

Company Registration Number: 07687583 (England and Wales)

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Members

Andrew Hobday
Christine Thomas
Elizabeth Baker

Governors

Annette Kimblin
Christine Thomas, Chair
Ann Hunter
Stefan March
Jane Spicer
Joanna Tomkinson
Elizabeth Baker
Andrew Hobday
Michella Lea (resigned 21 March 2017)
Richard Hart
Jacqueline Allen
Andrew Johnson
Catherine Brumwell (resigned 15 June 2017)

Company registered number

07687583

Company name

Light Hall School

Principal and registered office

Hathaway Road, Shirley, Solihull, West Midlands, B90 2PZ

Senior management team

AB Kimblin, Headteacher
R Barr, Deputy Headteacher
R McCrainor, Assistant Headteacher
R Hall, Assistant Headteacher
S Brookes, Assistant Headteacher
K Mohomed, Assistant Headteacher

Independent auditors

Moore Stephens LLP, 35 Calthorpe Road, Edgbaston, Birmingham, West Midlands, B15 1TS

Bankers

Lloyds Bank plc, Poplar Road, Solihull, Birmingham, West Midlands, B91 3AN

Solicitors

Browne Jackson, Victoria Square House, Victoria Square, Birmingham, West Midlands, B2 4BU

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2017**

Advisers (continued)

Responsible Officer

Solihull Audit Services, Solihull Metropolitan Borough Council, PO Box 9, Solihull, West Midlands, B91 9QU

LIGHT HALL SCHOOL
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

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

The trust operates an academy for pupils aged 11 to 16. During the academic year 2015/16 there were 1158 pupils on roll, pupils attending are from South Solihull, South Birmingham and further afield.

Principal activities

The Academy Trust's principal activities are specifically restricted 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, managing and developing a school offering a broad and balanced curriculum.

The Academy Trust operates under a Funding Agreement issued by the Department for Education on 29 July 2011 and commenced operations on 1 August 2011.

Structure, governance and management

a. CONSTITUTION

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association and articles of association are the primary governing document of the academy trust.

The company was incorporated on 29 June 2011. On 1 August 2011 Light Hall School converted from a specialist college to academy trust under the Academies Act 2010 and all the operations, and assets and liabilities were transferred to Light Hall School from the Governors of Light Hall School.

The Governors of Light Hall School are also the directors of the charitable company for the purpose of company law.

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

b. MEMBERS' LIABILITY

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

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business.

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

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

The Governors are directors of the charitable company for the purposes of the Companies Act 2006 and Trustees for the purposes of charity legislation. The governors who were in office at 31 August 2017 and served throughout the year, except where shown, are listed on page 1.

The Members may appoint Governors but this will not be subject to any maximum. They may appoint staff Governors through such processes as they may determine. Provided that the total number of governors (including the Head Teacher), who are employees of the Academy Trust does not exceed one third of the total number of governors. The Head Teacher shall be treated for all purposes as being an ex-officio governor. There will be a minimum of 2 parent governors who shall be elected by parents of registered students at the Academy. The governors may appoint up to 3 co-opted governors.

d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

New governors attend full governing body meetings and subsequently populate committees, often according to interests and personal expertise. Each new governor has a nominated mentor governor and training is offered each term by Governor Services and appropriate records are kept of this. Copies of policies, handbooks and literature are disseminated throughout the year.

e. ORGANISATIONAL STRUCTURE

A unified leadership structure operates to help improve the way the Academy is run. The structure consists of Governors and the Senior Leadership Team. The aim of the management structure is to devolve responsibility and encourage decision making at all levels.

The governors are responsible for the strategic development of the Academy, adopting an annual School Improvement Plan (SIP) and budget, monitoring the Academy by the use of budgets and management accounts and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

To ensure an efficient and effective committee structure with the Academy's School Improvement Plan at its core, there are governor committees responsible for strategy and finance, pay and student discipline.

