
OLD BASFORD SCHOOL
(A Company Limited by Guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

OLD BASFORD SCHOOL
(A Company Limited by Guarantee)

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OLD BASFORD SCHOOL
(A Company Limited by Guarantee)

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

Members	Mr D J Lawson Mr S Salmon Mr D Appleby Mr E Pagliacci (appointed 31 July 2019) Mr S Rae (appointed 31 July 2019)
Governors	Mr D J Lawson Mr S Salmon Mr D Appleby Mrs L Duffin (appointed 27 November 2018, resigned 16 September 2019) Ms N James Mrs C Eaglesfield (appointed 27 November 2018) Mrs D Eniola (appointed 5 February 2019) Mrs K Priddy (appointed 9 November 2018) Mrs V Shaw Mrs S Wardle (resigned 1 October 2018) Mr J Ross (appointed 16 September 2019) Mrs S Brownlie Mr D Pile Mr P Shah Miss N Dawe Mrs M Adewoye Mrs S Makings
Company registered number	8168813
Company name	Old Basford School
Registered office	Old Basford School Percy Street Old Basford Nottingham Nottinghamshire NG6 0GF

OLD BASFORD SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS GOVERNORS AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Company secretary	Mrs T Green
Chair	Mr D J Lawson
Senior management team	Mrs V Shaw, Head Teacher Mrs L Duffin, Deputy Head Mrs S Priddle, Assistant Head Mrs C Tee, Assistant Head Mrs J Thomas, Assistant Head Mrs L Schindler, Assistant Head
Independent auditor	Mazars LLP Chartered Accountants Park View House 58 The Ropewalk Nottingham NG1 5DW
Bankers	Lloyds Bank 12-16 Parliament Street Nottingham NG1 3DA
Solicitors	Nottingham City Council Legal Department Loxley House Nottingham

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

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

The trust operates an academy for pupils aged 3-11 serving Basford. Total capacity is 420 in school plus 80 (40 morning & 40 afternoon) in Nursery. The Census for October 2018 was 418 in school plus 40 in Nursery. Nursery starts lower in September and then builds up through the year as children reach 3 years old.

Structure, governance and management

a. Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity. The charitable company's Memorandum of Association and articles of association are the primary governing document of the Academy Trust. The Governors of Old Basford School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Old Basford School.

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

b. Members' liability

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

c. Governors' indemnities

For the Financial Year 2018/2019, the Governors have liability Insurance with the ESFA's RPA effective date 1st September 2018. There is an unlimited Indemnity.

d. Method of recruitment and appointment or election of Governors

The management of the Academy is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association.

Any governor elections will be held as soon as practicable after the occurrence of a vacancy. The objective will always be to ensure that the governing body's business is conducted with as many governorships as possible filled and as many governors as possible on the governing body.

We have delegated to the Head Teacher the overall responsibility for organising the election and to also undertake the role of returning officer. At any one time the structure of the governing body must be:

Up to 5 Parent Governors
Up to 6 Community Governors
Up to 3 Staff Governors
Head Teacher

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Governors

New governors are invited to meet the Head teacher and the Chair of Governors before their first meeting. All new governors are provided with Induction Training (generally sourced via Nottingham City Council LA Governors section). Governors are provided with ongoing training throughout their role.

f. Organisational structure

The full Governing Body meets each half term.

There is also an Audit & Finance Committee which meets once per term. The purpose of this committee is to consider all financial matters including preparation of draft budget, approving virements and transfers, making contractual arrangements, approving write offs, monitoring of expenditure and considering audit reports.

g. Arrangements for setting pay and remuneration of key management personnel

The pay range for the Leadership Team is set by the Governing body and pay is reviewed by the Pay Committee on an annual basis.

When setting the pay range, governors consider national pay scales plus the needs of the school re recruitment and retention in order to attract and retain the very best candidates.

h. Related parties and other connected charities and organisations

Old Basford School is a member of the Primary 6 Partnership (P6P), which works with 3 other primary schools in the local area (Roslyn, Heathfield, and Hempshill schools). The Academy is also a member of the Nottingham Schools Trust.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities

a. Objects and aims

We are an aspirational school for all of our pupils. Each one of them is valued as a unique individual and we set ourselves the goal of ensuring that they each meet their utmost academic potential and, in addition to this, unearth an individual talent beyond the academic curriculum.

Old Basford School passionately believes that ALL of our children are entitled to an inspiring curriculum that prepares them for life using The 4 E's.

We are PROUD to be a part of the Old Basford Community and through our curriculum we strive to deliver high quality learning and experiences.

THE 4 E's
Empower
Educate
Equip
Enrich

Old Basford School also stand for Opportunities Bring Success.

Our creative curriculum, coupled with our impressive extra curricula provision, provides a broad, rounded, and rich educational journey which allows all of our pupils to develop independence, a love of learning, resilience, aspirations for the future and self confidence.

Each of our classrooms focuses on challenge, engagement, enjoyment and achievement through high quality teaching. Learning is celebrated by staff and pupils in a supportive, safe and nurturing environment where children believe they can achieve.

