

FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 AUGUST 2018

FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

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FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS **FOR THE YEAR ENDED 31 AUGUST 2018**

Members	U Saeed J R Edwards T Hussey-Yeo
Trustees	U Saeed, Parent Governor, Chair J R Edwards, Business Governor G Stonier, Community Governor (resigned 2 February 2018) E Akunda, Parent Governor S Asad, Parent Governor N Begum, Community Governor P Highfield, Staff Governor T Hussey-Yeo, Business Governor J White, Business Governor (resigned 12 December 2017) C Clarke, Staff Governor (resigned 22 May 2018) N Fear, Staff Governor (appointed 22 June 2018) S Bower, Business Governor (appointed 5 December 2017) S Hawkins, Headteacher and Accounting Officer (resigned 30 September 2018) D Smedley, Secretary (appointed 16 October 2017) R Smith, Headteacher and Accounting Officer (appointed 1 November 2018)
Company registered number	08090074
Company name	Fir Vale School Academy Trust
Principal and registered office	Owler Lane Sheffield South Yorkshire S4 8GB
Company secretary	D Smedley
Senior management team	R Smith, Headteacher (appointed 1 November 2018) S Hawkins, Headteacher (appointed 1 September 2017)(resigned 30 September 2018) K Drury, Associate Headteacher/Senior Deputy Headteacher (resigned 31 January 2018) I Galmes, Deputy Headteacher (resigned 7 January 2018) D Smedley, School Business Manager (appointed 16 October 2017) S Burnside, Assistant Headteacher (resigned 31 August 2018) E Montgomery, Assistant Headteacher R Maleham, Assistant Headteacher (resigned 31 August 2018) D Partington, Assistant Headteacher A Charlton, Assistant Headteacher

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

Independent auditor BHP LLP
Chartered Accountants
2 Rutland Park
Sheffield
S10 2PD

Bankers Lloyds TSB
Church Street
Sheffield
South Yorkshire
S1 1HP

Yorkshire Bank
Fargate
Sheffield
South Yorkshire
S1 1LL

Solicitors Wrigleys Solicitors LLP
19 Cookridge Street
Leeds
LS2 3AG

FIR VALE SCHOOL ACADEMY TRUST

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees present their annual report together with the financial statements and auditor's report of the Charitable Company for the year ended 31 August 2018. The annual report serves the purposes of both a Trustees' report, and a Directors' report including a strategic report under company law.

The Trust operates an academy for pupils aged 11 to 16 serving a catchment area in North East Sheffield. It has a pupil capacity of 1050, however, has temporarily increased pupil admission in Y7 and Y8 for a limited time; the number on roll was 1062 in the school census on 4 October 2018.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee with no share capital (registration number 08090074) and a charity which is exempt from registration with the Charity Commission. The Charitable Company was incorporated on 31 May 2012 and commenced trading on 1 November 2012 following conversion to academy status of the local authority maintained school – Fir Vale School – under the Academies Act 2010.

The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of the Charitable Company of Fir Vale School Academy Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Fir Vale School.

Details of Trustees, who served throughout the year except as noted, are included in the reference and administrative information on page 1.

The school's principal activities are guided by the Trust's Articles of Association and its funding agreement with the Department for Education. Under the agreement, the Trust maintains Fir Vale School, as an independent secondary school, having the characteristic set out in the Academies Act 2010.

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.

Method of recruitment and appointment or election of trustees

The school's Governing Body comprises of parent, staff, community and business governors. Our Articles of Association provide for the following governor positions:

- Three parent governors
- Two community governors, being individuals who live or work in the community served by the school or who are committed to the government and success of the Academy
- Five business governors who support the business specialism status of the Academy
- The Headteacher
- Two staff governors, not being more than one third of the total

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TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2018**

The Articles of Association permit the Governing Body to appoint up to three co-opted governors to assist the school. The Secretary of State for Education may, in special circumstances, appoint further and additional governors. No co-opted or Secretary of State Appointees were made during the year.

Policies and procedures adopted for the induction and training of trustees

Newly appointed governors attend induction training on appointment provided by the school and by Sheffield Local Authority Governance Section. The training includes: the main governing body and subcommittee roles; strategic leadership role; being a critical friend; effective meetings; planning, monitoring and evaluating the work of the school; accountability; how the governing body communicates and consults and how it accounts for its actions to stakeholders.

One of the members (U Saeed) has the responsibility of induction and on-going training of all governors.

Further governance training was provided to the relevant governors in connection with their responsibilities on their various committees and also at sessions scheduled to take place prior to meetings of the full governing body.

Organisational Structure

Subject to the mandates imposed by the Companies Act 2006, the Articles of Association ensure that the activities of the Academy Trust are managed by governors who exercise all the powers of the Academy Trust with very few exceptions reserved to the members. The Governing Body's scheme of delegation provides for decisions to be taken at the most appropriate level by its committees and staff through the management structure. The key responsibilities reserved by the Governing Body include: the responsibility to ensure that adequate operational systems and controls are in place and implemented to meet the school's regulatory and funding obligations; ensure up to date school's accounting policies; ensure the setting of the annual school budget; determining financial matters of a higher value not delegated to its committees or the school's staff; the appointment of its auditors; the security of the school's assets and appointment of the Headteacher.

The Governing Body is supported by a number of committees as part of its decision making process. Each committee has a responsibility to review and update relevant policies and procedures.

In 2017/18, the Strategic Steering Committee oversaw all activities / meetings of the Governing Body including the setting of agendas, strategic overview for the school and took specific responsibility for all personnel and pay matters. The committee delegated to members of staff, HR matters such as recruitment, disciplinary and capability matters.

The Finance, Premises and General Purposes Committee oversees finances, budget and expenditure, the school site and premises, Enterprise Centre and other business plans, contracts and performance on contracts, health and safety, security and risk management.

The Achievement, Teaching, Learning and Assessment Committee has a focus on student achievement, progress and attainment, the quality of teaching and learning and the delivery of department improvement plans. Through the meetings, individual curriculum areas present their departmental results and improvement plans which are then questioned by governors.