The core Senior Leadership Team is made up of the Head Teacher, Deputy Head Teacher and 4 Assistant Head Teachers. These leaders direct the Academy at an executive level implementing the policies laid down by the governors and reporting back to them. The Senior Leaders are responsible for the authorisation of spending within agreed budgets and appointment of staff, though appointment boards for posts of the Head of Faculty and above appointments always contain a governor. Some spending control is devolved to members of the Senior Leadership Team, with limits above which the Head Teacher must countersign. The Head Teacher is the accounting officer in the academy. This is all detailed in the Financial Scheme of Delegation.

f. PAY POLICY FOR KEY MANAGEMENT PERSONNEL

Arrangements for setting the pay and remuneration of the academy's key management personnel are reviewed by the Strategy and Finance Committee and approved by the full Governing Body. The Academy has chosen to follow the pay arrangements for maintained schools in England and Wales for teachers and support staff. The Academy's teachers' pay policy is based on the nationally agreed pay scales as outlined in the School Teachers' Pay and Conditions Document. The Academy's support staff pay policy is based on the Solihull Metropolitan Borough Council pay structure which uses a nationally negotiated local government pay spine for its basis.

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

g. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

As part of its operation the Academy liaises with organisations such as the Local Authority as well as with other education providers and trainers such as local schools, further education institutions and universities and independent educational consultants. These links are maintained in the interests of supporting good practice and information sharing and consolidate well established mutually supportive associations. None of these relationships impact on the Academies operational policies.

Objectives and Activities

a. OBJECTS AND AIMS

For the academic year 2016/17, the Academy's main objectives were encompassed in its mission statement and in the fulfilment of its motto 'The best from everyone, all of the time' which encompasses Light Hall's aspiration to be a leading, innovative academy, demonstrating excellence in all that it does.

Underpinning this are the core values of excellence, love of learning, high aspirations and expectations, sound moral compass, care and respect and active participation. Each of the leaves of the Light Hall 'tree' emblem represents one of these core values with excellence being the gold leaf, pointing to the sky.

The academy's aim is that every student leaves us, not only having achieved their full potential academically, but with a lifelong love of learning, a sound moral compass and high aspirations and expectations of themselves. Care and respect for others and our environment are the given norm at Light Hall and there is an expectation that everyone will participate actively and positively in the life of our learning community.

To this end the activities provided include:

- Tuition and learning opportunities for all students to attain the highest standard in academic qualifications
- Training opportunities for all staff, to encourage them to be effective models of learning and development
- Specialist activities in all curricular areas
- A programme of sporting and after-school extra curricular activities for all students to widen their experiences
- A system of pre and after-school clubs to allow students to develop as learners
- Community learning links that can support other learners in Shirley and surrounding areas

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

For the academic year 2016/17 the academy continued to follow the 2015/18 school improvement plan.

The main objectives for the year were stated in the School Improvement Plan 2015-18, along with actions required.

The overriding aims include:

- Students exceed expected levels of progress
- All leaders and managers are highly ambitious for pupils and lead by example
- There is a pursuit of excellence in all of the school's activities
- Learning and teaching are of the highest quality, all groups of students learn exceptionally
- Students have a real pride in the school, they demonstrate excellent conduct, well manners and punctuality. Parents, staff and pupils are reservedly positive about behaviour and safety.

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

c. PUBLIC BENEFIT

The governors have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document "The Advancement of Education for the Public Benefit") into consideration in preparing their statements on public benefit contained within this governors' annual report.

The Trust Governors have complied with the duty in the Section 17 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers and duties. In particular the Governors consider how planned activities will contribute to the aims and objectives they have set. The Academy has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objective via a strong community role.