Pupils' wellbeing is a priority for our school, as is their spiritual, moral, social and cultural development which go together hand in hand. Effective and strategic pastoral support and interventions are a real strength of the school across our 3 key stages.

Our school is a committed body of forward thinking energetic staff, constantly seeking to develop their teaching in line with outward facing evidential best practice. To support them in this quest, strategic professional development opportunities are made available and enthusiastically participated in by all, enabling constant improvement of their professional practice. We work together as a collective team to relentlessly ensure high quality provision, ensuring that children receive an education that is thorough, rounded and prepares them with enthusiasm for the next stage in their academic journey.

We are an inclusive learning community and highly value the support of parents, governors, partnership schools and the Old Basford community who contribute to our success throughout each year. We challenge ourselves, our children, our governors, and our extended family to create a culture where we are all role models and conscientious, modern British citizens within our school and the wider community of Old Basford.

At the heart and very core of everything we do is a love for children. That love is unashamedly ambitious and fully committed to raising the aspirations and self belief of our pupils to enable them to enter the next phase of their education as enthusiastic and successful learners who are able to do anything they put their minds to.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

b. Objectives, strategies and activities

The principal object of the Academy is the operation of Old Basford School to provide education for pupils of different abilities between the ages of 3 and 11 providing a broad and balanced curriculum.

In accordance with the articles of association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education and skills. The Scheme of Government specifies, amongst other things, the basis for admitting pupils to the Academy, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the national curriculum.

To provide a safe, caring and inclusive school environment, which welcomes all children from our community.

To provide high quality teaching and learning experiences for every child, allowing all children to enjoy their time and reach their full potential whilst at Old Basford School.

To provide a challenging, motivating and relevant curriculum, which is matched to the needs of our learners, offering an excellent foundation of basic skills, whilst also enriching learning with a range of varied and creative experiences.

To allow all pupils to feel valued, regardless of gender, race and ability, continually encouraging respect for others, and ensuring that any discrimination or racism are always challenged.

To work in partnership with parents, governors and the community.

To foster an understanding and respect for the local and wider community, including the global community and our environment.

To develop an understanding of healthy lifestyles.

To encourage each child to grow in confidence and ability, enabling each person to continue their learning and successes in the future.

c. Trade union facility time

For the period no employees took paid or unpaid time off to undertake duties and activities as a TU representative and Old Basford School incurred no costs in relation to the above.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

d. Public benefit

In setting our objectives and planning our activities the governors have given careful consideration to the Charity Commissions general guidelines in public benefit.

The Academy looks to promote for the benefit of the inhabitants of Old Basford and the surrounding area: the provision of facilities for recreation or other leisure time occupation of individuals who have need of 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.

The academy has continued to provide a wide range of extra curricular activities, and a Breakfast Club, for the benefit of its pupils and the school community. After school clubs are provided free of charge in order to be totally inclusive and the Breakfast Club is run as a non profit making service.

Strategic report

Achievements and performance

a. Key performance indicators

The last Ofsted inspection was in 2010 at which the school was judged Outstanding.

Attainment at the end of Key stage 1 is good, and the progress the children have made is good. From low (and sometimes very low) starting points, the pupils make outstanding progress across Foundation Stage to achieve generally around or above national expectations.

Attainment at the end of Key Stage 2 is good. Progress is good and conversion of Key Stage 1 scores is good.

Overall, school performance and academic outcomes for pupils who start well below national expectations on entry and finish at national expectations, are judged to be good.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Old Basford School Published End of Key Stage Results 18/19

KEY STAGE 2 – YEAR 6 SATS RESULTS

		Maths	Reading	Writing	GPS	Combined
End of Primary School	OLD BASFORD SCHOOL	90%	78%	74%	90%	62%
Expected standard	NATIONAL	79%	73%	78%	78%	65%
	OBS VS NATIONAL	+11%	+5%	-4%	+12%	-3%
End of Primary School						
Higher Standard	OLD BASFORD SCHOOL	19%	21%	16%	50%	7%
	NATIONAL AVERAGE	27%	27%	20%	36%	11%
	OBS VS NATIONAL	-8%	-6%	-4%	+14%	-4%

GPS – Is a Grammar, Punctuation and Spelling test.

KEY STAGE 2 – YEAR 6 SATS AVERAGE TEST SCORES

	OLD BASFORD SCHOOL	NATIONAL
Maths	105	105
Reading	104	104
GPS	109	106

Year 6 Writing is teacher assessment based and verified by external moderations.

