

Academies Financial Benchmark Report

Ashton West End Primary Academy

For the year ended 31 August 2019



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Welcome to our 2018/19 Academies Benchmark Report. Once again, we have seen significant growth within the academy sector resulting in the total number of open academies and free schools increasing from 8,333 in January 2019 to 9,041 in December 2019 (see below), an increase of 8% year over the year compared to 19% for the previous 12 months.

The following data has been provided by the Department for Education in February 2020 showing the number of academies within academy trusts and the sizes of trusts as at December 2019:

Trust Size	Academies, free schools, studio schools and UTCs	% Academies	Trusts	% Trusts
1	1,502	16.6%	1,502	55.5%
2	546	6.0%	273	10.0%
3-5	1,909	21.1%	502	18.6%
6-10	1,965	21.7%	265	9.8%
11-20	1,622	17.9%	116	4.3%
21-30	665	7.4%	27	1.0%
31-40	453	5.0%	13	0.5%
41+	379	4.2%	7	0.3%
Total	9,041	100%	2,705	100%

The data provided by the Department for Education for December 2018 (below), enables the movements over the year to be reviewed:

Trust Size	Academies	% Academies	Trusts	% Trusts
1	1,651	19.8%	1,651	58.8%
2	616	7.4%	308	11.0%
3-5	1,833	22.0%	488	17.4%
6-10	1,691	20.3%	227	8.1%
11-20	1,285	15.4%	93	3.3%
21-30	554	6.6%	22	0.8%
31-40	343	4.1%	10	0.4%
41+	360	4.3%	7	0.2%
Total	8,333	100%	2,806	100.0%

The number of single academy trusts has fallen by 9%, with a large number moving into larger multi-academy trusts (MATs). Single academy trusts continue to represent a smaller proportion of the market, now being 55.5% compared to being 58.8% a year ago. In general, the single academies are moving into larger MATs, with the proportions of the market taken up by these larger MATs increasing year on year as seen in the tables above.

The following table provided by the Department for Education highlights the increase in the number of academies moving trusts:

Financial year	Total no of academies that have moved trust	% of the total number of academies
2013-14	21	0.5%
2014-15	64	1.3%
2015-16	92	1.7%
2016-17	196	3.0%
2017-18	255	3.3%
2018-19	307	3.6%
Total	935	

There can be many reasons for single academy trusts closing and moving into other trusts, either by instruction from the Department for Education or where trustees wish to gain efficiencies of scale in knowledge-sharing across the trust with the aim to improve both financial and educational results. Opinions differ on the optimum size of a MAT but the DfE have suggested that it may be between 12 and 20 schools.

The above table shows that 307 academies moved trust in the financial year 2018-19 of which 80 were provided with grant funding and 227 which did not receive any grant funding in respect of the transfer. The reasons for the transfers during 2018-19 can be summarised as 183 initiated by the outgoing trust, 67 due to closure of the sponsor and 57 following intervention.

If you are considering closing your single academy trust and joining another MAT, please be reminded of the reporting duties that still apply. The single academy trust will need to prepare audited financial statements and an audited accounts return to the date it moves to the new MAT. This is to be filed with the ESFA within 4 months of closing the single academy trust. The limited company must also be closed down at Companies House. If you would like any assistance or advice regarding these requirements, please do not hesitate to contact a member of our team.

If you are considering inviting other schools or academies to join your multi-academy trust, or have been invited to join another multi-academy trust, it is important to consider carrying out robust due diligence procedures on the other parties involved. Due diligence is an examination to establish a detailed and accurate understanding of an organisation to include financial and operational areas.

When carried out correctly, the information and report provided will enable fully informed decisions to be made and reduce the risk of any unknown issues arising once commitments have been entered into.

It is essential that all parties fully understand the risks and benefits associated with entering into a multi academy trust and effective due diligence will highlight these areas. Input should be sought from professionals including accountants, solicitors, surveyors and HR specialists.

Haines Watts can provide a comprehensive report to cover the majority of areas and are able to put you in touch with other professionals as required. If you would like further information on due diligence, please don't hesitate to contact a member of our team.

Many of our academies are now in their 6th or 7th year of operations since conversion, with some of our academies being in their 9th or 10th year of operation. It is noticeable across the market that many school business managers are now much more familiar with their roles and responsibilities, and the level of interpretation of financial information is increasing as trustees become more familiar with their responsibilities regarding governance of their academy trusts. This report has therefore been prepared with all of you in mind. The Academies Financial Handbook 2019 now requires that a trust prepares management accounts every month and their format must include an income and expenditure account, variance to budget report, cash flows and a balance sheet. These are to be shared with the chair of trustees every month and with the other trustees six times a year.

