fixed assets		(106,084)	(39,358)
Capital grants and income		48,848	25,499
Net cash used in investing activities		<u>(56,571)</u>	<u>(13,376)</u>
Change in cash and cash equivalents in the year		98,694	198,076
Cash and cash equivalents brought forward		<u>815,530</u>	<u>617,454</u>
Cash and cash equivalents carried forward		<u><u>914,224</u></u>	<u><u>815,530</u></u>

The notes on pages 28 to 50 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES

The Archer Academy is a company limited by guarantee, incorporated in England. The address of the registered office and principal place of operation are detailed on page 1. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees Report.

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

The Archer Academy constitutes a public benefit entity as defined by FRS 102. The financial statements are prepared in sterling which is the functional currency of the Academy Trust, rounded to the nearest £1.

1.2 Going concern

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.3 Incoming resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, probability of receipt and the amount can be measured with sufficient reliability.

Grants Receivable

Grants are included in the Statement of Financial Activities incorporating Income and Expenditure Account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions, there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income, until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund. Capital grants paid in respect of eligible expenditure are only recognised when such expenditure has been incurred. Any income received in advance is deferred.

Donations

Donations are recognised on a receivable basis where there is probability of receipt, there are no performance related conditions and the amount can be reliably measured.

Other income

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

1.4 Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Expenditure is classified by activity. The costs of each activity are made up of direct costs and shared costs, including support costs involved in undertaking each activity. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property - buildings	-	2% per annum on a straight line basis
Furniture and fixtures	-	10% per annum on a straight basis
Computer equipment	-	33.3% per annum on a straight basis
Freehold land	-	Not depreciated

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

1.6 Taxation

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

1.7 Debtors

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

1.8 Cash at bank and in hand

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.9 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.11 Fund accounting

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

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

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

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 14 and 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.13 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. ACCOUNTING POLICIES (continued)

1.14 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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.

Critical areas of judgment:

The judgements that have had a significant effect on amounts recognised in the financial statements are those concerning the choice of property valuations and depreciation policy.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	84,577	11,395	-	95,972	67,464
Capital grants	-	-	48,848	48,848	25,499
Fundraising - Make Beaumont Brilliant	-	126,782	-	126,782	29,021
	<u>84,577</u>	<u>138,177</u>	<u>48,848</u>	<u>271,602</u>	<u>121,984</u>
Total 2018	<u>62,103</u>	<u>34,382</u>	<u>25,499</u>	<u>121,984</u>	

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Hire of facilities	60,930	-	60,930	55,144
Fundraising	3,713	-	3,713	20,862
Total 2019	<u>64,643</u>	<u>-</u>	<u>64,643</u>	<u>76,006</u>
Total 2018	<u>70,970</u>	<u>5,036</u>	<u>76,006</u>	

4. INVESTMENT INCOME

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest receivable	665	-	665	483
Total 2018	<u>483</u>	<u>-</u>	<u>483</u>	

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	4,211,651	4,211,651	4,226,131
Pupil premium	-	194,501	194,501	188,446
Other EFA /DfE grants	-	45,471	45,471	7,000
	<u>-</u>	<u>4,451,623</u>	<u>4,451,623</u>	<u>4,421,577</u>
Other government grants				
SEN	-	314,402	314,402	346,423
Split site funding	-	10,698	10,698	-
Other government grants	-	10,420	10,420	2,400
	<u>-</u>	<u>335,520</u>	<u>335,520</u>	<u>348,823</u>
Other funding				
Other income	433,553	-	433,553	408,467
Other grants	-	30,170	30,170	38,000
	<u>433,553</u>	<u>30,170</u>	<u>463,723</u>	<u>446,467</u>
Total 2019	<u>433,553</u>	<u>4,817,313</u>	<u>5,250,866</u>	<u>5,216,867</u>
Total 2018	<u>408,403</u>	<u>4,808,464</u>	<u>5,216,867</u>	