KEY STAGE 2 – YEAR 6 SATS AVERAGE PROGRESS SCORES

	OLD BASFORD SCHOOL	NATIONAL
Maths	+2.4	+0.0
Reading	+2.1	+0.0
Writing	+0.3	+0.0

KEY STAGE 1 – YEAR 2 RESULTS (Test Results and Teacher Assessment)

	Maths	Reading	Writing	Combined
OLD BASFORD SCHOOL				
End of KS1 Expected Standard	75%	76%	75%	63%
OLD BASFORD SCHOOL				
End of KS1 Higher Standard	12%	17%	12%	7%

2019 National Key Stage 1 Data no released yet

JUNE 2019 PHONICS SCREENING TEST

	OLD BASFORD SCHOOL EXPECTED STANDARD - Threshold (32+/40)
Year 1	85%
Year 2	4/8 (re test) = 50% (93% of cohort have now met the standard)

2019 National Phonics Data no released yet

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

END OF FOUNDATION STAGE TEACHER ASSESSMENTS

	Maths - Number	Maths - SSM	Reading	Writing	GLD
End of EYFS					
Expected Standard	70%	77%	65%	60%	60%
End of EFYS					
Higher Standard	7%	3%	13%	0%	N/A

2019 National END OF FOUNDATION 1 Data no released yet

b. Attendance Data

Attendance for the 2018-2019 academic year was 96.2%.

c. Going concern

After making appropriate enquiries, the governing body 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 Statement of Accounting Policies.

Financial review

a. Financial review

The Academy is funded by the Education & Skills Funding Agency (ESFA) using the Nottingham City Local Authority Funding formula. In addition the Academy receives the ESG funding from the ESFA.

There were no major building works during the year.

b. Reserves policy

The academy has a reserves policy which is reviewed annually. This policy states that it is prudent to maintain reserves of a minimum of £100,000 each year as a contingency for unexpected expenditure plus funds for any major planned expenditure. Total funds held at 31 August 2019 were £1,988,976. Unrestricted and restricted general reserves held at the end of 2018/19 was £229,294, of which £6,000 was used to set the 2019/20 budget to protect staffing levels.

c. Investment policy

Due to the nature of the funding cycle, the academy may at times hold large cash balances which may not be required for immediate use. The Governors have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised. There have been no investments in the year.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

d. Principal risks and uncertainties

The academy has a policy for Risk Management which includes the Risk Register, and this is reviewed on an annual basis.

Currently, the major risks are loss of key personnel, appointing good quality teaching staff, decline in pupil numbers, changes to the funding formula, rising costs and damage/loss to the structure of the building which would necessitate the need to implement the emergency plan.

To mitigate these, the governing body encourages and monitors succession planning; monitors pupil numbers (school is currently full and there is a waiting list for all year groups); retains funds in reserves for emergency maintenance and rising salary costs.

The Academy has inherited the local government defined benefit pension scheme deficit for associate staff which it is managing as advised by Barnett Waddingham, the pension actuarial experts.

We are aware that the uncertainty currently surrounding Brexit could potentially impact our operations, service users and suppliers. We are reviewing and monitoring the impact of this on an ongoing basis.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Fundraising

Funding for the operation and activities of the school is provided in the main by Government or other grants. There are minimal fundraising activities carried out and are minor in nature and carried out within the school community to raise funds for an activity within the school.

There are no professional fundraisers or commercial participators engaged.

Plans for future periods

The Academy has a detailed Improvement Plan to help further develop the teaching and learning at Old Basford School.

Funds held as custodian trustee on behalf of others

The Academy does not hold funds on behalf of others.

Disclosure of information to auditor

Insofar as the Governors are aware:

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

Auditor

The auditor, Mazars LLP, has indicated his willingness to continue in office. The designated Governors will propose a motion re appointing the auditor at a meeting of the Governors.

The Governors' Report, incorporating a strategic report, was approved by order of the board of Governors, as the company directors, on 26/11/2019 and signed on its behalf by:



.....
Mr D J Lawson
Chair of Trustees

OLD BASFORD SCHOOL
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GOVERNANCE STATEMENT

Scope of responsibility

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

The board of Governors has delegated the day-to-day responsibility to the Principal, 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 Old Basford School and the Secretary of State for Education. They are also responsible for reporting to the board of Governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of Governors has formally met 6 times during the year, of which one of these meetings was for the ratification of the appointment of the new Head Teacher.

Attendance during the year at meetings of the board of Governors was as follows:

Governor	Meetings attended	Out of a possible
Mr D J Lawson	6	6
Mr S Salmon	6	6
Mr D Appleby	4	6
Mrs L Duffin	5	5
Ms N James	6	6
Mrs C Eaglesfield	4	5
Mrs D Eniola	2	4
Mrs K Priddy	5	5
Mrs V Shaw	6	6
Mrs S Wardle	2	2
Mr J Ross	2	2
Mrs S Brownlie	5	6
Mr D Pile	5	6
Mr P Shah	4	6
Miss N Dawe	5	6
Mrs M Adewoye	5	6
Mrs S Makings	4	6

GOVERNANCE STATEMENT (CONTINUED)

The Audit and Finance Committee is a sub committee of the main governing body. Its purpose is to discuss financial matters including preparation of draft budget, approving journals and transfers, making contractual arrangements, approving write offs, maintaining a charges and remissions policy, monitoring of expenditure and considering audit reports. Approval of the budget, Best Value Statement and journals over £50,000 will remain the responsibility of the Full Governors.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
Mr S Salmon	4	4
Mr D J Lawson	4	4
Mrs M Adewoye	2	2
Mr D Appleby	3	4
Mrs V Shaw	4	4

Review of value for money

As accounting officer the Head Teacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of governors where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year as follows:

Old Basford School recognises its responsibility to achieve value for money from all its activities, however they may be funded. We are committed to the pursuit of economy, efficiency and effectiveness and seek to adopt good practice, and incorporate value for money principles in all our activities. Equipment, materials and services will be deployed to provide pupils and staff with resources that support quality of teaching and learning by ensuring:

- o a high level of awareness and ownership of value for money in all functions and activities throughout the school in order to maximise the benefits to pupils whilst minimising cost;
- o that all directors and staff have responsibility for promoting value for money principles;
- o active consideration of value for money in the planning and delivery of Old Basford School's Development and Financial Plans; service delivery methods, including partnership working; and budget and resource allocation.