The Academies Financial Handbook 2019 has followed up the previous year's guidance requirements on internal scrutiny with a requirement that academy trusts must have a programme to provide independent assurance to the board that its financial and other controls and risk management procedures are operating effectively. The outcome of this work must inform the accounting officer's statement on regularity in the financial statements. In addition, trusts will need to submit an annual summary report on the areas reviewed along with the key findings, recommendations and conclusions. This report needs to be submitted to the ESFA by 31 December each year when it submits its audited financial statements.

Benchmarking results can be used in many ways. Key areas of financial control that we believe benchmarking can assist with are internal financial reporting and analysis, and to assist with budget preparations.

The DfE's online benchmarking website (<https://schools-financial-benchmarking.service.gov.uk/>) is available to aid academies to carry out its own benchmarking exercise more regularly with more ease and provides access to a wider range of academies and information.

With all this in mind, we aim to provide you with this report with sufficient time for you to consider your academy trust's results against our other academies across the North West to be used as a tool when considering future budgets and potential areas where cost-savings are to be made or areas where additional income may need to be generated.

This report has been prepared using the period ended 31 August 2019 financial statements and accounts return data of all the academies audited by the Haines Watts Altrincham office. We have prepared three reports, one being your academy trust's data, the second being with primary academy benchmark comparative information and the third being secondary academy benchmark comparative information. Within our data this year there are 57 primary academies and 26 secondary academies. Special schools have been excluded from our benchmark data so as not to distort the information presented.

The DfE's schools' financial efficiency planning checks for governors includes some key ratios which have been included in this report, namely staff pay as a percentage of total expenditure, average staff cost, pupils to staff ratio and the proportion of budget spent on the senior leadership team:

<https://www.gov.uk/guidance/schools-financial-efficiency-top-10-planning-checks-for-governors>

We have provided an appendix to the report containing definitions of some terms and ratios to aid in the understanding of the information presented. We have updated some of the formula used in calculating the benchmark averages and also included new benchmarks therefore the 2017/18 comparatives have been updated to include these changes.

As always, please do not hesitate to contact our academy services team with any questions.

Disclaimer

Our report is prepared solely for the confidential use of our academy clients. It may not be relied upon by our academy clients for any other purpose whatsoever. Our report must not be recited or referred to in whole or in part in any other document. Our report must not be made available, copied or recited to any other party without our express written permission. Haines Watts neither owes, nor accepts any duty to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by their reliance on our report.

Our academy services team is based in our Altrincham office. Two of our local partners specialise in academies and as a national firm we are also able to call upon the expertise of other professionals as and when required for areas such as non-compliance VAT, financial services, asset finance etc.



John Whittick, FCA
Academy Partner

John is one of our academy partners at Altrincham. John joined the firm as a manager in 1988. He achieved partnership in 1995 and became senior partner in 2008. John has worked closely with our academy clients since the first academies converted and is responsible for ensuring that our accountancy and audit work is carried out robustly and that our staff are fully trained and up to date with developments in the sector.



Candice Beynon, FCCA
Academy Partner

Candice is one of our academy partners at Altrincham. Candice joined the firm in 1996 as a trainee accountant and soon progressed to audit manager and subsequently to partner. Candice has worked closely with our academy clients since the first academies converted and is responsible for ensuring that our audits are carried out robustly and that our staff are fully trained and up to date with developments in the sector.

Melanie Bailey, ACA
Head of Academy Services

Melanie heads up our academy services department providing support and advice to our clients, attending regular update meetings to ensure clients are aware of any changes and that all reporting deadlines are met. Melanie is a very hands-on adviser and spends much of her time gathering feedback from our academy clients and researching any issues they are facing in order that we may continue to develop our services to meet the changing needs of clients.

Melanie has significant experience of managing and undertaking audits. She also provides support throughout the year to academies by attending regular meetings, carrying out due diligence assignments and assisting with reporting requirements including grant audits, ESFA annual accounts returns, Teachers' Pensions EOYC etc.

Ryan Barrett, ACA
Audit Manager and Academy Adviser

Ryan works alongside Melanie in delivering a wide range of services to all of our academies. Ryan has significant experience in managing and undertaking academy audits, assisting with reporting requirements including grant audits, ESFA annual accounts returns, Teachers' Pensions EOYC, Budget Forecast Returns etc.