The Personal Development, Behaviour, Welfare and Community Committee has an oversight of the school's pastoral care and support for students and families with a focus on parental and community engagement.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2018

The Senior Leadership Team (SLT) comprises the Headteacher, Deputy Headteacher, Business Manager, three Assistant Headteachers and invited colleagues. The Headteacher Simon Hawkins joined the school on 1 September 2017 and left by mutual agreement with the Governing Body on 30 September 2018. Rachel Smith joined the school on 1 November 2018 as Headteacher. The SLT determined the strategic direction of the school, making policy recommendations to the Governing Body. The SLT had operational control of the school and monitored the quality of provision.

Middle Leaders at all levels contributed to the decision making processes and were instrumental in ensuring the implementation in their area of whole school policies and procedures. Subject leaders and pastoral leaders met together regularly and their meetings served both to further the school improvement agenda and provided additional professional development for these colleagues.

Line management structures are a key part of the organisation of the school, ensuring dialogues and accountability for performance. All colleagues were subject to appraisal review of their performance, the targets contained in which all contributed to the achievement of the school's improvement plan.

The School's Financial Control Group comprised of the Headteacher and Business Manager who collectively assessed the School's financial position and formulated recommendations to the Finance and Resources Committee as part of the budget setting, monitoring and planning process.

Pay policy for key management personnel

All Trustees gave their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 10 to the accounts.

The pay of the senior staff; Headteachers, Deputy Headteachers, Business Manager and Assistant Headteachers is considered and set in line with the 'School teachers' pay and conditions document 2017 and guidance on school teachers' pay and conditions' September 2017 as published by the Department for Education and the school pay policy.

Connected organisations, including related party relationships

The school did not operate any formal federation relationships with other education establishments but its staff, across the curriculum, share their experience with many other schools. This collaborative work, in furtherance of the Trust's charitable object, is detailed under the heading 'Achievements and Performance' below.

Risk Management

The governors have assessed the major risks to which the school is exposed, in particular those relating to the specific teaching and other operational areas and its finances. The governors have implemented a number of systems to assess the risk that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, and educational visits) and in relation to the control of finance. Systems are in place, including operational procedures (e.g. vetting of new staff and visitors, supervision of the school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains, the governors have ensured they have adequate insurance cover alongside controls. The school has an effective system of internal financial controls and further details have been provided below.

Trustees' indemnities

Trustees are covered by the school's insurer for liability arising from negligent acts, errors and omissions committed in good faith.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

a. Objects and aims

The Academy Trust's object is: to advance for the public benefit in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The school provides a broad and balanced curriculum with the overarching aim of providing courses well matched to students' needs, abilities, aptitudes and aspirations. The School is at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community.

In the year ending 31 August 2018, admission arrangements were those which apply to local authority maintained schools and under which the school previously operated. We place an emphasis on meeting the needs of individual students, including those with SEN (with or without statements) and those who are high achievers. The school was oversubscribed in respect of the demand for places in Year 7 2018 and temporarily increased the pupil admission number.

The school provides education for Year 7 to Year 11 students of different abilities who are wholly or mainly drawn from the area in which the school is situated.

At Fir Vale School we aim to:

- Advance education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.
- Promote for the benefit of the inhabitants of Sheffield and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need for such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.
- Provide equality of opportunity for each student and to encourage the realisation of his/her full potential.
- Enable each student to experience enjoyment in learning and to encourage the development of self confidence, a lively enquiring mind, independence of thought and a sense of pride in work and achievement.
- Help each student to communicate clearly, to use language and number effectively, to apply knowledge successfully and to make full use of modern technology.
- Encourage each student to develop physical, creative and intellectual skills to the full.
- Encourage each student to develop a sense of responsibility, an awareness of right and wrong and tolerance and respect for all.
- Help each student to feel a part of and take pride in the School and the community and to develop an appreciation of, and concern for, the environment.
- Enable each student to develop an understanding of the world he/she lives in and an awareness of the ways in which individuals and groups relate.
- Encourage each student to appreciate and maintain a healthy lifestyle.
- Develop social, organisation, problem solving, life and study skills in order that each student may be able to cope with the fast changing demands of modern society and play a full part in all aspects of adult life.

Objectives for the year to 31 August 2018

The school's improvement priorities for the year to 31 August 2018 were as follows:

Objective 1 – Improving and embedding literacy and language

- 1.1 Improving and embedding literacy and language through reading across the curriculum
- 1.2 Improving and embedding literacy and language through writing across the curriculum
- 1.3 Improving and embedding literacy and language through speaking and listening across the curriculum

Objective 2 – Securing outstanding teaching and learning

- 2.1 Developing outstanding pedagogy and practice
- 2.2 Developing outstanding AfL including work scrutiny
- 2.3 Developing innovation and sharing best practice
- 2.4 Developing the Lead Practitioner Programme to secure outstanding and consistent practice

Objective 3 – Effective Leadership and Quality Assurance

- 3.1 Whole school self review
- 3.2 Building high performance teams at all levels
- 3.3 Effective and proactive use of data to secure 'outstanding'
- 3.4 Achievement and attainment

Objective 4 – Curriculum Development

- 4.1 Curriculum evolution to meet changing context and national challenges
- 4.2 Curriculum development to personalise
- 4.3 'Vision to Vocation' and alternative provision
- 4.4 Raising attainment in English

b. Fund-raising standards information

The trust doesn't actively fundraise, but appreciates donations from the public. The trust does not use any professional fundraiser or commercial participator to carry out activities on the charity's behalf.

Due to the low level of fundraising the trust undertakes, it is not a participant of a voluntary scheme for regulating fundraising, or any voluntary standard of fundraising for the activities carried out on behalf of the trust. Should the trust at some point in the future undertake a specific fundraising campaign or start to generate more income through fundraising, the Trustees will look to sign up to a voluntary fundraising code.

c. Public benefit

The governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Strategic report

a. Achievement and performance

The governors have maintained the function of the SIP (School Improvement Partner) who visits the school each term, analyses the data and rigorously interviews the SLT. The school self evaluation confirms:

- Middle attaining pupils made good progress although whole school progress is below average
- High levels of mobility with high numbers of in year admissions
- There are many barriers to learning that the school is doing well to remove
- The Progress 8 figure (summer 2018) is at -0.22

The SIP considers that:

- Leadership at all levels is strong
- The school responds well to both the pressures of national changes and the diverse context

Overall Progress 8 was below national average and significant variation across subjects is evident. Outcomes in the English and EBacc pillars were below national; outcomes in the Open pillar were above national; and Mathematics outcomes were below national. Raising standards and reducing variation outcomes within EBacc and Open pillars remain key priorities.