The E's Principle

Achieving value for money can be described in terms of three E's – Economy, Efficiency and Effectiveness.

Economy – minimising the cost of resources for an activity (doing things at the right price)

Efficiency – performing tasks with reasonable effort (doing things in the right way)

Effectiveness – the extent to which objectives are met (doing the right things)

Having the 'right people' is also an important aspect of ensuring value for money.

Obtaining the best outcomes for pupils, within available resources, is the key to achieving value for money.

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

In order to achieve good value for money, Old Basford has:

- o double accounting and checking of all invoices and cheques signed
- o three quotes obtained and governors Finance and Audit committee making final decisions on all purchases over £10,000
- o the Head Teacher ensuring that reasonable steps have been taken to obtain best value on all purchases between £1,500 to £10,000
- o clearly minuted ratification of the school budget for the Financial year
- o detailed financial reports for governors, including Pupil Premium
- o ensured that the Finance committee has regard to value for money in its discussions and decisions
- o an efficient and effective staffing structure to facilitate the achievement of its strategic aims and objectives
- o ensured value for money principles are taken fully into account within existing management, planning and review processes
- o adopted and recognised good practice where it is appropriate to do so
- o responded to opportunities to enhance the economy, efficiency and effectiveness of activities
- o observed the need for price quotations and for tender invitations according to the limits prescribed in Old Basford School's internal finance policies
- o ensured that all administrative systems and processes are designed to maximise integration and eliminate duplication and delay
- o promoted a culture of continuous improvement by all stakeholders
- o ensured that all staff recognise their continuing obligation to seek value for money for Old Basford School as part of their day to day activities

Purchasing

Procedures are in place for assessing need, and obtaining goods and services that provide best value in terms of suitability, efficiency, time and cost. These include competitive tendering procedures for goods and services where appropriate, procedures for accepting best value quotes and purchasing certain goods or services from known, reliable suppliers.

Pupils Welfare

The quality of the school environment and ethos is reviewed to provide a supportive atmosphere conducive to learning and recreation.

Health & Safety

The quality of the school's buildings and equipment is kept under review, carrying out risk assessments where appropriate, in order to provide a safe working environment for all pupils, staff and visitors.

Monitoring

Examples of monitoring for best value include:

- o In house monitoring by the governors, accounting officer and finance staff
- o Annual budget planning
- o Governors regular financial review
- o Minutes of all governors meetings
- o Responsible Officer reports
- o Audit reports
- o Analysis of school performance data
- o Analysis of DfE pupil performance data e.g. RAISEonline
- o OFSTED inspection reports

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

Good Practice

Examples of Good Practice over the year are:

- o Responsible Officer report for 2018-19 rated 'Good' in all areas
- o No issues arising from Audit of 2017-18 accounts
- o Full discussions at all finance meetings
- o Use of Pupil premium to fund additional teachers across school to raise attainment of pupils
- o At National Standards in most areas of school
- o Disadvantaged pupils achieve well
- o Subsidised visits and residentials to ensure that all pupils can experience these opportunities
- o Membership of P6P (Primary 6 Partnership) to promote learning and opportunities
- o School is proud of the wide range of extra curricular activities e.g. Chess, Dance, Music and Art provision

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Old Basford School for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Governors 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 Governors 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 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Governors.

GOVERNANCE STATEMENT (CONTINUED)

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

The board of Governors has considered the need for a specific internal audit function and has decided to appoint the Local Authority as internal auditor.

The responsible officer'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 2018/2019 included a review of payroll procedures and authorisations, purchasing procedures including delivery recording and invoice authorisations, income received including cash recording and banking. The responsible officer reports to the board of governors on the operation of the systems of control and on the discharge of the board of governors' financial responsibilities.

The reviewer has completed their schedule of works.

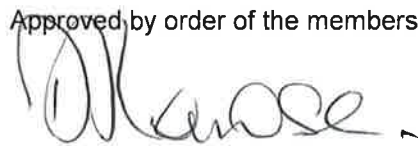
Review of effectiveness

As accounting officer, the Principal 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 reviewer;
- the work of the external auditors;
- 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 audit committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Governors and signed on their behalf by:



.....
Mr D J Lawson
Chair of Trustees

Date: 26/11/2019



.....
Mrs V Shaw
Accounting Officer

Date: 26/11/2019

OLD BASFORD SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Old Basford School I have considered my responsibility to notify the Academy Trust board of Governors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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



.....
Mrs V Shaw
Accounting Officer

Date: 26/11/2019

OLD BASFORD SCHOOL
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STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

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

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

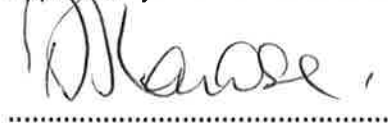
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of Governors and signed on its behalf by:



.....
Mr D J Lawson
Chair of Trustees

Date: 26/11/2019

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OLD BASFORD SCHOOL

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

The impact of uncertainties due to Britain exiting the European Union on our audit

The Trustees' view on the impact of Brexit is disclosed on page 10.