Nia Thomas, FCA, CTA
Tax Manager

Nia heads our compliance taxation and payroll department in Altrincham, which provides corporate, personal and specialist tax advice. In addition to our academy clients, Nia deals with a broad portfolio of personal and corporate clients and also has significant experience of dealing with HM Revenue & Customs' enquiries.

Nia works with HM Revenue & Customs to obtain charitable status, where applicable, for our academy clients and to ensure that any corporation tax returns required are completed and filed on time. Nia also works with our payroll bureau to ensure that our academy clients receive a comprehensive compliance and advisory service.

Sarah Hughes
VAT Consultant

Sarah works exclusively in indirect tax (VAT) with owner-managed businesses, corporate firms and charities, including academies. Sarah particularly enjoys advising our academy clients on the less common VAT issues and also develops and runs our annual academy VAT training courses.

If you require any assistance or information regarding financial and non-financial matters arising in your academy trust, please do not hesitate to contact any of our academy team listed above who will be happy to help you.

All ratios vary between academies due to the various sizes and types of academy. Our average data includes some academies under PFI arrangements however they make up a small minority of the data used and as such remain included.

Income

The topic of funding and income is one on every academy client's agenda. Every year it seems that each academy is suffering from either government funding cuts or dips in student numbers.

Demographically it has been seen that a drop in birth rates in local areas has had an impact on the numbers of students in academies in both primaries and secondaries. This is being seen to have a major impact on budget forecasts for academies and also in-year results. Many primary academy trusts are working on relationships with local nurseries and many secondary academy trusts are working on relationships with local primary schools to promote their academy as being a first choice application in an attempt to boost numbers and avoid further dips in funding.

The table below shows the funding per pupil for 2018-19 by region across England:

Region	2018/19 £ funding per pupil	2018/19 Variance to national average	2017/18 £ funding per pupil	2017-18 Variance to national average
London	5,119	719	5,396	808
East of England	4,329	(150)	4,425	(163)
East Midlands	4,329	(150)	4,405	(183)
North East	4,511	31	4,603	15
North West	4,516	36	4,624	36
South East	4,213	(267)	4,310	(278)
South West	4,247	(233)	4,320	(268)
West Midlands	4,530	50	4,637	49
Yorkshire and the Humber	4,445	(35)	4,575	(13)
<i>National Average</i>	<i>4,480</i>	<i>-</i>	<i>4,588</i>	<i>-</i>

The above averages the funding for primary schools and secondary schools combined. Separately the average funding per pupil for schools in the North West is as below alongside the funding for the current year:

	2018/19 £	2019/20 £
Primary schools	4,070	4,106
Secondary schools	5,225	5,276

London continues to be the highest funded region, however its average funding per pupil has fallen by 5% since last year. Within the top 20 funded local authorities, 16 are London boroughs with Manchester, Liverpool, Birmingham and Nottingham being the only non-London boroughs in the top 20.

The South East and West continue to be the lowest funded areas within income being more than £200 per pupil less than the national average, and about £900 less than the London average. The funding for 2019/20 has increased by an average of 1% in the North West. In October 2019 the Government announced additional funding over the next three years to 2022/23. In particular, for 2019/20 every primary school will receive at least £3,750 per pupil and every secondary school will receive a minimum of £5,000 per pupil.

With the level of government funding becoming tighter, academies are always thinking of more ways to generate additional income internally. Academies should be careful to consider any corporation tax implications depending on the nature of the way this additional income is being generated.

Somewhat unexpectedly our data shows that the average self-generated income fell this year across both primary and secondary schools.

HMRC has a "small trading tax exemption" of £80,000 for charities where gross annual income exceeds £200,000. If your academy trust is generating significant levels of other income which in turn generating a surplus, you may wish to consider setting up a trading subsidiary. This is allowed as per the majority of the academy articles of association and benefits of doing so mean that the trading subsidiary can distribute its profits up to the academy trust, thus reducing its tax liabilities to nil. Effective planning now, where a school is generating trading profits or matters where there are VAT implications, could save the trust significant money in the future. If you would like to discuss this avenue further, please do not hesitate to contact a member of our team.

Academies should consult their articles of association and funding agreements for further details and restrictions arising on hiring facilities or other trade activities. This is particularly important for any academies with a PFI agreement where the core and extended hours are stipulated within the contract.

Many academies are starting to restrict who they let their facilities out to as a way of minimising the risk of damages and cost to the academy. Some academies have internal control checks where they require the hirer to have sufficient insurance, resulting in many facilities only being let to organisations rather than to individuals.