Strategic report

Achievements and performance

The academic year 2016-17 saw a continued trend of positive outcomes for our students.

a. KEY PERFORMANCE INDICATORS

66% of students achieved a grade 4 or better in English and maths, which is above the national average. 28% of all students achieved the English Baccalaureate, which is an increase on last year. The Progress 8 measure was -0.07 and the Attainment 8 measure was 46.6 points, again above the national average.

b. GOING CONCERN

After making appropriate enquiries, the Governing Body 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 its financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

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

c. REVIEW OF ACTIVITIES

Most of the Academy's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2017 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice "Accounting and Reporting by Charities ("SORP 2015") such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2017, total expenditure of £5,803,080 was less than recurrent grant funding from the DfE together with other incoming resources. The surplus of income over expenditure before other recognised gains and losses was £31,042.

At 31 August 2017 the net book value of fixed assets was £20,589,557 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

Investments consists of short term deposits which have been classified as an investment as the academy's intention is to continue to re-invest these funds.

Financial review

a. RESERVES POLICY

The Governors review the reserves levels of the academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that an appropriate level of free reserves should be equivalent to 1 weeks expenditure approximately £100,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £202,839.

The Academy's share of the Local Government Pension Scheme deficit is £1,853,000 as at 31 August 2017. The Governors have agreed to fund this deficit in accordance with the recommendations of the latest actuarial valuation carried out on 31 August 2017. Further details are provided in note 22.

b. INVESTMENTS POLICY

The Governors' policy is to invest any surplus funds in low risk short term bank deposits.

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

c. PRINCIPAL RISKS AND UNCERTAINTIES

The Governors have responsibility for assessing the strategic risks to which the Academy is exposed and have a risk register which produces a systematic analysis of all risks, placing them in priority order. It is reviewed annually and will be updated during the academic year 2017/18.

The governors are implementing a number of systems to assess the risks the Academy faces, especially in the strategic risk areas and in relation to the control of finance. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk. The Academy has an effective system of internal financial controls and this is explained in more detail in this report.

The Governors consider that the principal risks and uncertainties facing the Academy are:

- Meeting requisite standards of education for students in core subjects
- Complying with legislative requirements regarding employment law, data protection, discrimination, Companies House and HMRC, child protection, the Charity commission and the National Curriculum.
- Financial risk – not operating within its budget and running a deficit, changes in funding, inappropriate or insufficient financial controls and systems, fraudulent activity and or financial commitments made without adequate authorisation
- Operational risks resulting from inexperienced or inappropriate staff being employed and inaccurate, out of date or inappropriate information

The key controls used by the academy include:

- Detailed terms of reference for all committees
- Formal agendas for the academy board and committees
- Schemes of delegation and formal financial regulations
- Formal written policies
- Clear authorisation and approval levels
- Policies and procedures required by law to protect the vulnerable

Plans for future periods

a. FUTURE DEVELOPMENTS

The main objectives for 2017/18 are stated in the School Improvement Plan.

FUNDS HELD AS CUSTODIAN

The Academy and its Governors do not act as the Custodian Trustees of any other Charity or funds.

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

DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Governors are aware:

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

AUDITORS

Moore Stephens LLP, were selected as the school's chosen auditors following a tendering process in 2014/15, to audit the accounts for the academic year 2016/17.

The Governors' Report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 7 December 2017 and signed on its behalf by:


Christine Thomas
Chair of Trustees

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As governors, we acknowledge we have overall responsibility for ensuring that Light Hall School 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 Governing Body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Light Hall School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met 8 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Annette Kimblin	8	8
Christine Thomas, Chair	7	8
Ann Hunter	2	8
Stefan March	4	8
Jane Spicer	6	8
Joanna Tomkinson	2	8
Elizabeth Baker	8	8
Andrew Hobday	6	8
Michella Lea	0	4
Richard Hart	8	8
Jacqueline Allen	8	8
Andrew Johnson	8	8
Catherine Brumwell	4	5

The Pay Committee is also a sub-committee of the main Governing Body.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Jane Spicer	1	1
Andrew Hobday	1	1
Richard Hart	1	1

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GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher 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 Governing Body 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 in the following ways:

We have made economic, efficient and effective use of all resources in order to produce good educational outcomes. Light Hall targeted measures, in the form of additional teaching periods and leadership support, to improve outcomes in all subjects. This practice was particularly successful in the core subjects of English, maths and science, where additional leadership support was used effectively with the result that disadvantaged students performed very well in comparison to non-disadvantaged and the outcomes in science and English exceeded those of the previous year.