The terms on which the United Kingdom may withdraw from the European Union are not clear, and it is therefore not currently possible to evaluate all the potential implications to the Academy Trust's operations, service users, suppliers and the wider economy.

We considered the impact of Brexit on the Academy Trust as part of our audit procedures, applying a standard firm wide approach in response to the uncertainty associated with the Academy Trust's future prospects and performance.

However, no audit should be expected to predict the unknowable factors or all possible implications for the Academy Trust and this is particularly the case in relation to Brexit.

OLD BASFORD SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OLD BASFORD SCHOOL (CONTINUED)

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

OLD BASFORD SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OLD BASFORD SCHOOL (CONTINUED)

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' 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 Governors' Responsibilities Statement on page 18, the Governors (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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


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

OLD BASFORD SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF OLD
BASFORD SCHOOL (CONTINUED)**

Use of the audit 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Hoose (Senior Statutory Auditor)
for and on behalf of
Mazars LLP

Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: 2/12/19

OLD BASFORD SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OLD
BASFORD SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 30 August 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Old Basford School during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Old Basford School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Old Basford School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Old Basford School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Old Basford School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Old Basford School's funding agreement with the Secretary of State for Education dated 1 September 2012 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

OLD BASFORD SCHOOL
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OLD
BASFORD SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

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

Mazars LLP

Mazars LLP

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: *2/12/19*

OLD BASFORD SCHOOL
(A Company Limited by Guarantee)

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

		Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	300	-	26,634	26,934	9,237
Charitable activities	4	-	2,185,567	-	2,185,567	2,171,859
Other trading activities	5	12,171	45,223	-	57,394	47,280
Investments	6	224	-	-	224	223
Total income		<u>12,695</u>	<u>2,230,790</u>	<u>26,634</u>	<u>2,270,119</u>	<u>2,228,599</u>
Expenditure on:						
Raising funds	7	13,653	38,625	-	52,278	23,900
Charitable activities	7	-	2,507,607	108,588	2,616,195	2,449,559
Total expenditure		<u>13,653</u>	<u>2,546,232</u>	<u>108,588</u>	<u>2,668,473</u>	<u>2,473,459</u>
Net movement in funds before other recognised gains/(losses)		<u>(958)</u>	<u>(315,442)</u>	<u>(81,954)</u>	<u>(398,354)</u>	<u>(244,860)</u>
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	21	-	(344,000)	-	(344,000)	426,000
Net movement in funds		<u>(958)</u>	<u>(659,442)</u>	<u>(81,954)</u>	<u>(742,354)</u>	<u>181,140</u>
Reconciliation of funds:						
Total funds brought forward		119,365	(1,293,671)	3,905,636	2,731,330	2,550,190
Net movement in funds		(958)	(659,442)	(81,954)	(742,354)	181,140
Total funds carried forward		<u><u>118,407</u></u>	<u><u>(1,953,113)</u></u>	<u><u>3,823,682</u></u>	<u><u>1,988,976</u></u>	<u><u>2,731,330</u></u>

OLD BASFORD SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 8168813

BALANCE SHEET
AS AT 31 AUGUST 2019

		2019	2018
		£	£
Fixed assets			
Tangible assets	13	3,823,682	3,905,636
		<u>3,823,682</u>	<u>3,905,636</u>
Current assets			
Debtors	14	57,707	40,391
Cash at bank and in hand	20	403,609	385,035
		<u>461,316</u>	<u>425,426</u>
Creditors: Amounts falling due within one year	15	(232,022)	(133,732)
Net current assets		<u>229,294</u>	<u>291,694</u>
Net assets excluding pension liability		4,052,976	4,197,330
Defined benefit pension scheme liability	21	(2,064,000)	(1,466,000)
Total net assets		<u><u>1,988,976</u></u>	<u><u>2,731,330</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	16	3,823,682	3,905,636
Restricted income funds	16	110,887	172,329
Restricted funds excluding pension liability	16	3,934,569	4,077,965
Pension reserve	16	(2,064,000)	(1,466,000)
Total restricted funds	16	1,870,569	2,611,965
Unrestricted income funds	16	118,407	119,365
Total funds		<u><u>1,988,976</u></u>	<u><u>2,731,330</u></u>

The financial statements on pages 28 to 49 were approved by the Governors, and authorised for issue on and are signed on their behalf, by:



Mr D J Lawson
Chair of Governors

Date: 26/11/2019

OLD BASFORD SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(13)	31,356
Cash flows from investing activities	19	18,587	(478)
Change in cash and cash equivalents in the year		18,574	30,878
Cash and cash equivalents at the beginning of the year		385,035	354,157
Cash and cash equivalents at the end of the year	20	<u>403,609</u>	<u>385,035</u>

The notes on pages 28 to 49 form part of these financial statements.