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

6. EXPENDITURE

	Staff costs 2019 £	Premises 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Educational operations:					
Direct costs	3,249,843	-	336,307	3,586,150	3,624,581
Support costs	852,951	777,011	666,876	2,296,838	2,276,812
Total 2019	<u>4,102,794</u>	<u>777,011</u>	<u>1,003,183</u>	<u>5,882,988</u>	<u>5,901,393</u>
Total 2018	<u>4,036,785</u>	<u>805,316</u>	<u>1,059,292</u>	<u>5,901,393</u>	

In 2019, of the total expenditure from charitable activities, £5,358,946 (2018 - £5,355,892) related to restricted funds and £524,042 (2018 - £545,501) related to unrestricted funds.

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

7. CHARITABLE EXPENDITURE

	Direct costs 2019 £	Support costs 2019 £	Total 2019 £	Total 2018 £
Charitable activities	3,586,150	2,296,838	5,882,988	5,901,393
Total 2018	3,624,581	2,276,812	5,901,393	

Analysis of support costs

	Educational operations £	Total 2019 £	Total 2018 £
Staff	820,783	820,783	771,940
Depreciation	476,760	476,760	522,588
Agency and other staff costs	32,168	32,168	22,752
Governance costs	12,955	12,955	13,541
Educational supplies	11,378	11,378	13,131
Security	4,868	4,868	9,592
Technology costs	42,633	42,633	71,252
Educational consultancy	68,596	68,596	48,478
Travel and subsistence	146,374	146,374	159,073
Maintenance of premises and equipment	53,070	53,070	48,860
Rent and rates	57,018	57,018	56,754
Energy	71,324	71,324	61,672
Insurance	17,856	17,856	18,118
Catering	270,090	270,090	231,463
Other occupancy costs	100,982	100,982	98,410
Other support costs	84,035	84,035	95,858
Professional services	25,948	25,948	33,330
	<u>2,296,838</u>	<u>2,296,838</u>	<u>2,276,812</u>
At 31 August 2018	<u>2,276,812</u>	<u>2,276,812</u>	

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2019	2018
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	476,760	522,589
Auditors' remuneration - audit	7,250	7,250
Auditors remuneration - other services	2,805	3,225
Operating lease rentals	12,641	12,267
	<u> </u>	<u> </u>

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	3,150,450	3,075,125
Social security costs	318,836	302,685
Pension costs	585,830	607,143
	<u>4,055,116</u>	<u>3,984,953</u>
Agency staff costs	47,678	51,832
	<u><u>4,102,794</u></u>	<u><u>4,036,785</u></u>

b. Staff numbers

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

	2019 No.	2018 No.
Teachers	49	51
Administration and support	43	48
Management	9	9
	<u>101</u>	<u>108</u>

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	4	3
In the band £80,001 - £90,000	1	1

The above bandings state employee emoluments before employer's pension contributions. Four of above employees (2018 - four) participated in the Teachers' Pension Scheme, the remaining employee opted out of the scheme in October 2018. During the year ended 31 August 2019 employer's pension contributions for these employees amounted to £45,432 (2018 - £43,191).

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. STAFF COSTS (continued)

d. Key management personnel

The Key Management Personnel of the academy trust comprise the trustees and the senior management team as listed on page 2.

The total amount of employee benefits (including employers pension contributions) received by the senior management team for their services to the academy trust was £635,313 (2018 - £614,239). The remuneration of staff trustees is disclosed in note 11, no other trustees received remuneration for their services to the academy trust.

The Headteacher is both a trustee and a member of the senior management team.

10. TRUSTEES' AND OFFICERS' INSURANCE

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000 (2018 - £10,000,000). It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme. The cost of this insurance is included in the total insurance cost.

11. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

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

		2019	2018
		£	£
Lucy Harrison, Headteacher	Remuneration	80,000-85,000	80,000-85,000
	Pension contributions paid	10,000-15,000	10,000-15,000
Simran Jouhal, Staff Governor	Remuneration	45,000-50,000	40,000-45,000
	Pension contributions paid	5,000-10,000	5,000-10,000
Judith Vandervelde	Remuneration	40,000-45,000	25,000-30,000
	Pension contributions paid	5,000-10,000	0-5,000
Ludmila Felic, Staff Governor (resigned 5 September 2017)	Remuneration	0	0-5,000
	Pension contributions paid	0	0-5,000

During the year, three Trustees received reimbursement of expenses to a value of £117 (2018 - two trustees, £885).

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

12. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture and fixtures £	Computer equipment £	Total £
Cost				
At 1 September 2018	28,600,105	795,358	651,002	30,046,465
Additions	89,408	5,741	10,935	106,084
At 31 August 2019	<u>28,689,513</u>	<u>801,099</u>	<u>661,937</u>	<u>30,152,549</u>
Depreciation				
At 1 September 2018	1,383,855	261,484	599,393	2,244,732
Charge for the year	352,135	79,727	44,898	476,760
At 31 August 2019	<u>1,735,990</u>	<u>341,211</u>	<u>644,291</u>	<u>2,721,492</u>
Net book value				
At 31 August 2019	<u><u>26,953,523</u></u>	<u><u>459,888</u></u>	<u><u>17,646</u></u>	<u><u>27,431,057</u></u>
At 31 August 2018	<u><u>27,216,250</u></u>	<u><u>533,874</u></u>	<u><u>51,609</u></u>	<u><u>27,801,733</u></u>

Freehold property relates to the Academy's sites at Beaumont Close and Stanley Road. The ESFA provided a valuation of the land and buildings for Beaumont Close of £19.624 million during the year ended 31 August 2014. The value of the site at Stanley Road comprises costs of land and construction and the cost of subsequent additions.

Included within freehold property is freehold land relating to both sites of £10,994,000 (2018 - £10,994,000) which is not depreciated.

The trustees consider that the valuation of freehold property remains appropriate for the purposes of these financial statements.

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

13. DEBTORS

	2019 £	2018 £
Trade debtors	-	175
VAT repayable	24,679	79,596
Other debtors	10,953	16,398
Prepayments and accrued income	168,810	155,739
	<u>204,442</u>	<u>251,908</u>

14. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	478,618	107,367
ESFA creditor: VAT	-	1,321
Other creditors	178,608	705,975
Accruals and deferred income	254,949	182,200
	<u>912,175</u>	<u>996,863</u>

	2019 £	2018 £
Deferred income		
Deferred income at 1 September 2018	248,801	339,786
Resources deferred during the year	88,636	63,508
Amounts released from previous years	(110,056)	(154,493)
Deferred income at 31 August 2019	<u>227,381</u>	<u>248,801</u>

Deferred income falling due within one year at 31 August 2019 includes amounts received in advance in respect of trip income for £55,462 (2018 - £30,185), a rates claim received in advance of £33,174 (2018 - £33,323) and ESFA income received in advance of £46,548 (2018 - £46,548). The remaining amount of £92,197 relates to deferred income falling due after more than one year as detailed in note 15.

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

	2019 £	2018 £
Deferred income	<u>92,197</u>	<u>138,745</u>

Deferred income falling after more than one year at 31 August 2019 includes ESFA income received in advance of £92,197 (2018 - £138,745).

