

**FARMOR'S SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

**FARMOR'S SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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**FARMOR'S SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

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<b>Members</b>	T Joslyn R Bailey E Knox D Wright
<b>Trustees</b>	T Joslyn, Chair of Trustees <sup>1,2,3,4</sup> R Bailey (resigned 1 January 2018) <sup>1,4</sup> M Evans, Head Teacher <sup>1,2,3,4,5</sup> S Bartholomew <sup>3,4</sup> S Conlan, Vice Chair <sup>4,5,6</sup> D Evans <sup>1</sup> E Knox <sup>1,2,5</sup> R Mundy <sup>2,3</sup> S Paton <sup>2,3,4</sup> L Porter, Vice Chair <sup>1,2,3,6</sup> D Wright (resigned 30 April 2018) <sup>1,4,5</sup> R Hills (appointed 1 March 2018) <sup>3,4</sup> C Moran (appointed 1 March 2018) <sup>1,2,3</sup> K Norman (appointed 1 March 2018) <sup>1,3</sup>

<sup>1</sup> Finance, Resources and Business Development Committee

<sup>2</sup> Curriculum and Quality of Teaching Committee

<sup>3</sup> Student Welfare Committee

<sup>4</sup> Staffing and Staff Welfare Committee

<sup>5</sup> Policies Committee

<sup>6</sup> Staff Pay Committee

<b>Company registered number</b>	07707979
<b>Company name</b>	Farmor's School
<b>Principal and Registered office</b>	The Park Leafield Road Fairford Gloucestershire GL7 4JQ

**FARMOR'S SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**Advisers (continued)**

**Company Secretary** Susan Dorey

**Accounting Officer** Matthew Evans

**Senior Leadership Team**

Matthew Evans, Headteacher  
Steve Shaw, Deputy Headteacher  
Emma White, Assistant Headteacher  
Noelle Sturla, Assistant Headteacher  
Roger Eckersley, Assistant Headteacher  
Sue Dorey, Business Lead

**Independent auditors** Bishop Fleming LLP  
Chartered Accountants  
Statutory Auditors  
16 Queen Square  
Bristol  
BS1 4NT

**Bankers** Lloyds Bank Plc  
14 Castle Street  
Cirencester  
Gloucestershire  
GL7 1QJ

**FARMOR'S SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2018**

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

The Trust operates an academy (the 'Academy') for pupils aged 11 to 18 in Gloucestershire. It has a pupil capacity of 1,050 and had a roll of 981 in the school census on 1 October 2018.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Farmor's School are also the directors of the Charitable Company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

**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 they ceased to be a member.

**Trade union facility time**

During the year 1 employee, who was a full time equivalent of 1, acted as a relevant union official. None of their time was spent on facility time, therefore the Academy Trust incurred no cost in relation to this.

**Trustees' indemnities**

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of Trustees in their capacities as Trustees or Governors of the Academy which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Trustees of the Academy Trust. The limit of this indemnity is £2,000,000.

**TRUSTEES**

**Method of Recruitment and Appointment or Election of Trustees**

On 1 August 2011 the Trustees appointed all those governors who served the predecessor school to be Trustees of the newly formed Academy Trust and members of the Charitable Company. On 1 January 2018, amended Articles of Association were adopted by written resolution, to change the structure of the Board to a tiered structure of Members and Trustees, where a majority of members are now not also Trustees of the Academy.

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

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As from the 1 January 2018, the Academy Trust shall have the following Trustees as set out in its Articles of Association and Funding Agreement with the Department of Education:

- up to 8 Trustees, appointed by Members by ordinary resolution;
- up to 2 Trustees who are appointed by the Farmor's Endowed Foundation and do not have to be (but may be) Trustees of the Foundation
- a minimum of 2 Parent Trustees who are elected by parents of registered pupils at the Academy;
- up to 2 staff Trustees who are elected by the staff and appointed by Members by ordinary resolution; and
- the Headteacher who is treated for all purposes as being an ex officio Trustee.