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

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements 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 historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

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

• **Donations**

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

• **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy Trust has provided the goods or services.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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

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**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 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.

1.6 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 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. 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 and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

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

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

L/Term Leasehold Land	- Over the term of the lease
L/Term Leasehold Property	- Between 45 - 50 years
Computer equipment	- 25%
Furniture & equipment	- 20%

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.

1.7 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.8 Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

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

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

1. Accounting policies (continued)

1.10 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.11 Pensions

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

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

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

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

1.12 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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 2019

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The Academy Trust 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	300	-	300	150
Capital Grants	-	26,634	26,634	9,087
Total 2019	300	26,634	26,934	9,237
Total 2018	150	9,087	9,237	

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

4. Funding for the Academy Trust's academy's educational operations

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants			
General Annual Grant (GAG)	1,728,470	1,728,470	1,760,480
Other DfE Group grants	239,862	239,862	230,834
	<u>1,968,332</u>	<u>1,968,332</u>	<u>1,991,314</u>
Local authority grants	181,260	181,260	136,763
	<u>181,260</u>	<u>181,260</u>	<u>136,763</u>
Other income for the academy trust's educational operations	35,975	35,975	43,782
	<u>2,185,567</u>	<u>2,185,567</u>	<u>2,171,859</u>

In 2018, of the total funding for the Academy Trust's educational operations, £2,171,859 was to restricted funds and £Nil was to unrestricted funds.

5. Income from other trading activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from other charitable activities	1,597	12,723	14,320	12,870
Income from ancillary trading activities	10,574	32,500	43,074	34,410
Total 2019	<u>12,171</u>	<u>45,223</u>	<u>57,394</u>	<u>47,280</u>
Total 2018	<u>13,880</u>	<u>33,400</u>	<u>47,280</u>	

OLD BASFORD SCHOOL
(A Company Limited by Guarantee)

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

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Short term deposits	224	224	223

In 2018, of the total investment income, £223 was to unrestricted funds and £Nil was to restricted funds.

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising funds	10,932	-	41,346	52,278	23,900
Academy's educational operations:					
Direct costs	1,855,930	75,006	81,960	2,012,896	1,845,666
Allocated support costs	207,192	119,440	276,667	603,299	603,893
	<u>2,074,054</u>	<u>194,446</u>	<u>399,973</u>	<u>2,668,473</u>	<u>2,473,459</u>
Total 2018	<u>1,894,069</u>	<u>198,850</u>	<u>380,540</u>	<u>2,473,459</u>	

OLD BASFORD SCHOOL
(A Company Limited by Guarantee)

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

8. Charitable activities

	2019	2018
	£	£
Direct costs - educational operations	2,012,896	1,845,666
Support costs - educational operations	603,299	603,893
Total	<u>2,616,195</u>	<u>2,449,559</u>
	2019	2018
	£	£
Analysis of support costs		
Support staff costs	207,192	216,117
Depreciation	15,219	15,681
Technology costs	35,635	37,442
Premises costs	119,440	123,844
Other support costs	185,063	173,368
Governance costs	40,750	37,441
	<u>603,299</u>	<u>603,893</u>

9. Net expenditure

Net expenditure for the year includes:

	2019	2018
	£	£
Operating lease rentals	3,286	3,286
Depreciation of tangible fixed assets	90,225	90,687
Fees paid to auditor for:		
- audit	5,750	5,585
- other services	2,380	2,755
	<u>101,641</u>	<u>102,313</u>

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

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019	2018
	£	£
Wages and salaries	1,351,638	1,348,064
Social security costs	124,790	123,692
Pension costs	483,219	400,838
	<u>1,959,647</u>	<u>1,872,594</u>
Agency staff costs	11,579	21,475
Staff restructuring costs	102,828	-
	<u><u>2,074,054</u></u>	<u><u>1,894,069</u></u>

Staff restructuring costs comprise:

Redundancy payments	<u>102,828</u>	<u>-</u>
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b. Staff numbers

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

	2019	2018
	No.	No.
Teachers	17	20
Administration and support	41	49
Management	6	6
	<u>64</u>	<u>75</u>

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

10. Staff costs (continued)

c. Higher paid staff

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

	2019	2018
	No.	No.
In the band £60,001 - £70,000	1	-

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £396,955 (2018: £364,649).

11. Governors' remuneration and expenses

One or more Governors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Governors' remuneration and other benefits was as follows:

		2019	2018
		000	000
		£	£
Mrs L Duffin	Remuneration	55-60	-
	Pension contributions paid	5-10	-
Mrs J Dimaline	Remuneration	-	35-40
	Pension contributions paid	-	5-10
Ms N James	Remuneration	20-25	20-25
	Pension contributions paid	0-5	0-5
Mrs S Wardle (resigned 1 October 2018)	Remuneration	0-5	40-45
	Pension contributions paid	0-5	5-10
Mrs V Shaw	Remuneration	65-70	50-55
	Pension contributions paid	10-15	5-10
Mrs K Priddy (appointed 9 November 2018)	Remuneration	25-30	-
	Pension contributions paid	0-5	-

During the year ended 31 August 2019, no Governor expenses have been incurred (2018 - £NIL).