Our governors have strong oversight of all spending and advise on, and interrogate all major spending decisions – for example they closely monitored our spending on the refurbishment of one set of boys' toilets this summer.

This year the trust has taken more steps to ensure better purchasing, again all service level agreements have been appraised and contracts have been renegotiated. Improved management of teaching staff and support staff absence and the adoption of an insurance policy have minimised the detrimental effect long term absence could have on our financial reserves.

The trust has taken the opportunity to generate additional income through catering and lettings.

The trust has organised rigorous and regular controls to maximise the use of our assets. Governors are provided with an update on the management accounts at least twice a term, these are discussed in detail at each strategy and finance governors meeting. The Financial handbook is adhered to and termly scrutiny is undertaken by an external responsible officer.

We are constantly reviewing our practice and operations in order to make our budget go further. With this in mind we have undertaken a review of the way we utilise additional income and have a plan to ring fence some of this additional income to support the enhancement of our facilities.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

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

CAPACITY TO HANDLE RISK

The Governing Body 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 Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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GOVERNANCE STATEMENT (continued)

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 Governing Body;
- regular reviews by the strategy and finance 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 Governing Body has considered the need for a specific internal audit function and has decided to appoint a responsible officer as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. The Responsible Officer reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

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 auditors;
- 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 Strategic & Finance 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 Governing Body on 7 December 2017, and signed on their behalf, by:


Christine Thomas
Chair of Trustees


Annette Kimblin
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Light Hall School I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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 2016.

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



Annette Kimblin
Accounting Officer

Date: 7 December 2017

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

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

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

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

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

Approved by order of the members of the Governing Body on 7 December 2017 and signed on its behalf by:



Christine Thomas
Chair of Trustees

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LIGHT HALL SCHOOL

OPINION

We have audited the financial statements of Light Hall School for the year ended 31 August 2017 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

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

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LIGHT HALL SCHOOL

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' 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 Governors' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LIGHT HALL SCHOOL

RESPONSIBILITIES OF TRUSTEES

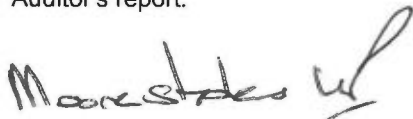
As explained more fully in the Statement of Governors' Responsibilities, the Governors (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors 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 Governors 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 Governors either intend to liquidate the Academy's or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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



Nicholas Simkins (Senior Statutory Auditor)

for and on behalf of

Moore Stephens LLP

Chartered Accountants

35 Calthorpe Road
Edgbaston
Birmingham
West Midlands
B15 1TS
7 December 2017

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO LIGHT HALL SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 23 June 2015 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Light Hall School during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF LIGHT HALL SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Light Hall School's funding agreement with the Secretary of State for Education dated 21 December 2011, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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


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

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO LIGHT HALL
SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