If you are considering starting to hire out your facilities, or already do so, it is advised that the academy trust's lettings policy is reviewed annually to ensure it is kept up to date. The policy should include as a minimum; details of areas to be let out and areas which are not available, charging schedule and terms and conditions for those hiring the facilities with stated consequences should the terms and conditions not be met.

Maintaining control of the hiring out of your facilities can result in an increased administrative burden for of an academy where the size of the finance team is small. Academy trusts could consider entering into a profit-share agreement with an organisation who hires out school facilities on behalf of the academy, where the organisation advertises and staffs the out-of-hours lettings and the academy then receives its share of the profits at the end of the year.

Capital funding

Capital funding is becoming increasingly more difficult to obtain, with many academies submitting bids that are unsuccessful.

The table below shows the movement in the available funding per academy over the last few years:

Year	CIF/ACMF available	No. of open academies	Funding per academy
2011/12	£85m	1,617	£52k
2012/13	£299m	2,705	£111k
2013/14	£393m	3,671	£107k
2014/15	£367m	4,570	£80k
2015/16	£383m	6,033	£63k
2016/17	£435m	6,996	£62k
2017/18	£466m	8,333	£56k
2018/19	£514m	9,041	£57k
2019/20	£433m	TBC	TBC

The overall CIF budget available was increased in 2018/19 through the introduction of the Healthy Pupils Capital Fund being funded by the soft drinks levy. That additional capital funding was introduced to “improve children’s and young people’s physical and mental health by improving and increasing availability to facilities for physical activity, healthy eating, mental health and wellbeing and medical conditions”.

The year 2019/20 there has seen a 15.8% fall in the capital funding, the number of academies able to access this funding is increasing, limiting the number of projects for which funding can be obtained. The decrease in total funding has resulted in a 9.3% fall in the total number of successful projects. In 2018/19 the number was 1,592 and that for 2019/20 was 1,412. The average value of each successful project was approximately £323k in 2018/19 and £307k in 2019/20. The impact of this is that some academy trusts are having to fund major repairs themselves.

We have seen many academy trusts try to grow its trust size to be eligible for a formulaic capital fund allocation which is then distributed for use across the trust. The formulaic is based on an assessment of the condition of a school. Trusts which have more than 5 academies and 3,000 pupils are eligible for the School Condition Allocation (SCA).

Care should always be taken when considering applying for CIF funding where Salix loans make up a part of the application. This is simply a cash flow aid and not additional funding. The academy must therefore ensure it has sufficient reserves to cover the amount of the loan to be paid back as this element will be a cost to the academy.

This year all schools did receive additional devolved formula capital funding which was intended to be spent on “improvements” rather than major capital projects. It was expected to be spent in the year 2018/19 and this was largely the case. However, schools could defer some or all of it for expenditure in 2019/20 and 2020/21.

Staff costs

Across the region we have seen staff costs increase year on year. Our staff costs benchmark data shows the following trends:

	Primary 2019	Primary 2018	Secondary 2019	Secondary 2018
Staff costs per pupil (£'000)	4.0	4.5	4.7	5.2
Staff costs / total costs (%)	75.9%	77.1%	75.9%	76.2%
Staff costs including agency / total costs (%)	77.3%	78.6%	77.5%	78.3%
Staff numbers (FTE)	38	41	104	110
Average staff salary cost (£'000)	34	33	42	41
Staff costs / GAG (%)	101.5%	103.4%	88.9%	87.9%
Staff costs / total revenue income (%)	73.8%	74.7%	75.4%	75.8%
Staff costs including agency / total revenue income (%)	75.1%	76.1%	77.0%	77.9%

Average staff salary ratios can be skewed due to the significant differences in LGPS contribution rates, with the following table showing the differences in the average contribution rate based on the different pension schemes the academies belong to:

Pension Fund	Average employer contribution rate			
	Primary 2019	Primary 2018	Secondary 2019	Secondary 2018
Greater Manchester Pension Fund	20.1%	20.0%	17.7%	17.0%
Cheshire Pension Fund	27.5%	29.2%	23.7%	21.6%
Staffordshire Pension Fund	22.4%	20.9%	N/A	78.3%
Lancashire Pension Fund	15.6%	N/A	N/A	N/A
West Yorkshire Pension Fund	13.8%	13.0%	N/A	N/A

Many academies are now finding that all budgets have been squeezed to the maximum and that they now have to look at staffing levels and restructuring. The data above shows small falls in staff numbers which suggests that some staff cuts have started.