Student attendance during the year was 92.6%, similar to other local secondary schools with a similar cohort and levels of mobility. The school continues to be extremely popular with the local community with demand for student places, particularly for Year 7, being yet again oversubscribed.

During the year, Fir Vale further continued to implement the 'Made in Sheffield' Cutler's Curriculum for a group of students to enable them to complete employment courses as well as attend regular sessions at Northern General Hospital and within the construction industry sector.

Students have also benefitted from involvement in the Inspiring Youth Project where South Yorkshire Police volunteers encourage young people to better themselves and achieve personal goals. This work is to inspire knowledge, self-esteem, self-confidence and for the young people to enhance their performance in school, at home and within the community.

In 2017/18, 'pupil voice' was developed with many pupils involved in a variety of groups including councils and focus groups which consider issues such as catering, the school environment and considering delivery of the curriculum. The Head Girl and Head Boy, supported by new 'deputy' roles have attended governor meetings sharing the work and findings of these student groups. Prefects have led on a variety of themes this year including "Not in my name" which was shared in assemblies and through our newsletter. All Student Voice students have completed a National Leadership Award which is accredited by SSAT. This is a widely recognised award.

In preparation for their arrival at Fir Vale, students in Year 6 at the local feeder schools spent three days in school during July on a transition programme which enabled a positive start to their new school in September.

A wide range of extra-curricular opportunities are enjoyed by students with a variety of clubs both before and after school, including sports clubs which arrange a programme of inter school fixtures. The Duke of Edinburgh programme is supported by school staff which again provides opportunities for students to be involved in activities beyond Fir Vale as well as developing important life skills.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

The school successfully applied to form its own Combined Cadet Force recognising the significant positive impact that an involvement in uniformed services can provide for young people.

Partnerships with national and local organisations along with other local schools enables the professional development of colleagues whilst work with local community groups maintains an understanding of the needs of the student and their families.

Accountability Score / Percentage

Progress 8 Score -0.22

Attainment 8 Score 3.1

16 % of pupils achieved Grade 5 or above in English and Maths combined

6 % of pupils achieved the English Baccalaureate at Grade 5/C or above

% of pupils who continue into education or employment (Data not available at date of report)

Admissions

In Autumn 2011, a BSF building programme was completed to add a further 300 student places with an agreement with the Local Authority that these would be occupied by Year 7 admissions through an increase in the Indicative Admissions Number from 150 to 210 places. This expansion was to meet the increase demand for places from the local community, with the school being oversubscribed for places for a number of years. The number of places in local feeder primary schools has also been increased to meet demand. The total number of students on roll is 1062.

Attendance

Maintaining high levels of attendance is a key priority for the school.

	2014 – 2015	2015 – 2016	2016 – 2017	2017 – 2018
Whole School Attendance	92.5%	92.4%	92.3%	92.6%

Other activities

Beyond the curriculum, the school offered a wealth of extension and enrichment activities to its students. These included:

- Art
- Breakfast club
- Chess
- Design Technology – Resistant Materials, Textiles
- Duke of Edinburgh
- Music, Singing Group and Showband
- Science club
- Sporting activities including: Athletics, Badminton, Basketball, Boxing, Cricket, Fitness, Football, Table Tennis, Trampoline
- Yoga club
- Zoology

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Activities for students also included the following trips, visits and residential:

- Awesome Walls Climbing Centre
- Bamford
- Chatsworth House
- Climbing works
- Crucible Theatre
- Drama trips to Abbeydale Picture House, Crucible Theatre, Lyceum Theatre, Norfolk Park
- Duke of Edinburgh Award – Endcliffe Park, Castleton and Grindleford
- England Institute of Sport (EIS)
- Geography trips to Blackpool and the local area
- Hollywood Bowl
- Ice Sheffield
- Music trips to Sheffield Cathedral and Tapton School
- PE trips to Balby Carr Academy, Headingley, Hillsborough Leisure Centre, Ponds Forge and Woodburn Road
- Post 16 trips to Longley Park, Sheffield College and 6th Form schools
- Tate Gallery, Liverpool
- Ten Pin Bowling, Sheffield
- Yorkshire Sculpture Park

b. Key performance indicators

The school recognises the importance of performance indicators, to ensure that it delivers educational and financial excellence.

The school's financial performance is monitored by the governors and the Senior Leadership Team through periodic internal financial reports.

It is also monitored through the completion and submission to the Education and skills Funding Agency (ESFA) of:

- The Trust's Annual Report and Financial Statements
- The Academy Accounts Return
- Whole Government Accounts data, including budget forecasts for the forthcoming year

c. Principal risks and uncertainties

The School has undertaken work during the period to establish the system of internal control, including financial, operational and risk management which is designed to protect the school's assets and reputation. The school's Risk Register, that has been updated during the year and contains the details of risks recognised to which our organisation is exposed. It identifies the key risks, the likelihood of those risks occurring, their potential impact on the school and the actions being taken to avoid, reduce and mitigate the risks. The register includes the controls in place to minimise and mitigate potential impact on the school. It also reflects the continuing efforts taken by the school during the year and includes appropriate review dates for those risks. All proposed new activities are assessed for risk. Risks are rated using a consistent scoring system.

The most significant risks are identified below:

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

1. Long term demand

The school remains popular and over time numbers have increased, with numbers at 1062 at the start of the 2018/19 academic year. The creation of a new all through school in Burngreave represents a significant potential threat to our numbers on roll. The strategy to mitigate this risk is clear: a tight focus on raising standards; a strategic marketing plan to secure our numbers; and parental engagement and transition through effective partnership with feeder primaries. As a school, we are clear on our unique selling propositions: high standards of achievement and care for all.