CONCLUSION

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



Moore Stephens LLP

Chartered Accountants

35 Calthorpe Road
Edgbaston
Birmingham
West Midlands
B15 1TS

7 December 2017

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	-	-	23,845	23,845	23,862
Charitable activities	3	-	5,788,094	-	5,788,094	5,940,570
Other trading activities	4	399,221	46,028	-	445,249	491,112
Investments	5	5,588	-	-	5,588	4,609
TOTAL INCOME		<u>404,809</u>	<u>5,834,122</u>	<u>23,845</u>	<u>6,262,776</u>	<u>6,460,153</u>
EXPENDITURE ON:						
Raising funds		265,637	48,181	-	313,818	391,803
Charitable activities		-	6,047,899	338,093	6,385,992	6,538,858
TOTAL EXPENDITURE	6	<u>265,637</u>	<u>6,096,080</u>	<u>338,093</u>	<u>6,699,810</u>	<u>6,930,661</u>
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	17	139,172 (126,958)	(261,958) 126,958	(314,248) -	(437,034) -	(470,508) -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		12,214	(135,000)	(314,248)	(437,034)	(470,508)
Actuarial gains / (losses) on defined benefit pension schemes	21	-	304,000	-	304,000	(754,000)
NET MOVEMENT IN FUNDS		<u>12,214</u>	<u>169,000</u>	<u>(314,248)</u>	<u>(133,034)</u>	<u>(1,224,508)</u>
RECONCILIATION OF FUNDS:						
Total funds brought forward		356,667	(2,022,000)	20,951,511	19,286,178	20,510,686
TOTAL FUNDS CARRIED FORWARD		<u>368,881</u>	<u>(1,853,000)</u>	<u>20,637,263</u>	<u>19,153,144</u>	<u>19,286,178</u>

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07687583

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	13		20,589,557		20,927,650
CURRENT ASSETS					
Debtors	14	159,025		148,424	
Investments	15	500,000		490,531	
Cash at bank and in hand		142,307		121,274	
			801,332		760,229
CREDITORS: amounts falling due within one year	16	(384,745)		(379,701)	
NET CURRENT ASSETS			416,587		380,528
TOTAL ASSETS LESS CURRENT LIABILITIES					
Defined benefit pension scheme liability	21		(1,853,000)		(2,022,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			19,153,144		19,286,178
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds excluding pension liability			20,637,263	20,951,511	
Pension reserve			(1,853,000)	(2,022,000)	
Total restricted income funds			18,784,263	18,929,511	
Unrestricted income funds	17		368,881	356,667	
TOTAL FUNDS			19,153,144	19,286,178	

The financial statements on pages 20 to 41 were approved by the Governors, and authorised for issue, on 7 December 2017 and are signed on their behalf, by:

Christine Thomas
Chair of Trustees

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	<u>55,334</u>	<u>(64,184)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		5,588	4,609
Capital grants from DfE/ESFA		23,845	23,862
Management of liquid resources		<u>(63,734)</u>	<u>119,469</u>
Net cash (used in)/provided by investing activities		<u>(34,301)</u>	<u>147,940</u>
Change in cash and cash equivalents in the year		21,033	83,756
Cash and cash equivalents brought forward		<u>121,274</u>	<u>37,518</u>
Cash and cash equivalents carried forward	20	<u><u>142,307</u></u>	<u><u>121,274</u></u>

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Light Hall School constitutes a public benefit entity as defined by FRS 102.

1.2 Company status

The Academy is a company limited by guarantee, incorporated in England and Wales. The address of the registered office is noted on the reference and administrative details on page 1. The company number is 07687583.

1.3 Going concern

The Governors 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 Governors 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.

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 Income

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

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

1.5 Expenditure

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

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

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

All expenditure is inclusive of irrecoverable VAT.

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 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, depreciation on such assets is charged to the unrestricted fund.

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

Leasehold land	-	0.8% per annum
Leasehold buildings	-	2% / 4% per annum
Fixtures and fittings	-	25% per annum
Computer equipment	-	25% per annum

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

1.7 Operating leases

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

1.8 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.

1.9 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.

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.10 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.

1.11 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 14. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. 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 note 16. 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. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

1.12 Taxation

The Academy 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 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.