Where we have data available we have seen that there has been an average increase of 11 pupils at each primary school and an increase of 2 pupils per teacher. For secondary schools there has been an average increase of 21 pupils and an increase of 1 pupil per teacher.

The average staff salary cost can also be skewed where academies have a top-heavy senior leadership team and so academies should consider doing their own additional internal analysis in this area.

For primary schools the cost per pupil fell from £6,000 to £5,100 and for secondary schools this benchmark fell from £6,900 per pupil to £6,000.

Employer pension contributions represent a notable percentage of the expenditure of schools. Our data shows the following:

	Primary 2019	Primary 2018	Secondary 2019	Secondary 2018
Employer contributions to total staff costs (%)	13.9	14.3	12.5	12.7
Employer contributions to total costs (%)	10.4	10.9	9.5	9.7

The above table indicates a small decrease in the percentage of employer pension contributions compared to total costs this will likely increase in the current and future years. In particular, the rate of employer contributions to the Teachers' Pension Scheme did increase from 1 September 2019 from 16.48% to 23.68%. However, the ESFA did recently announce that they would be funding this increase in contributions for 2019/20 and 2020/21. Beyond this 2-year period it may be that the academies will need to fund this increase themselves and so need to be aware of that when considering their year 3 budgets.

All the schools within our data showed a significant increase in their liabilities to the LGPS schemes which they contribute to. The increase in the average for secondary schools was 54% and for primary schools 40%. A significant reason for these increases is due to the Brexit negotiations which has effected the value of asset investments. Some of the increase has also been caused by the McCloud judgement which has been included by the actuaries in their valuations. There are discussions to decide on what action is needed to compensate members who have lost but it is understood that any remedy will not be implemented before the end of the financial year 2020/21.

Triennial LGPS valuations are due soon and this could also see the LGPS liabilities increase even further. This brings potential increases in the contribution rates payable by employers. The current rates payable by the schools within our data vary considerably depending on which scheme to which the employees are enrolled. The lowest rate is 12.2% and the highest 31.3%.

The ever-rising costs of employment are evident each year though staff costs as a percentage of GAG funding and as a percentage of total income did fall slightly this year. Primary schools do have a higher average percentage of staff costs to GAG but this is due to Early Years Funding from local authorities not taken into account. This year's percentages do not take into account the additional funding received by the schools in respect of the teachers' pay award.

Non-staff costs and other considerations

The ESFA has reduced the rate of RPA insurance to £18 per pupil per year and have also stated that they will keep the cost at £20 per pupil or less until at least 31 August 2022. Academy trusts need to consider whether they are paying more than necessary for insurance and challenge their insurance provider as to whether they can match the RPA. It may be that academy trusts who don't already have the RPA insurance should consider switching to it.

This year our benchmarking shows a profit or loss on catering that takes into account the free schools meals contribution included within GAG funding. When this GAG content is taken into account then almost all the secondary schools within our data show a profit. If this were to be excluded, then the secondary schools do show a reduced loss of £43k compared to £70k last year. In the case of the primary schools the inclusion of the GAG content shows a small increase in the average profit per school but with several having a tiny loss for the year. If the GAG content is excluded, then 65% of them would have a loss.

The data suggests little change to the average profit or loss on catering when comparing the 2 years, whichever approach is taken with the GAG content noted above. This comes with the new trend where many academies are now being challenged over their meats and Halal certifications of their meat. For academies to have these certifications is a significant cost for which there is no additional funding. For some academies, the Halal requirement represents a significant majority of children and are having to pay the additional costs. Some academies are no longer offering meat but instead offer some fish or Quorn-type alternatives.

The National Audit Office has guidance available on its website on smarter food procurement in the public sector. Within the guidance it identifies the pros and cons of both in-house and externally sourced catering provision.

Benefits of contracting out the catering provision include:

- Contractors are primarily responsible for service delivery, cash handling and compliance with nutritional standards and health & safety regulations;
- Contractors should be able to negotiate better prices for ingredients;
- Contractors are likely to have better technical knowledge and experience.

However, there are some drawbacks which include:

- It can be difficult to establish how much the contractor spends on ingredients used or how the costs charged to the academy are calculated;
- It may be difficult or costly to get the contractor to respond to specialist needs;
- Where contract terms are inflexible, changing requirements could leave the academy vulnerable to price increases outside of its control.

If the academy is providing its catering through in-house management, it should consider whether any cost-savings could be made where there may be a large number of options on the menu.