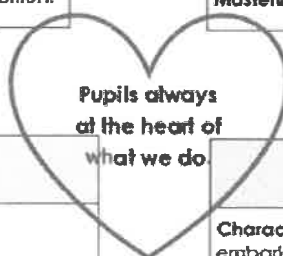
The National Funding Formula also presents a potential risk factor. Rigorous medium and long term planning will mean the school has a curriculum offer that remains personalised and relevant whilst also ensuring staffing levels are sustainable and overall the school delivers value for money.

2. Unfavourable Ofsted report

The school had an overall P8 figure of -0.22 that was below national average. The school self evaluation judges overall effectiveness at 3. The school has clear priorities centred on improving quality and raising standards around each of the four themes from the Common Inspection Framework:

We are a caring and inclusive school, committed to ensuring each pupil leaves as a well-educated, young adult with confidence, aspiration, self-esteem and an eager readiness to embark on their next steps.

Our priorities 2017/18			
Effectiveness of Leadership and Management Creating operational and financial capacity to raise standards. Collaboration and Joint Practice Development that invests in staff expertise, develops teams and raises standards. Communicating our shared vision, ethos, values & ambition.		Quality of Teaching, Learning and Assessment Each lesson is good or better. Quality of assessment that deepens learning and accelerates pupil progress. Mastering skills and retaining knowledge.	
Outcomes for Pupils Diminishing differences with high standards for all. Sustainable and high rates of progress for all especially our most vulnerable. High expectations, ambition and aspiration for all.		Personal Development, Behaviour and Welfare Character education so our pupils achieve and are ready to embark on their next steps. Positive Behaviour: high standards are applied consistently based on respect, courtesy, tolerance and kindness. Attendance and punctuality are valued and standards are high. Our pupils are cared for, are safe and know how to keep themselves safe.	



FIR VALE SCHOOL ACADEMY TRUST

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TRUSTEES' REPORT (continued) **FOR THE YEAR ENDED 31 AUGUST 2018**

Financial review

a. Going concern

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

b. Financial review of year

The Statement of Financial Activities for the year ended 31 August 2018 shows a surplus of £140,693 on General Annual Grant. £55,939 of the GAG reserve was used to fund capital expenditure to improve school security and develop a new internal exclusion space.

Most of the school's income is in the form of recurring grants from the Department for Education (DfE) which are provided under the funding agreement with the Trust. The use of this income is restricted to particular purposes. The DfE grants received by the Trust for the period ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

c. Reserves policy

A key objective of Fir Vale School is to maintain a structure of prudent financial management. The aim of the Academy's reserves policy is to ensure a level of protection against a future deterioration in the level of funding as a result of formula funding reviews.

In addition, Trustees are mindful of the need to ensure that the school IT system remains 'fit for purpose', meeting the needs of all users and in addition the need of the school to accommodate increased pupil numbers. Reserves will be allocated to meet these objectives. Considering the aforementioned it is the long term aim of the school to have reserves representing 7% - 9.5% of GAG which equates to a range of between £440,000 - £600,000.

In achieving this, the Trustees will be mindful that existing students are not disadvantaged through the retention of excessive reserves. To this end the Trustees will review reserve levels annually. At 31 August 2018, the balance of the Academy's unrestricted Funds was £286,357 and the balance of its Restricted General Fund was £491,248 giving free reserves of £777,786. Whilst free reserves as at 31 August 2018 are greater than the long term target, the Academy is safeguarding for future forecast deficits in the immediate coming years as a result of increased costs.

d. Investment policy

The Trust's Articles of Association restrict any decisions on the investment of school funds to the Governing Body. governors' may only invest funds after taking advice from a financial expert, as defined under the Financial Services and Markets Act 2000. Investments are currently restricted to deposit accounts with the school's bankers. Any interest is returned to the school as unrestricted income.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

a. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the Year	3
Full-time equivalent employee number	3

Percentage of time spent on facility time

<i>Percentage of time</i>	<i>Number of employees</i>
0%	-
1%-50%	3
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

£

Total cost of facility time	4,122	
Total pay bill	4,800,000	
Percentage of total pay bill spent on facility time	0.09	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0.29	%
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FIR VALE SCHOOL ACADEMY TRUST

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Plans for future periods

a. Future developments

In determining our objectives and planning our priorities for the future, the governors are mindful of the Charity Commission's general guidance on public benefit.

We will continue to have the raising of standards, through improvements in progress and learning, as a top priority. This will continue to ensure progression routes for our students, whether into employment or into further/higher education and the avoidance of young people becoming classed as NEET (not in education, employment or training).

Our curriculum is reviewed annually and evolves with the aim of matching students ever more closely to the most appropriate courses. Guided choices will ensure more able students study the suite of subjects which will lead them to English Baccalaureate qualification, enabling them to access courses at the country's leading universities.

Human equalities' policy

The governors recognise that equal opportunities should be an integral part of good practice within the workplace. The school aims to ensure equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Disabled persons

Under the School's Disability Equality Scheme and Accessibility Plan, and other measures, the school supports the recruitment and retention of students and employees with disabilities. Adaptations to the physical environment, the provision of resources and training and career development form part of our efforts to support disabled persons.

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 18 December 2018 and signed on its behalf by:



U Saeed

Chair of Trustees

FIR VALE SCHOOL ACADEMY TRUST

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GOVERNANCE STATEMENT

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Fir Vale School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
U Saeed, Parent Governor, Chair	3	3
J R Edwards, Business Governor (Vice Chair)	3	3
G Stonier, Community Governor	0	1
E Akunda, Parent Governor	3	3
S Asad, Parent Governor	2	3
N Begum, Community Governor	2	3
P Highfield, Staff Governor	3	3
T Hussey-Yeo, Business Governor	3	3
M Mannion, Business Governor	0	3
S Bower, Business Governor	0	3
N Fear, School Governor	1	1
S Hawkins, Headteacher and Accounting Officer	3	3
R Smith, Headteacher and Accounting Officer	0	0

The School Improvement Partner (SIP) focused on the effectiveness of leadership and management in 2016/17. One priority for 2018/19 is an external review of governance including a separate focus on Pupil Premium. The Governance review will start in the Spring Term 2019 and inform the whole school Quality and Standards Plan.

The Finance and Resources Committee is a Committee of the main governing body. The work involved reviewing financial policy, long term planning and resourcing in addition to approving the budget and ensuring effective ongoing monitoring of income and expenditure. The committee also monitors the performance of contracts, including that for PFI facilities management and the ICT managed service. Additional aspects of the work include health and safety, security and risk management.