1.13 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 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

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

1.14 Fund accounting

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

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

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

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.15 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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Grants	-	-	23,845	23,845	23,862
<i>Total 2016</i>	-	-	23,862	23,862	

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General annual grant	-	5,389,884	5,389,884	5,530,242
Other Dfe/ESFA grants	-	398,210	398,210	410,328
	-	5,788,094	5,788,094	5,940,570
<i>Total 2016</i>	-	5,940,570	5,940,570	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Hire of facilities	49,573	-	49,573	105,962
Catering income	243,034	-	243,034	223,152
Trip income	-	46,028	46,028	120,326
Sale of goods/activities	106,614	-	106,614	41,672
	399,221	46,028	445,249	491,112
<i>Total 2016</i>	491,112	-	491,112	

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Short term deposits	5,588	-	5,588	4,609
<i>Total 2016</i>	4,609	-	4,609	

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

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

6. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on fundraising trading	-	-	313,818	313,818	391,803
Educational operations:					
Direct costs	4,282,824	-	335,199	4,618,023	4,718,789
Support costs	621,277	338,093	808,599	1,767,969	1,820,068
	<u>4,904,101</u>	<u>338,093</u>	<u>1,457,616</u>	<u>6,699,810</u>	<u>6,930,660</u>
<i>Total 2016</i>	<u>5,022,215</u>	<u>405,016</u>	<u>1,503,429</u>	<u>6,930,660</u>	

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
Educational operations	4,618,023	1,767,969	6,385,992	6,538,857
<i>Total 2016</i>	<u>4,718,789</u>	<u>1,820,068</u>	<u>6,538,857</u>	

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

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

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of support costs

	Educational operations £	Total 2017 £	Total 2016 £
Staff costs	621,277	621,277	638,812
Depreciation	338,093	338,093	405,016
Technology costs	100,976	100,976	90,171
Recruitment and support	23,850	23,850	40,624
Maintenance of premises and equipment	121,088	121,088	138,265
Cleaning	113,596	113,596	105,912
Rent & rates	42,570	42,570	48,572
Energy costs	93,566	93,566	91,720
Insurance	109,695	109,695	50,015
Security and transport	15,392	15,392	16,938
Other support costs	115,733	115,733	165,196
Auditors remuneration	12,972	12,972	10,338
Legal and professional fees	15,158	15,158	18,490
	<u>1,723,966</u>	<u>1,723,966</u>	<u>1,820,069</u>
Other	44,003	44,003	-
	<u>1,767,969</u>	<u>1,767,969</u>	<u>1,820,069</u>
<i>At 31 August 2016</i>	<u>1,820,068</u>	<u>1,820,068</u>	

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charity	338,093	405,016
Auditors' remuneration - audit	8,775	8,775
Auditors' remuneration - other services	2,430	3,299
Operating lease rentals	18,195	15,096
	<u>367,593</u>	<u>432,295</u>

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

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

9. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	3,660,428	3,782,859
Social security costs	361,917	320,137
Operating costs of defined benefit pension schemes	693,072	640,985
	<u>4,715,417</u>	<u>4,743,981</u>
Supply teacher costs	188,684	278,234
	<u>4,904,101</u>	<u>5,022,215</u>

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

	2017 No.	2016 No.
Teachers	83	81
Administration and support	50	63
Management	5	5
	<u>138</u>	<u>149</u>

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

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

[The key management personnel of the academy trust comprise the governors and the senior management team listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £341,940 (2016: £411,541).

LIGHT HALL SCHOOL
(A Company Limited by Guarantee)

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

10. GOVERNORS' REMUNERATION AND EXPENSES

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Governors 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 Governors. The value of Governors' remuneration and other benefits was as follows:

		2017	2016
		£	£
Annette Kimblin	Remuneration	85,000-90,000	<i>80,000-85,000</i>
	Pension contributions paid	10,000-15,000	<i>10,000-15,000</i>
Jacqueline Allen	Remuneration	25,000-30,000	<i>20,000-25,000</i>
	Pension contributions paid	0-5,000	<i>0-5,000</i>
Andrew Johnson	Remuneration	45,000-50,000	<i>40,000-45,000</i>
	Pension contributions paid	5,000-10,000	<i>5,000-10,000</i>

During the year ended 31 August 2017, no Governors received any reimbursement of expenses.