Many of our academy clients find themselves unaware of what national deals are available to them that have been procured from the DfE. The DfE have a framework that helps academies to buy services that they recommend and give value for money as well as complying with buying procedures and procurement law. These frameworks can be quicker and easier than getting bids or quotes because they have already been through a competitive tender process and have been quality checked.

The following national deals have been made available to academies:

- Books and materials
- Electricity and gas
- Energy efficiency
- Facilities management and estates (cleaning, PAT testing etc)
- ICT contracts (hardware, software etc)
- Insurance (RPA and other commercial not covered by RPA)
- Legal services
- Office supplies
- Printers, photocopiers and multi-functional devices (MFDs)
- Recruitment (agency supply)
- Water - A single national deal covering water supply, waste water removal (sewerage) and ancillary services that reduce water consumption and make usage more efficient and supply more resilient

There is also guidance on how to find the best solution for your catering requirements and the right cleaning services for your school.

We recommend that each academy trust's operations and contracts manager consider the deals available to ensure it is obtaining value for money for its services. Although many academies buy into their local authority buying powers, the academy should still consider what other buying powers are out there as further potential savings could still be had.

There are various ratios and terms used within this report. The following definitions of terms and an explanation of each ratio has therefore been provided for clarity:

Academic year – the data used in this report is based on the 2018/19 academic year with comparative data given for the 2017/18 year. For ease of reference, the academic years are referred to as 2019 and 2018 respectively.

Academies Accounts Direction (AAD) – the accounting treatment and disclosure guidelines published by the Education and Skills Funding Agency.

Academies Accounts Return (AAR) – the online form submitted to the Education and Skills Funding Agency by 20 January 2020.

Academies Financial Handbook (AFH) – publication from the Education and Skills Funding Agency outlining compliance requirements.

Average staff salary cost – staff costs, which consist of gross salary plus employer national insurance cost and employer pension contributions, divided by the number of full time equivalent staff for the period.

Cash balances ratio – the cash balance as at 31 August as a percentage of annualised total revenue income.

Cash days - the number of days that the academy can continue to pay its operating expenses, given the amount of cash available as at 31 August. This is calculated as cash and bank balances divided by the sum of total revenue expenditure divided by the number of days in the year.

Cost ratios – certain categories of expenditure have been expressed as a percentage of total revenue income and as a percentage of total expenditure. This is to aid the comparison against other academies which may vary in size.

Cost to pupil ratios – certain categories of expenditure have been expressed as a cost per pupil to aid comparison against other academies which may vary in size.

Current assets ratio – the total of current assets divided by current liabilities. This is to consider the liquidity of the academy. A figure of less than one may be an indication of cash flow difficulties and should be given serious consideration.

General Annual Grant (GAG) income ratio – the GAG income as a percentage of total revenue income. This ratio highlights the level of reliance on GAG funding from the Education and Skills Funding Agency.

LGPS surplus/(deficit) – the Local Government Pension Scheme balance as determined by your actuarial valuation to 31 August.

Maximum – the maximum value within the data used in our collection for preparing this report.

Median – the middle value within the data used in our collection for preparing this report.

Minimum - the minimum value within the data used in our collection for preparing this report.

Multi academy trust – a single legal entity where all academies within the group are reported as one trust.

Overall surplus/(deficit) – the sum of revenue income less revenue expenditure in the year.

Pension costs ratio – the total cost per the Statement of Financial Activities (SOFA) for all pension schemes, predominantly the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS), as a percentage of total staff costs.

Premises costs – the total of rates, water, energy and other similar costs including repairs and maintenance to premises and grounds.

Profit/(loss) on catering – the net difference between catering income (including UIFSM for primary academies) and catering expenditure (being catering staff costs and other catering costs). Note that the results do take into account the FSM content that is within the GAG income.

Pupils to staff ratio – the total number of pupils as per the ESFA funding allocations, divided by the total FTE number of employees.

Pupils to teacher ratio – the total number of pupils as per the ESFA funding allocations, divided by the total FTE number of teachers.

Revenue reserves – the total of restricted revenue reserves (which excludes fixed asset reserves and pension reserves) and unrestricted revenue reserves as at 31 August.

Self-generated income ratio – self-generated income (i.e. catering income, lettings etc), revenue donations and investment income as a percentage of total revenue income. This ratio highlights the level of additional income-generating activity undertaken by academy trusts to reduce the level of reliance on government funding.

Staff costs – the total of wages and salaries, being gross salary, employer national insurance costs and employer pension contributions plus any severance and compensation costs but excluding FRS102 actuarial gains/losses in relation to the LGPS valuation.