FIR VALE SCHOOL ACADEMY TRUST

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GOVERNANCE STATEMENT (continued)

There were six meetings of the Finance, Premises and General Purposes Committee during the period.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
R Edwards (Chair)	6	6
M Mannion	4	6
U Saeed	6	6
T Hussey-Yeo	5	6
S Hawkins	6	6
G Stonier	1	2
S Bower	0	5

Review of Value for Money

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy 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's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by:

Below are some examples that the Accounting Officer for the Academy Trust has delivered improved value for money during the year:

- Procurement of insurance services
- Procurement of MIS support
- Renegotiation of ICT managed service, telephony support and licences
- Procurement of new website
- Restructure of Senior Leadership Team
- Curriculum modelling to increase teacher contact ratio
- Utilisation of natural wastage to rationalise overstaffing

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Fir Vale School Academy Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Business Manager of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint BHP LLP as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

- Payments testing
- Payroll testing
- Employee expenses testing

On an annual basis, the auditor reports to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' 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 auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Business Manager and a plan to address weaknesses and ensure continuous improvement of the system is in place.

'The governors wish to thank all staff for the work they have done in the last year.'

FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Approved by order of the members of the Board of Trustees on 18 December 2018 and signed on their behalf, by:


U Saeed
Chair of Trustees


R Smith
Accounting Officer

FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Fir Vale School Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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 2017.

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.



R Smith
Accounting Officer

Date: 18 December 2018

FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2018

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

Company law requires the Trustees to prepare financial statements for each financial year which 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 income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

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

Approved by order of the members of the Board of Trustees on 18 December 2018 and signed on its behalf by:



U Saeed
Chair of Governors

FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF FIR VALE SCHOOL ACADEMY TRUST

Opinion

We have audited the financial statements of Fir Vale School Academy Trust (the 'academy') for the year ended 31 August 2018 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2018 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 2017 to 2018 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or

FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF FIR VALE SCHOOL ACADEMY TRUST

apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and.
- the Trustees Report (incorporating 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 trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report (incorporating the Strategic Report).

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

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

Responsibilities of trustees

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

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

FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF FIR VALE SCHOOL ACADEMY TRUST

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. This description forms part of our Auditor's report.

Use of our report

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



Philip Allsop (Senior statutory auditor)

for and on behalf of

BHP LLP

Chartered Accountants
Statutory Auditor

2 Rutland Park
Sheffield
S10 2PD

Date: 19 December 2018

FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FIR VALE SCHOOL ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 27 November 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Fir Vale School Academy Trust during the year 1 September 2017 to 31 August 2018 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 Fir Vale School Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Fir Vale School Academy Trust 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 Fir Vale School Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Fir Vale School Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Fir Vale School Academy Trust's funding agreement with the Secretary of State for Education dated 25 May 2012, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 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 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes:

- Detailed testing on a sample basis to assess the nature of expenditure and whether funds have been used appropriately;
- Review of the academy's internal financial procedures to ensure that controls are in place to prevent or identify regularity issues;
- Ensure that ESFA approval has been obtained for relevant transactions;

FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FIR VALE SCHOOL ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

- Discussions with Trustees, Senior Leadership Team and the Accounting Officer throughout the audit process to ensure that all regularity threats have been addressed.

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 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Philip Allsop (Reporting Accountant)

BHP LLP

Chartered Accountants
Statutory Auditors

2 Rutland Park
Sheffield
S10 2PD

Date: 19 December 2018

FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:						
Donations and capital grants	2	3,311	25,296	21,078	49,685	44,744
Charitable activities	5	18,292	6,791,591	-	6,809,883	6,877,072
Other trading activities	3	30,785	14,162	-	44,947	54,187
Investments	4	622	-	-	622	750
Total income		53,010	6,831,049	21,078	6,905,137	6,976,753
Expenditure on:						
Raising funds		-	7,159	-	7,159	2,348
Charitable activities		53,010	6,857,358	341,296	7,251,664	7,455,967
Total expenditure	6	53,010	6,864,517	341,296	7,258,823	7,458,315
Net expenditure before transfers		-	(33,468)	(320,218)	(353,686)	(481,562)
Transfers between Funds	16	-	(55,939)	55,939	-	-
Net expenditure before other recognised gains and losses		-	(89,407)	(264,279)	(353,686)	(481,562)
Actuarial gains on defined benefit pension schemes	20	-	411,000	-	411,000	614,000
Net movement in funds		-	321,593	(264,279)	57,314	132,438
Reconciliation of funds:						
Total funds brought forward		286,357	(1,612,616)	15,059,661	13,733,402	13,600,964
Total funds carried forward		286,357	(1,291,023)	14,795,382	13,790,716	13,733,402


FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)
REGISTERED NUMBER: 08090074

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	13		14,795,382		15,059,661
Current assets					
Debtors	14	199,606		216,037	
Cash at bank and in hand		823,591		768,237	
		1,023,197		984,274	
Creditors: amounts falling due within one year	15	(231,863)		(264,533)	
Net current assets			791,334		719,741
Total assets less current liabilities			15,586,716		15,779,402
Defined benefit pension scheme liability	20		(1,796,000)		(2,046,000)
Net assets including pension scheme liabilities			13,790,716		13,733,402
Funds of the academy					
Restricted income funds:					
Restricted income funds	16	504,977		433,384	
Restricted fixed asset funds	16	14,795,382		15,059,661	
Restricted income funds excluding pension liability		15,300,359		15,493,045	
Pension reserve		(1,796,000)		(2,046,000)	
Total restricted income funds			13,504,359		13,447,045
Unrestricted income funds	16		286,357		286,357
Total funds			13,790,716		13,733,402

The financial statements on pages 26 to 51 were approved by the Trustees, and authorised for issue, on 18 December 2018 and are signed on their behalf, by:

.....