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

16. STATEMENT OF FUNDS

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General funds	52,461	583,438	(524,042)	(10,585)	-	101,272
Restricted funds						
General Annual Grant (GAG)	(184,427)	4,211,652	(4,165,104)	-	-	(137,879)
Donations	1,260	138,177	(9,011)	(49,922)	-	80,504
Other ESFA/DfE grants	1,713	239,972	(238,089)	-	-	3,596
Other restricted income	7,267	365,689	(362,982)	-	-	9,974
Pension reserve	(184,000)	-	(107,000)	-	(165,000)	(456,000)
	(358,187)	4,955,490	(4,882,186)	(49,922)	(165,000)	(499,805)
Restricted fixed asset funds						
Fixed asset funds	27,855,289	48,848	(476,760)	60,507	-	27,487,884
Total restricted funds	27,497,102	5,004,338	(5,358,946)	10,585	(165,000)	26,988,079
Total of funds	27,549,563	5,587,776	(5,882,988)	-	(165,000)	27,089,351

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

The Other DfE/ESFA grants fund has been created to recognise the restricted funding received from the DfE/ESFA which fall outside the scope of core funding.

The pension reserve represents the academy trusts share of the Local Government Pension Scheme liability. Plans are in place to meet the deficit such that it is not a constraint on reserves in the future.

The fixed asset fund recognises the tangible assets held by the Academy Trust and is equivalent to the NBV of tangible fixed assets together with unspent capital income of £56,827. Depreciation of tangible fixed assets is allocated to this fund.

Transfers of £49,922 from the donations fund and £10,585 from the general funds to the fixed asset fund represent purchase of fixed assets out of income.

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

16. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
General funds						
General funds	58,503	541,959	(545,501)	(2,500)	-	52,461
Restricted funds						
General Annual Grant (GAG)	(278,138)	4,226,131	(4,132,420)	-	-	(184,427)
Donations	3,980	5,361	(3,485)	(4,596)	-	1,260
Other ESFA/DfE grants	-	195,446	(193,733)	-	-	1,713
Other restricted income	18,408	420,944	(377,815)	(54,270)	-	7,267
Pension reserve	(143,000)	-	(124,000)	-	83,000	(184,000)
	<u>(398,750)</u>	<u>4,847,882</u>	<u>(4,831,453)</u>	<u>(58,866)</u>	<u>83,000</u>	<u>(358,187)</u>
Restricted fixed asset funds						
Fixed asset funds	28,292,863	25,499	(524,439)	61,366	-	27,855,289
Total of funds	<u>27,952,616</u>	<u>5,415,340</u>	<u>(5,901,393)</u>	<u>-</u>	<u>83,000</u>	<u>27,549,563</u>

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	27,431,057	27,431,057
Current assets	101,272	960,567	56,827	1,118,666
Creditors due within one year	-	(912,175)	-	(912,175)
Creditors due in more than one year	-	(92,197)	-	(92,197)
Pension scheme liability	-	(456,000)	-	(456,000)
	<u>101,272</u>	<u>(499,805)</u>	<u>27,487,884</u>	<u>27,089,351</u>

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	2018 £	2018 £	2018 £	2018 £
Tangible fixed assets	-	-	27,801,733	27,801,733
Current assets	52,461	961,421	53,556	1,067,438
Creditors due within one year	-	(996,863)	-	(996,863)
Creditors due in more than one year	-	(138,745)	-	(138,745)
Pension scheme liability	-	(184,000)	-	(184,000)
	<u>52,461</u>	<u>(358,187)</u>	<u>27,855,289</u>	<u>27,549,563</u>

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

	2019 £	2018 £
Net expenditure for the year (as per Statement of Financial Activities)	(295,212)	(486,053)
Adjustment for:		
Depreciation charges	476,760	522,589
Investment income	(665)	(483)
Loss and refund on the disposal of fixed assets	-	7,899
Decrease/(increase) in debtors	47,466	(15,804)
(Decrease)/increase in creditors	(131,236)	84,803
Capital grants and income	(48,848)	(25,499)
FRS 102 pension adjustment	107,000	124,000
Net cash provided by operating activities	<u>155,265</u>	<u>211,452</u>

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash at bank and in hand	914,224	815,530
Total	<u>914,224</u>	<u>815,530</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

20. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the London Borough of Barnet. Both are Multi-Employer Defined Benefit Pension Schemes.