11. GOVERNORS' 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. It is not possible to quantify the Governors and officers indemnity element from the overall cost of the RPA scheme.

12. OTHER FINANCE INCOME

	2017	2016
	£	£
Interest income on pension scheme assets	51,000	<i>72,000</i>
Interest on pension scheme liabilities	(95,000)	<i>(118,000)</i>
	(44,000)	<i>(46,000)</i>

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**NOTES TO THE FINANCIAL STATEMENTS
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13. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2016 and 31 August 2017	22,497,297	19,282	174,935	22,691,514
Depreciation				
At 1 September 2016	1,599,351	14,461	150,052	1,763,864
Charge for the year	327,052	4,821	6,220	338,093
At 31 August 2017	1,926,403	19,282	156,272	2,101,957
Net book value				
At 31 August 2017	20,570,894	-	18,663	20,589,557
At 31 August 2016	20,897,946	4,821	24,883	20,927,650

14. DEBTORS

	2017 £	2016 £
Other tax and social security	18,508	15,674
Prepayments and accrued income	140,517	132,750
	<u>159,025</u>	<u>148,424</u>

15. CURRENT ASSET INVESTMENTS

	2017 £	2016 £
Investments	500,000	490,531

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FOR THE YEAR ENDED 31 AUGUST 2017

16. CREDITORS: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	157,726	158,900
Other taxation and social security	94,915	91,556
Other creditors	74,965	71,742
Accruals and deferred income	57,139	57,503
	<u>384,745</u>	<u>379,701</u>
	2017	2016
	£	£
Deferred income		
Deferred income at 1 September 2016	31,272	31,272
Resources deferred during the year	47,435	47,799
Amounts released from previous years	(31,272)	(31,272)
Deferred income at 31 August 2017	<u>47,435</u>	<u>47,799</u>

Deferred income consists of £10,666 (2016: £12,090) received relating to trips occurring in 2017/2018, £8,700 (2016: £6,985) catering income received in advance and £28,069 (2016: £28,814) relating to rates relief income received in advance.

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17. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General Funds	356,667	404,809	(265,637)	(126,958)	-	368,881
Restricted funds						
General Annual Grant (GAG)	-	5,389,884	(5,514,689)	124,805	-	-
Other grants	-	398,210	(398,210)	-	-	-
Other restricted income	-	46,028	(48,181)	2,153	-	-
Pension reserve	(2,022,000)	-	(135,000)	-	304,000	(1,853,000)
	<u>(2,022,000)</u>	<u>5,834,122</u>	<u>(6,096,080)</u>	<u>126,958</u>	<u>304,000</u>	<u>(1,853,000)</u>
Restricted fixed asset funds						
Capital grants	749,061	23,845	(53,233)	-	-	719,673
Transfer on conversion	20,202,450	-	(284,860)	-	-	19,917,590
	<u>20,951,511</u>	<u>23,845</u>	<u>(338,093)</u>	<u>-</u>	<u>-</u>	<u>20,637,263</u>
Total restricted funds	<u>18,929,511</u>	<u>5,857,967</u>	<u>(6,434,173)</u>	<u>126,958</u>	<u>304,000</u>	<u>18,784,263</u>
Total of funds	<u>19,286,178</u>	<u>6,262,776</u>	<u>(6,699,810)</u>	<u>-</u>	<u>304,000</u>	<u>19,153,144</u>

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

The General Annual Grant (GAG) has been provided by the DfE in order to fund the normal running costs of the Academy. During the period, the Academy's GAG expenditure exceeded GAG income, so a transfer was undertaken from the unrestricted funds to bring the balance to £nil.

Other grants include further grants received from the DfE/ESFA including pupil premium, insurance grants and 16-19 Bursary income. All of the income received was fully expenses during the period.