Staff numbers (FTE) – the total staff numbers for the period expressed as full time equivalents.

	Ashton West End Primary Academy	Benchmarking Average 2019	Benchmarking Average 2018	North West Region		
				Minimum	Maximum	Median
Income analytical review:						
Total revenue income per pupil (£'000)	5.1	5.3	5.9	4.3	7.3	5.2
GAG income per pupil (£'000)	4.3	4.2	4.2	3.5	5.1	4.1
GAG income / Total revenue income (%)	77.1%	73.2%	72.7%	60.0%	85.3%	72.5%
Self generated income / Total revenue income (%)	2.6%	6.5%	6.9%	0.7%	22.5%	5.4%
Expenditure analytical review:						
Staff costs per pupil (£'000)	3.2	4.0	4.5	3.1	5.1	3.9
Premises and occupation costs per pupil (£'000)	0.1	0.3	0.4	0.1	0.5	0.3
Total costs per pupil (£'000)	3.7	5.1	6.0	3.7	6.7	5.1
Premises and occupation costs / total costs (%)	3.4%	5.2%	6.4%	2.2%	9.6%	5.0%
Educational supplies / total costs (%)	5.5%	7.0%	7.0%	2.6%	12.6%	6.8%
Staff costs / total costs (%)	81.0%	75.9%	77.1%	66.4%	84.0%	76.4%
Staff costs incl agency / total costs (%)	84.8%	77.3%	78.6%	66.4%	84.8%	76.9%
Catering costs / total costs (%)	7.0%	4.7%	4.8%	2.6%	7.0%	4.9%
Administration costs / total costs (%)	3.4%	6.3%	4.6%	0.9%	16.4%	5.6%
Average teaching staff salary cost (£'000)	50	47	47	34	61	48
Average staff salary cost (£'000)	39.3	34.1	33.1	23.0	42.0	34.3
Staff costs / GAG (%)	77.3%	101.5%	103.4%	77.3%	128.1%	102.7%
Staff costs / total revenue income (%)	59.6%	73.8%	74.7%	59.6%	85.4%	73.0%
Staff costs incl agency / total revenue income (%)	62.4%	75.1%	76.1%	62.4%	94.9%	74.6%
Pension costs / total staff costs (%)	14.2%	13.9%	14.9%	6.9%	18.6%	14.3%

	Ashton West End Primary Academy	Benchmarking Average 2019	Benchmarking Average 2018	North West Region		
				Minimum	Maximum	Median
Other considerations:						
LGPS surplus/(deficit) (£'000)	-618	-742	-474	-116	-2403	-690
Number of teachers (FTE)	18	16	16	5	36	15
Number of pupils to a teacher	23.9	21.6	19.6	14.3	29.8	21.2
Staff numbers (FTE)	33	38	41	9	85	35
Pupils to staff ratio	13.1	9.0	8.3	6.1	13.1	8.9
Revenue reserves carried forward (£'000)	2679	258	345	-167	2679	146
Cash balances ratio (%)	126.3%	17.4%	21.3%	-0.7%	90.2%	0
Cash days	613	70.9	67.9	0	613	47.1
Current assets ratio	17	3.1	3.8	-6.1	17.9	2.3
Profit/(loss) on catering (£'000)	23	36.9	32.2	-68.0	135.0	31
Overall surplus/(deficit)	575	62	65	-219	575	32

	Benchmarking Average 2019	Benchmarking Average 2018	North West Region		
			Minimum	Maximum	Median
Income analytical review:					
Total revenue income per pupil (£'000)	5.3	5.9	4.3	7.3	5.2
GAG income per pupil (£'000)	4.2	4.2	3.5	5.1	4.1
GAG income / Total revenue income (%)	73.16%	72.70%	60.03%	85.26%	72.48%
Self generated income / Total revenue income (%)	6.46%	6.90%	0.75%	22.54%	5.45%
Expenditure analytical review:					
Staff costs per pupil (£'000)	4.0	4.5	3.1	5.1	3.9
Premises and occupation costs per pupil (£'000)	0.3	0.4	0.1	0.5	0.3
Total costs per pupil (£'000)	5.1	6.0	3.7	6.7	5.1
Premises and occupation costs / total costs (%)	5.2%	6.4%	2.2%	9.6%	5.0%
Educational supplies / total costs (%)	7.0%	7.0%	2.6%	12.6%	6.8%
Staff costs / total costs (%)	75.9%	77.1%	66.4%	84.0%	76.4%
Staff costs incl agency / total costs (%)	77.3%	78.6%	66.4%	84.8%	76.9%
Catering costs / total costs (%)	4.7%	4.8%	2.6%	7.0%	4.9%
Administration costs / total costs (%)	6.3%	4.6%	0.9%	16.4%	5.6%
Average teaching staff salary cost (£'000)	47	47	34	61	48
Average staff salary cost (£'000)	34	33	23	42	34
Staff costs / GAG (%)	101.5%	103.4%	77.3%	128.1%	102.7%
Staff costs / total revenue income (%)	73.8%	74.7%	59.6%	85.4%	73.0%
Staff costs incl agency / total revenue income (%)	75.1%	76.1%	62.4%	94.9%	74.6%
Pension costs / total staff costs (%)	13.9%	14.9%	6.9%	18.6%	14.3%