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

12. Governors' and Officers' insurance

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

13. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2018	4,289,939	15,623	125,510	4,431,072
Additions	-	-	8,271	8,271
At 31 August 2019	<u>4,289,939</u>	<u>15,623</u>	<u>133,781</u>	<u>4,439,343</u>
Depreciation				
At 1 September 2018	411,753	13,174	100,509	525,436
Charge for the year	75,006	1,760	13,459	90,225
At 31 August 2019	<u>486,759</u>	<u>14,934</u>	<u>113,968</u>	<u>615,661</u>
Net book value				
At 31 August 2019	<u>3,803,180</u>	<u>689</u>	<u>19,813</u>	<u>3,823,682</u>
At 31 August 2018	<u>3,878,186</u>	<u>2,449</u>	<u>25,001</u>	<u>3,905,636</u>

14. Debtors

	2019 £	2018 £
Due within one year		
VAT recoverable	3,873	2,860
Prepayments and accrued income	53,834	37,531
	<u>57,707</u>	<u>40,391</u>

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

15. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Other taxation and social security	31,034	32,275
Other creditors	28,022	29,514
Accruals and deferred income	172,966	71,943
	<u>232,022</u>	<u>133,732</u>
	<u><u>232,022</u></u>	<u><u>133,732</u></u>
	2019	2018
	£	£
Deferred income at 1 September 2018	51,753	42,066
Resources deferred during the year	47,265	43,131
Amounts released from previous periods	(51,753)	(42,066)
	<u>47,265</u>	<u>43,131</u>
	<u><u>47,265</u></u>	<u><u>43,131</u></u>

At the balance sheet date the academy trust was holding the following funds received in advance:

£29,443 in relation to infant school meals received for 2019/20
£8,753 in relation to SEN Funding received for 2019/20
£5,012 in relation to HLN received in advance
£4,057 in relation to Rates Relief received for 2019/20

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

16. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds					
General Funds	119,365	12,695	(13,653)	-	118,407
Restricted general funds					
General Annual Grant (GAG)	125,006	1,728,470	(1,788,547)	-	64,929
Pupil Premium	28,818	155,583	(157,844)	-	26,557
Other grants	18,505	346,737	(345,841)	-	19,401
Pension reserve	(1,466,000)	-	(254,000)	(344,000)	(2,064,000)
	<u>(1,293,671)</u>	<u>2,230,790</u>	<u>(2,546,232)</u>	<u>(344,000)</u>	<u>(1,953,113)</u>
Restricted fixed asset funds					
Transfer on conversion	3,406,405	-	(65,072)	-	3,341,333
DfE Group capital grants	56,587	26,634	(21,253)	-	61,968
Capital expenditure from GAG	431,364	-	(22,028)	-	409,336
Private section capital sponsorship	11,280	-	(235)	-	11,045
	<u>3,905,636</u>	<u>26,634</u>	<u>(108,588)</u>	<u>-</u>	<u>3,823,682</u>
Total Restricted funds	<u>2,611,965</u>	<u>2,257,424</u>	<u>(2,654,820)</u>	<u>(344,000)</u>	<u>1,870,569</u>
Total funds	<u><u>2,731,330</u></u>	<u><u>2,270,119</u></u>	<u><u>(2,668,473)</u></u>	<u><u>(344,000)</u></u>	<u><u>1,988,976</u></u>

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

16. Statement of funds (continued)

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

- Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the Academy at the discretion of the Governors;
- Restricted funds (excluding pension and other restricted reserves) represent funds received from the Department for education and is specifically spent on the running of the Academy;
- Pension reserve represents the Academy's share of the assets and liabilities of the Local Government Pension Scheme liability;
- Other restricted reserve represents funds which are restricted by the donor including school trip income;
- Restricted fixed asset funds represents resources which are applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

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

16. Statement of funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	118,752	14,253	(13,640)	-	-	119,365
Restricted general funds						
General Annual Grant (GAG)	137,921	1,760,480	(1,772,694)	(701)	-	125,006
Pupil Premium	26,929	153,493	(151,604)	-	-	28,818
Other grants	3,053	291,286	(275,834)	-	-	18,505
Pension reserve	(1,723,000)	-	(169,000)	-	426,000	(1,466,000)
	(1,555,097)	2,205,259	(2,369,132)	(701)	426,000	(1,293,671)
Restricted fixed asset funds						
Transfer on conversion	3,463,707	-	(57,302)	-	-	3,406,405
DfE Group capital grants	50,793	9,087	(3,293)	-	-	56,587
Capital expenditure from GAG	460,520	-	(29,857)	701	-	431,364
Private section capital sponsorship	11,515	-	(235)	-	-	11,280
	3,986,535	9,087	(90,687)	701	-	3,905,636
Total Restricted funds	2,431,438	2,214,346	(2,459,819)	-	426,000	2,611,965
Total funds	2,550,190	2,228,599	(2,473,459)	-	426,000	2,731,330