Other restricted income represents the income and expenditure in relation to school trips that have been operated during the period. All of the income received was fully expensed during the period.

The restricted Pension reserve represents the deficit on the Academy's share of the Local Government Pension Scheme as at 31 August 2017.

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 2017.

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	20,589,557	20,589,557
Current assets	753,626	-	47,706	801,332
Creditors due within one year	(384,745)	-	-	(384,745)
Provisions for liabilities and charges	-	(1,853,000)	-	(1,853,000)
	<u>368,881</u>	<u>(1,853,000)</u>	<u>20,637,263</u>	<u>19,153,144</u>

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

	2017 £	2016 £
Net expenditure for the year (as per Statement of Financial Activities)	(437,034)	(470,508)
Adjustment for:		
Depreciation charges	392,357	405,016
Dividends, interest and rents from investments	(5,588)	(4,609)
(Increase)/decrease in debtors	(10,600)	32,648
Increase/(decrease) in creditors	5,044	(81,869)
Capital grants from DfE and other capital income	(23,845)	(23,862)
Defined benefit pension scheme cost less contributions payable	91,000	33,000
Defined benefit pension scheme finance cost	44,000	46,000
Net cash provided by/(used in) operating activities	<u>55,334</u>	<u>(64,184)</u>

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	142,307	121,274
Total	<u>142,307</u>	<u>121,274</u>

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NOTES TO THE FINANCIAL STATEMENTS
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21. 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 Solihull Metropolitan Council. Both are Multi-Employer Defined Benefit Pension Schemes.

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £436,045 (2016 - £443,375).

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NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS (continued)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £203,000 (2016 - £217,000), of which employer's contributions totalled £158,000 (2016 - £165,000) and employees' contributions totalled £45,000 (2016 - £52,000). The agreed contribution rates for future years are 15.8% for employers and a range of 5.5% to 7.5% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.60 %	2.20 %
Rate of increase in salaries	4.20 %	3.75 %
Rate of increase for pensions in payment / inflation	2.70 %	2.00 %

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

	2017	2016
Retiring today		
Males	21.8 years	23.1 years
Females	24.3 years	25.8 years
Retiring in 20 years		
Males	24.0 years	25.3 years
Females	26.6 years	28.1 years

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

21. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2017 £	<i>Fair value at 31 August 2016 £</i>
Equities	1,774,000	1,346,000
Bonds	313,000	351,000
Property	205,000	180,000
Cash and other liquid assets	139,000	145,000
Other	372,000	244,000
	<u>2,803,000</u>	<u>2,266,000</u>

The actual return on scheme assets was £401,000 (2016 - £355,000).

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

	2017 £	<i>2016 £</i>
Current service cost	(249,000)	(198,000)
Interest income	51,000	72,000
Interest cost	(95,000)	(118,000)
	<u>(293,000)</u>	<u>(244,000)</u>

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

	2017 £	<i>2016 £</i>
Opening defined benefit obligation	4,288,000	2,950,000
Current service cost	249,000	198,000
Interest cost	95,000	118,000
Employee contributions	45,000	52,000
Actuarial losses	3,000	1,036,000
Estimated benefits paid	(24,000)	(66,000)
	<u>4,656,000</u>	<u>4,288,000</u>

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NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening fair value of scheme assets	2,266,000	1,761,000
Interest income	51,000	72,000
Actuarial losses	307,000	282,000
Employer contributions	158,000	165,000
Employee contributions	45,000	52,000
Estimated benefits paid	(24,000)	(66,000)
	2,803,000	2,266,000
	2,803,000	2,266,000
Closing fair value of scheme assets		

22. OPERATING LEASE COMMITMENTS

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

	2017 £	2016 £
Amounts payable:		
Within 1 year	21,204	18,195
Between 1 and 5 years	37,132	33,620
	58,336	51,815
	58,336	51,815
Total		

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.

24. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the period of accounts, other than certain trustee's remuneration and expenses already discussed in note 10.