	Benchmarking Average 2019	Benchmarking Average 2018	North West Region		
			Minimum	Maximum	Median
Other considerations:					
LGPS surplus/(deficit) (£'000)	-742	-474	-116	-2403	-690
Number of teachers (FTE)	16	16	5	36	15
Number of pupils to a teacher	21.6	19.6	14.3	29.8	21.2
Staff numbers (FTE)	38	41	9	85	35
Pupils to staff ratio	9	8	6	13	9
Revenue reserves carried forward (£'000)	258	345	-167	2679	146
Cash balances ratio (%)	17.4%	21.3%	-0.7%	90.2%	16.3%
Cash days	70.9	67.9	0	613	47
Current assets ratio	3.1	3.8	-6.1	17.9	2.3
Profit/(loss) on catering (£'000)	36.9	32.2	-68.0	135.0	31.0
Overall surplus/(deficit)	62	65	-219	575	32

	Benchmarking Average 2019	Benchmarking Average 2018	North West Region		
			Minimum	Maximum	Median
Income analytical review:					
Total revenue income per pupil (£'000)	6.1	6.1	5.0	8.5	6.1
GAG income per pupil (£'000)	5.2	5.3	4.4	7.3	5.0
GAG income / Total revenue income (%)	84.9%	86.4%	77.9%	92.4%	84.9%
Self generated income / Total revenue income (%)	5.8%	7.8%	0.5%	11.7%	5.8%
Expenditure analytical review:					
Staff costs per pupil (£'000)	4.7	5.2	3.8	6.3	4.7
Premises and occupation costs per pupil (£'000)	0.4	0.5	0.2	1.8	0.4
Total costs per pupil (£'000)	6.1	6.9	5.0	8.7	5.8
Premises and occupation costs / total costs (%)	6.7%	8.0%	4.5%	20.2%	5.8%
Educational supplies / total costs (%)	8.6%	8.1%	4.4%	15.2%	8.0%
Staff costs / total costs (%)	75.9%	76.2%	66.2%	81.8%	76.8%
Staff costs incl agency / total costs (%)	77.5%	78.3%	66.2%	85.1%	77.8%
Catering costs / total costs (%)	3.2%	3.7%	0.1%	6.3%	3.9%
Administration costs / total costs (%)	5.1%	3.8%	1.4%	11.0%	4.4%
Average teaching staff salary cost (£'000)	53	51	44	66	52
Average staff salary cost (£'000)	42	41	34	48	44
Staff costs / GAG (%)	88.87%	87.90%	75.10%	98.40%	89.27%
Staff costs / total revenue income (%)	75.40%	75.80%	64.97%	84.02%	75.27%
Staff costs incl agency / total revenue income (%)	77.01%	77.87%	66.24%	84.02%	77.28%
Pension costs / total staff costs (%)	12.53%	12.66%	10.28%	14.87%	12.53%

	Benchmarking Average 2019	Benchmarking Average 2018	North West Region		
			Minimum	Maximum	Median
Other considerations:					
LGPS surplus/(deficit) (£'000)	-1,849	-867	-3,428	-421	-1,837
Number of teachers (FTE)	64	62	24	121	64
Number of pupils to a teacher	15.0	13.4	8.1	18.2	15.4
Total staff numbers (FTE)	104	110	45	195	99
Pupils to total staff ratio	9.4	8.2	6.5	11.9	9.6
Revenue reserves carried forward (£'000)	614	725	-425	3,813	500
Cash balances ratio (%)	12.5%	12.6%	0.0%	62.6%	7.8%
Cash days	47	44	0	229	34
Current assets ratio	3.9	4	0	19	3
Profit/(loss) on catering (£'000)	131	139	-12	339	112
Overall surplus/(deficit)	144	12	-185	1140	31