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

17. Analysis of net assets between funds

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted funds - class ii 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	3,823,682	3,823,682
Current assets	118,407	342,909	-	461,316
Creditors due within one year	-	(232,022)	-	(232,022)
Provisions for liabilities and charges	-	(2,064,000)	-	(2,064,000)
Total	118,407	(1,953,113)	3,823,682	1,988,976

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

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	3,905,636	3,905,636
Current assets	119,365	306,061	-	425,426
Creditors due within one year	-	(133,732)	-	(133,732)
Provisions for liabilities and charges	-	(1,466,000)	-	(1,466,000)
Total	119,365	(1,293,671)	3,905,636	2,731,330

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

18. Reconciliation of net expenditure to net cash flow from operating activities

	2019	2018
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(398,354)	(244,860)
Adjustments for:		
Depreciation	90,225	90,687
Capital grants from DfE and other capital income	(26,634)	(9,087)
Interest receivable	(224)	(223)
Defined benefit pension scheme adjustment	254,000	169,000
(Decrease)/increase in debtors	(17,316)	20,351
Increase in creditors	98,290	5,488
Net cash (used in)/provided by operating activities	(13)	31,356

19. Cash flows from investing activities

	2019	2018
	£	£
Purchase of tangible fixed assets	(8,271)	(9,788)
Capital grants from DfE Group	26,634	9,087
Investment income	224	223
Net cash provided by/(used in) investing activities	18,587	(478)

20. Analysis of cash and cash equivalents

	2019	2018
	£	£
Cash in hand	403,609	385,035

21. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the Nottinghamshire County Council. Both are multi-employer defined benefit schemes.

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

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

21. Pension commitments (continued)

Contributions amounting to £28,022 were payable to the schemes at 31 August 2019 (2018 - £29,514) and are included within creditors.

Teachers' Pension Scheme

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

The Teachers' Pension Budgeting and Valuation Account

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

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

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.08%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

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

21. Pension commitments (continued)

Scheme Changes

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

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

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

The employer's pension costs paid to TPS in the year amounted to £143,792 (2018 - £141,279).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £112,000 (2018 - £119,000), of which employer's contributions totalled £85,000 (2018 - £90,000) and employees' contributions totalled £ 27,000 (2018 - £29,000). The agreed contribution rates for future years are 18.3 per cent for employers and 5.5 to 7.5 per cent for employees.

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

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.7	3.8
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.85	2.65

NOTES TO THE FINANCIAL STATEMENTS
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21. Pension commitments (continued)

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.7	22.7
Females	24.4	25.6
<i>Retiring in 20 years</i>		
Males	23.3	24.9
Females	26.2	28.0

Sensitivity analysis

	2019 £000	2018 £000
Discount rate +0.1%	86	70
Discount rate -0.1%	(88)	(72)
Mortality assumption - 1 year increase	(151)	(106)
Mortality assumption - 1 year decrease	145	103
Pension increase rate +0.1%	(76)	(61)
Pension increase rate -0.1%	74	60
Salary increase rate +0.1%	12	11
Salary increase rate -0.1%	(11)	(11)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	1,121,000	1,116,000
Gilts	59,000	48,000
Corporate bonds	155,000	182,000
Property	238,000	239,000
Cash and other liquid assets	53,000	32,000
Other assets	173,000	117,000
Total market value of assets	1,799,000	1,734,000

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NOTES TO THE FINANCIAL STATEMENTS
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21. Pension commitments (continued)

The actual return on scheme assets was £82,000 (2018 - £102,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2019	2018
	£	£
Current service cost	(180,000)	(214,000)
Interest income	46,000	41,000
Interest cost	(83,000)	(85,000)
Administrative expenses	(1,000)	-
Past service costs	(121,000)	-
Total amount recognised in the Statement of Financial Activities	(339,000)	(258,000)

Changes in the present value of the defined benefit obligations were as follows:

	2019	2018
	£	£
At 1 September	3,200,000	3,248,000
Current service cost	180,000	214,000
Interest cost	83,000	85,000
Employee contributions	27,000	29,000
Actuarial losses/(gains)	380,000	(365,000)
Benefits paid	(128,000)	(11,000)
Past service costs	121,000	-
At 31 August	3,863,000	3,200,000

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2019	2018
	£	£
At 1 September	1,734,000	1,525,000
Interest income	46,000	41,000
Actuarial gains	36,000	61,000
Employer contributions	85,000	90,000
Employee contributions	27,000	29,000
Benefits paid	(128,000)	(11,000)
Administration expenses	(1,000)	(1,000)
At 31 August	1,799,000	1,734,000

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

22. Operating lease commitments

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

	2019	2018
	£	£
Amounts payable:		
Within 1 year	3,286	3,286
Between 1 and 5 years	1,369	4,656
Total	<u>4,655</u>	<u>7,942</u>

23. Related party transactions

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

The following related party transactions took place in the period of account, other than certain governors' remuneration and expenses already disclosed in note 11.

A close family member of a Trustee worked as a casual employee of Old Baford School. This employee received payments of £4,405 (2018: £Nil) during the year. No amounts were outstanding at the Balance Sheet date (2018: £Nil).

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.