U Saeed
Chair of Trustees

FIR VALE SCHOOL ACADEMY TRUST

(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	18	132,372	74,677
		<hr/>	<hr/>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(77,018)	(89,022)
		<hr/>	<hr/>
Net cash used in investing activities		(77,018)	(89,022)
		<hr/>	<hr/>
Change in cash and cash equivalents in the Year		55,354	(14,345)
Cash and cash equivalents brought forward		768,237	782,582
		<hr/>	<hr/>
Cash and cash equivalents carried forward		823,591	768,237
		<hr/> <hr/>	<hr/> <hr/>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Fir Vale School Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Fund accounting

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. Accounting Policies (continued)

1.3 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.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of Financial Activities incorporating Income and Expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. Accounting Policies (continued)

1.4 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.

1.5 Going concern

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

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:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. Accounting Policies (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	land - not depreciated; buildings - straight line over 55 years
Furniture and fixtures	-	10% straight line
Computer equipment	-	33.3% straight line

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.

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 carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

1.7 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 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.

1.9 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.

1.10 Cash at Bank and in hand

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. Accounting Policies (continued)

1.11 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is 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.

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.

1.12 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1.13 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. 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 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Sundry income	3,311	4,846	-	8,157	5,385
Grant funding	-	20,450	-	20,450	18,400
Capital grants	-	-	21,078	21,078	20,959
	3,311	25,296	21,078	49,685	44,744
Total 2017	2,628	21,157	20,959	44,744	

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3. Other trading activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Payments from other schools and sundry sales	30,785	14,162	44,947	54,187
	<u>30,785</u>	<u>14,162</u>	<u>44,947</u>	<u>54,187</u>
Total 2017	<u>54,187</u>	<u>-</u>	<u>54,187</u>	

4. Investment income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	622	-	622	750
	<u>622</u>	<u>-</u>	<u>622</u>	<u>750</u>
Total 2017	<u>750</u>	<u>-</u>	<u>750</u>	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

5. Funding for Academy's educational operations

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant	-	6,087,355	6,087,355	6,294,581
Other DfE/ESFA grants	-	563,741	563,741	540,680
	-	6,651,096	6,651,096	6,835,261
Other government grants				
Local authority growth funding	-	79,347	79,347	-
SEN funding	-	52,748	52,748	21,150
Other	15,500	4,900	20,400	-
LAC Pupil Premium	-	3,500	3,500	5,000
	15,500	140,495	155,995	26,150
Other funding				
Other income from the academy's educational operations	2,792	-	2,792	15,661
	2,792	-	2,792	15,661
	18,292	6,791,591	6,809,883	6,877,072
Total 2017	15,305	6,861,767	6,877,072	

FIR VALE SCHOOL ACADEMY TRUST**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018****6. Expenditure**

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on raising funds	-	-	7,159	7,159	2,348
Education:					
Direct costs	4,421,756	272,929	729,780	5,424,465	5,553,028
Support costs	555,796	966,291	305,112	1,827,199	1,902,939
	<u>4,977,552</u>	<u>1,239,220</u>	<u>1,042,051</u>	<u>7,258,823</u>	<u>7,458,315</u>
Total 2017	<u>4,965,868</u>	<u>1,215,193</u>	<u>1,277,254</u>	<u>7,458,315</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

7. Charitable Activities

	2018 £	2017 £
<i>Direct costs - educational operations</i>		
Wages and salaries	3,501,164	3,484,209
National insurance	341,578	344,272
Pension costs	579,014	563,360
Staff development	5,474	27,647
Technology costs	124,780	152,129
Educational supplies	47,842	68,413
Alternative education	232,681	266,557
Examination fees	106,850	85,174
Depreciation	341,296	355,543
Other costs	143,786	205,724
	5,424,465	5,553,028
<i>Support costs - educational operations</i>		
Wages and salaries	363,645	377,519
National insurance	27,659	29,237
Pension costs	147,309	153,291
Pension finance costs (note 13)	49,000	52,000
Pension administrative cost	4,000	4,000
Recruitment and other staff costs	10,208	68,643
Maintenance of premises	25,493	16,465
Bank interest and charges	77	478
PFI charges	940,796	926,371
Insurance	26,621	28,404
Travel and subsistence	3,505	3,217
Catering	113,719	109,061
Governance costs (note 8)	29,777	25,386
Other costs	85,390	108,867
	1,827,199	1,902,939
Total direct and support costs	7,258,823	7,455,967

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

8. Governance costs

	2018	2017
	£	£
Auditor's remuneration	8,110	7,880
Auditor's non-audit costs	1,450	900
Legal and professional	3,034	2,626
Wages and salaries	13,494	11,970
National insurance	1,646	1,396
Pension costs	2,043	614
	<hr/>	<hr/>
Total	29,777	25,386
	<hr/>	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**
9. Staff costs**a. Staff costs**

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	3,793,003	3,852,600
Social security costs	370,883	374,905
Operating costs of defined benefit pension schemes	728,366	717,265
	<u>4,892,252</u>	<u>4,944,770</u>
Staff restructuring	71,700	5,000
Agency staff costs	13,600	16,098
	<u>4,977,552</u>	<u>4,965,868</u>

Staff restructuring costs comprise:

Redundancy payments	57,655	5,000
Severance payments	14,045	-
	<u>71,700</u>	<u>5,000</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory severance payments totalling £14,045 (2017:nil). This was an individual payment made on 31 January 2018.

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	67	70
Admin and support	60	64
Management	8	9
	<u>135</u>	<u>143</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	63	64
Admin and support	57	54

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

9. Staff costs (continued)

Management	8	8
	<u>128</u>	<u>126</u>

d. Higher paid staff

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

	2018 No.	2017 No.
In the band £ 60,001 - £ 70,000	0	2
In the band £ 70,001 - £ 80,000	0	1
In the band £ 80,001 - £ 90,000	1	0

The above employees participated in either the Teachers' Pension Scheme or the Local Government Pension Scheme. During the period ending 31 August 2018, pension contributions for this employee amounted to £14,244 (2016: £22,363)

e. Key management personnel

The key management personnel of the academy trust comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer NI and pension contributions) received by key management personnel for their services to the academy trust was £667,014 (2017: £667,983).