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

Contributions amounting to £62,074 were payable to the schemes at 31 August 2019 (2018 - £Nil) and are included within creditors.

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The teachers' pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the teachers' pension scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

20. PENSION COMMITMENTS (continued)

SCHEME CHANGES

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the period amounted to £319,000 (2018 - £334,455).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £201,000 (2018 - £180,000), of which employer's contributions totalled £160,000 (2018 - £144,000) and employees' contributions totalled £41,000 (2018 - £36,000). The agreed contribution rates for future years are 23.8% for employers and 5.5-12.5% for employees.

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

Principal actuarial assumptions:

	2019	2018
Discount rate for scheme liabilities	1.90 %	2.80 %
Rate of increase in salaries	2.60 %	2.60 %
Rate of increase for pensions in payment / inflation	2.30 %	2.30 %
Commutation of pensions to lump sums pre April 2008	50.00 %	50.00 %
Commutation of pensions to lump sums post April 2008	50.00 %	50.00 %

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

20. PENSION COMMITMENTS (continued)

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

	2019	2018
Retiring today		
Males	21.0	21.9
Females	23.3	24.3
Retiring in 20 years		
Males	22.3	23.9
Females	25.1	26.5
Sensitivity analysis	At 31 August	At 31 August
	2019	2018
	£	£
Salary Increase rate +0.5%	1,000	1,000
Discount rate -0.5%	165,000	99,000
Pension Increase rate +0.5%	162,000	98,000

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

20. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2019 £	Fair value at 31 August 2018 £
Equities	465,000	341,000
Bonds	265,000	176,000
Property	25,000	-
Cash and other liquid assets	75,000	70,000
	<u>830,000</u>	<u>587,000</u>

The actual return on scheme assets from 1 October 2018 to 30 June 2019 was 3.2% (2018 - 3.0%).

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

	2019 £	2018 £
Current and past service cost	(260,000)	(263,000)
Interest income	19,000	12,000
Interest cost	(26,000)	(17,000)
	<u>(267,000)</u>	<u>(268,000)</u>

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

	2019 £	2018 £
Opening defined benefit obligation	771,000	537,000
Current and past service cost	260,000	263,000
Interest cost	26,000	17,000
Employee contributions	41,000	36,000
Actuarial losses/(gains)	190,000	(78,000)
Benefits paid	(2,000)	(4,000)
	<u>1,286,000</u>	<u>771,000</u>

THE ARCHER ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

20. PENSION COMMITMENTS (continued)

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

	2019 £	2018 £
Opening fair value of scheme assets	587,000	394,000
Interest income	19,000	12,000
Actuarial gains	25,000	5,000
Employer contributions	160,000	144,000
Employee contributions	41,000	36,000
Benefits paid	(2,000)	(4,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	830,000	587,000
	<hr/> <hr/>	<hr/> <hr/>

21. OPERATING LEASE COMMITMENTS

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

	2019 £	2018 £
Amounts payable:		
Within 1 year	2,926	7,591
Between 1 and 5 years	2,054	1,975
	<hr/>	<hr/>
Total for assets other than land and buildings	4,980	9,566
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust and the composition of the Governing Body being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Outgoing related party transactions

The daughter of Roger Chapman, a member who resigned in November 2018, is an employee of 'The Key for School Leaders'. This company provided services of advice on educational policy during the year to the academy at a cost of £1,569 (2018 - £574). At the year end, the academy owed £Nil (2018 - £Nil) to the company. The transactions were on normal commercial terms. Roger Chapman had no involvement in the contract discussions or decisions in relation to the appointment for the services or in the transactions which were, as a matter of policy, conducted on an arms length basis.

Incoming related party transactions

Donations have been made during both the current and prior year to the academy by the trustees. The donations did not influence the activities undertaken by the academy.

No other related party transactions took place in the period of account, other than certain trustees' remuneration already disclosed in note 11.

23. 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.