10. Trustees' remuneration and expenses

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses from the academy in respect of their role as Trustees. The value of Trustees' remuneration, during the period fell within the following bands: S Hawkins (headteacher and Trustee): Remuneration £85,000-£90,000 (2017: Nil) Employer's pension contributions £15,000-£20,000 (2017: Nil), P Highfield (staff Trustee): Remuneration £30,000-£35,000 (2017: £30,000-£35,000) Employer's pension contributions £5,000-£10,000 (2017: £5,000-£10,000), C Whyte (staff Trustee): Remuneration £15,000-£20,000 (2017: £20,000-£25,000) Employer's pension contributions £0-£5,000 (2017: £0-£5,000) and N Fear (staff Trustee): Remuneration £5,000-£10,000 (2017: Nil) Employer's pension contributions £0-£5,000 (2017: Nil). S Asad (parent Trustee) received fees of £0-£5,000 (2017: £0-£5,000) for exam invigilator duties.

During the year, no Trustees received any reimbursement of expenses.

11. Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

12. Net interest cost

	2018 £	2017 £
Interest on plan assets	57,000	41,000
Net interest costs	(106,000)	(93,000)
	<u>(49,000)</u>	<u>(52,000)</u>

13. Tangible fixed assets

	Leasehold property £	Furniture and fixtures £	Plant and equipment £	Total £
Cost				
At 1 September 2017	16,210,388	57,943	669,156	16,937,487
Additions	52,821	20,025	4,171	77,017
At 31 August 2018	<u>16,263,209</u>	<u>77,968</u>	<u>673,327</u>	<u>17,014,504</u>
Depreciation				
At 1 September 2017	1,315,606	15,028	547,192	1,877,826
Charge for the year	272,929	6,675	61,692	341,296
At 31 August 2018	<u>1,588,535</u>	<u>21,703</u>	<u>608,884</u>	<u>2,219,122</u>
Net book value				
At 31 August 2018	<u>14,674,674</u>	<u>56,265</u>	<u>64,443</u>	<u>14,795,382</u>
At 31 August 2017	<u>14,894,782</u>	<u>42,915</u>	<u>121,964</u>	<u>15,059,661</u>

14. Debtors

	2018 £	2017 £
Trade debtors	2,300	17,881
Other debtors	-	2,058
Prepayments and accrued income	137,446	136,046
Tax recoverable	59,860	60,052
	<u>199,606</u>	<u>216,037</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

15. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	654	90,268
Accruals and deferred income	231,209	174,265
	<u>231,863</u>	<u>264,533</u>
	2018 £	2017 £
<i>Deferred income</i>		
Deferred income at 1 September 2017	46,286	168,785
Resources deferred during the year	16,824	46,286
Amounts released from previous years	(46,286)	(168,785)
Deferred income at 31 August 2018	<u>16,824</u>	<u>46,286</u>

On 31 August 2018, the academy trust was holding funds received in advance for the DfE rates relief , which relates to 2018/19.

16. Statement of funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<i>Unrestricted funds</i>						
General funds	<u>286,357</u>	<u>53,010</u>	<u>(53,010)</u>	<u>-</u>	<u>-</u>	<u>286,357</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

16. Statement of funds (continued)

Restricted funds

General Annual Grant (GAG)	406,674	6,087,355	(5,946,662)	(55,939)	-	491,428
Pupil premium	-	567,241	(567,241)	-	-	-
School fund	-	4,806	(4,806)	-	-	-
High needs	-	52,748	(52,748)	-	-	-
Comenius project	8,310	-	(5,807)	-	-	2,503
Resettlement fund	-	3,900	(3,900)	-	-	-
Growth funding	-	79,347	(79,347)	-	-	-
Cadet bursary fund	13,000	-	(5,000)	-	-	8,000
HEPPSY fund	5,000	20,000	(21,954)	-	-	3,046
Youth Sport Trust	400	450	(850)	-	-	-
Other restricted funds	-	15,202	(15,202)	-	-	-
Pension reserve	(2,046,000)	-	(161,000)	-	411,000	(1,796,000)
	<u>(1,612,616)</u>	<u>6,831,049</u>	<u>(6,864,517)</u>	<u>(55,939)</u>	<u>411,000</u>	<u>(1,291,023)</u>

Restricted fixed asset funds

Restricted Fixed Asset Funds	15,059,661	21,078	(341,296)	55,939	-	14,795,382
Total restricted funds	<u>13,447,045</u>	<u>6,852,127</u>	<u>(7,205,813)</u>	<u>-</u>	<u>411,000</u>	<u>13,504,359</u>
Total of funds	<u>13,733,402</u>	<u>6,905,137</u>	<u>(7,258,823)</u>	<u>-</u>	<u>411,000</u>	<u>13,790,716</u>

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

Restricted general funds

General annual grant (GAG) - The Academy's principle funding stream received from the Education Funding Agency. This must be used to fund the normal running costs of the Academy for the benefit of existing students.

Pupil premium - DfE funding to address the current underlying inequalities between children eligible for free school meals (FSM) and their wealthier peers by ensuring that funding to tackle the disadvantage reaches the pupils who need it most.

Year 7 catch up funds - Funding received from the Department of Education to be used on specific intervention work with identified students on a planned programme of work.

School fund - Fund raised by students for school activities and charitable donations.

Banded funding for high need students - Additional funding for special needs students requiring provision that costs in excess of £10,000 per year. The funding is allocated following an application to, and assessment by, the Local Authority.

Comenius project - A grant received from the British Council to fund an agreed programme of activity involving

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

16. Statement of funds (continued)

other European schools.

Resettlement fund - Home Office Funding to help support the resettlement of refugees into schools in England. Money is used to support integration and provide support required with short term support such as Intensive Language Acquisition.

Local Authority growth fund - A contingency fund held by the Local Authority against which schools and academies can apply when they have an excessive increase in the size of their student intake.

School library books - Funding for the replacement of some of the schools library books.

Defined benefit pension liability - The deficit on the Local Government Pension Scheme has been recognised against restricted funds in order to match it against GAG as recommended by the EFA Accounts Direction.

Cadet Bursary fund - Funding received from the CCFA to set up a Cadet Club

HEPPSY fund - Funding to support designated deprived postcodes and assist students from these areas progress into higher education

Youth Sport Trust - Funding to support girls sports activities

Unrestricted funds

The unrestricted funds represent funds available to the Governors to apply for the general purposes of the academy.

Transfers

The transfer from GAG to restricted fixed assets funds is the amount of GAG funding that was spent on purchasing assets in the year.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

Statement of funds - prior year

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds	300,684	72,870	(87,197)	-	-	286,357

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

Restricted funds

General Annual Grant (GAG)	440,538	6,294,937	(6,260,738)	(68,063)	-	406,674
Year 7 catch up funds	-	54,178	(54,178)	-	-	-
Pupil Premium	-	491,502	(491,502)	-	-	-
School fund	3,888	2,757	(6,645)	-	-	-
Comenius project	8,672	-	(362)	-	-	8,310
High needs	-	21,150	(21,150)	-	-	-
School library books	10,000	-	(10,000)	-	-	-
Cadet bursary fund	-	13,000	-	-	-	13,000
HEPPSY fund	-	5,000	-	-	-	5,000
Youth Sport Trust	-	400	-	-	-	400
Pension reserve	(2,489,000)	-	(171,000)	-	614,000	(2,046,000)
	<u>(2,025,902)</u>	<u>6,882,924</u>	<u>(7,015,575)</u>	<u>(68,063)</u>	<u>614,000</u>	<u>(1,612,616)</u>

Restricted fixed asset funds

Restricted Fixed Asset Funds	<u>15,326,182</u>	<u>20,959</u>	<u>(355,543)</u>	<u>68,063</u>	<u>-</u>	<u>15,059,661</u>
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17. Analysis of net assets between funds

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	14,795,382	14,795,382
Current assets	286,357	736,840	-	1,023,197
Creditors due within one year	-	(231,863)	-	(231,863)
Provisions for liabilities and charges	-	(1,796,000)	-	(1,796,000)
	<u>286,357</u>	<u>(1,291,023)</u>	<u>14,795,382</u>	<u>13,790,716</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**
17. Analysis of net assets between funds (continued)**Analysis of net assets between funds - prior year**

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	2017 £	2017 £	2017 £	2017 £
Tangible fixed assets	-	-	15,059,661	15,059,661
Current assets	286,357	697,917	-	984,274
Creditors due within one year	-	(264,533)	-	(264,533)
Provisions for liabilities and charges	-	(2,046,000)	-	(2,046,000)
	<u>286,357</u>	<u>(1,612,616)</u>	<u>15,059,661</u>	<u>13,733,402</u>

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(353,686)	(481,562)
Adjustment for:		
Depreciation charges	341,296	355,543
Decrease/(increase) in debtors	14,373	(20,540)
(Decrease)/increase in creditors	(30,611)	50,236
FRS 102 pension adjustments	161,000	171,000
Net cash provided by operating activities	132,372	74,677

19. Analysis of cash and cash equivalents

	2018 £	2017 £
Cash in hand	823,591	768,237
Total	823,591	768,237

20. Pension commitments

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

**NOTES TO THE FINANCIAL STATEMENTS
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20. Pension commitments (continued)

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

The TPS valuation for 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 £419,008 (2017 - £400,498).

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).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

20. Pension commitments (continued)

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 2018 was £260,000 (2017 - £253,000), of which employer's contributions totalled £202,000 (2017 - £195,000) and employees' contributions totalled £58,000 (2017 - £58,000). The agreed contribution rates for future years are 16.48% for employers and 7.4% to 11.7% 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:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	3.35 %	3.45 %
Rate of increase for pensions in payment / inflation	2.20 %	2.20 %
Inflation assumption (CPI)	2.10 %	2.20 %

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

	2018	2017
Retiring today		
Males	23	22.9
Females	25.8	25.7
Retiring in 20 years		
Males	25.2	25.1
Females	28.1	28.0

	At 31 August 2018 £	At 31 August 2017 £
<i>Sensitivity analysis</i>		
Discount rate +0.1%	211,000	2,384,000
Inflation rate +0.1%	(217,000)	2,596,000
Pay growth +0.1%	(47,000)	2,535,000
Life expectancy increase +1 year	(165,000)	2,562,000

FIR VALE SCHOOL ACADEMY TRUST**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018****20. Pension commitments (continued)**

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	1,308,000	1,351,000
Government bonds	352,000	307,000
Other bonds	180,000	151,000
Property	239,000	202,000
Cash and other liquid assets	113,000	44,000
Derivatives	268,000	-
Other	-	167,000
Total market value of assets	2,460,000	2,222,000

The actual return on scheme assets was £109,000 (2017 - £234,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2018 £	2017 £
Current service cost	(310,000)	(310,000)
Interest income	57,000	41,000
Interest cost	(106,000)	(93,000)
Admin expenses	(4,000)	(3,000)
Total	(363,000)	(365,000)

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

	2018 £	2017 £
Opening defined benefit obligation	4,268,000	4,256,000
Current service cost	310,000	310,000
Interest cost	106,000	93,000
Employee contributions	58,000	58,000
Actuarial gains	(359,000)	(424,000)
Benefits paid	(127,000)	(25,000)
Closing defined benefit obligation	4,256,000	4,268,000

FIR VALE SCHOOL ACADEMY TRUST**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018****20. Pension commitments (continued)**

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

	2018 £	2017 £
Opening fair value of scheme assets	2,222,000	1,767,000
Interest income	57,000	41,000
Actuarial losses	52,000	190,000
Employer contributions	202,000	195,000
Employee contributions	58,000	58,000
Benefits paid	(127,000)	(25,000)
Pension administrative expenses	(4,000)	(4,000)
Closing fair value of scheme assets	2,460,000	2,222,000

21. Operating lease commitments

At 31 August 2018 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
Amounts payable:		
Within 1 year	10,156	13,804
Between 1 and 5 years	13,842	41,949
Total	23,998	55,753

22. Financial commitments under PFI arrangements

The building is subject to a PFI contract between the Academy and local authority which covers the facilities management costs including: caretaking, cleaning, maintenance & repairs, water & sewerage, grounds maintenance and related insurances. The same agreement also includes energy costs which are charged by the local authority to the Academy. The Academy has a commitment to pay annual costs under the PFI contract which expires in 2026. The amount payable during the year to 31 August 2019 is expected to be £1,048,404

23. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10

No related party transactions took place in the period of account.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

24. 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.