The number of Trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Members will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees will depend upon their existing experience. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need in order to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

**Organisational Structure**

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

The committee structure was reviewed in 2018 to ensure it meets the needs of the Academy Trust. There are 6 committees as described below:

- **Finance, Resources and Business Development Committee** - this usually meets up to five times per year. It is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reports from the internal assurance reviewer. This Committee approves the annual budget for submission to the Education Skills Funding Agency (ESFA). It also performs the role of an audit committee and reviews business development activity. The Committee also has responsibility for business development and monitoring the use of school resources including premises;
- **Student Welfare Committee** - this meets at least once a term to monitor, evaluate and review Academy policy, practice and performance in relation to all pastoral issues including safeguarding, behaviour, exclusions and career advice;
- **Curriculum and Quality of Teaching Committee** - this meets at least once a term to monitor and evaluate Academy policy and practice relating to teaching and learning;
- **Staffing and Staff Welfare Committee** - this meets at least once a term to monitor, evaluate and review Academy policy and practice in relation to all personnel and staffing aspects of the school;
- **Policy Committee** - this meets no less than once each academic year and, in addition, at various times during the year as required to review and approve all Academy policies; and
- **Pay Committee** - this meets annually to receive and review proposed arrangements for staff pay progression.

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

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The Trustees are responsible for setting the vision, values and strategic direction, adopting an annual development plan and budget, approving the statutory accounts, monitoring the Academy Trust by the use of budgets and other data, and making major decisions about the direction of the Academy Trust, capital expenditure and staff appointments.

The Headteacher is the Accounting Officer.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Trustees consider the Senior Leadership Team comprises the key management personnel of the Academy Trust in charge of directing and controlling, running and operating the Academy Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the 2017-2018 financial year.

The pay of key management personnel is reviewed annually and is normally increased in accordance with average earnings in line with national pay awards. Any further pay awards are performance related in accordance with the Academy Trust's Pay Policy.

The Trustees benchmark against pay levels in other academies within Gloucestershire on an annual basis.

**Connected Organisations, including Related Party Relationships**

On 1 January 2014 Cotswold District Council transferred the leisure centre facilities of Cotswold Leisure Fairford to the Academy Trust's wholly owned subsidiary company, Farmor's Sports Centre Limited. The subsidiary company continued to manage the sports centre during the 2017-2018 financial period and still does so.

The Elizabeth Farmor Trust is a related party as Mr M Evans and Mr D Wright, Trustees of the Academy, are also Trustees of The Elizabeth Farmor Trust. Two previous Trustees of the Academy Trust, Mr J Watkins and Mr S Mumford, have remained as Trustees of The Elizabeth Farmor Trust. The transactions with The Elizabeth Farmor Trust are undertaken at arm's length and are disclosed in these financial statements.

The Friends of Farmor's School is a parent, staff and friends of the Academy Trust association which raises funds to support the activities of the Academy Trust. This is a separate registered charity and maintains its own accounts.

Prior to nationalisation in 1944, the Farmor's Endowed Schools Foundation, then an educational charity ran Farmor's School. The Foundation owns the freehold of the land on which the school building sits, the rest of the land being owned by Gloucestershire County Council. The Academy now leases the land from the Foundation and the Council. The Foundation is run by five trustees and has the right under the constitution of the Academy Trust to appoint up to two Trustees of the Academy Trust. The Foundation's income is modest and its policy in recent years has been to donate half of that income to the respective school funds of Farmor's School and Fairford Primary School. Their remaining funds are used to make book grants to ex-pupils of Farmor's School.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and activity of the Academy Trust is specifically restricted to advancing for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad curriculum for pupils of different abilities.

Farmor's Academy Trust aspires to be an excellent place to learn and work and for students to be well equipped for their future lives. To achieve this the Academy Trust must develop outstanding teachers and associate staff, provide a diverse and engaging curriculum, care for each individual and expect the best from all members of the Academy Trust community. The Academy Trust must be purposeful, determined and resilient in its pursuit of excellence. The Academy Trust's robust self-evaluation processes will evidence the quality of provision, benchmarked against the best schools locally, and nationally so that external auditors, including Ofsted, recognise the excellent standards achieved.

Farmor's Academy Sixth form believes it prepares students well for the next stage in their lives, giving students the opportunity to study in purpose built accommodation that is warm, nurturing and progressive.

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

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**Objectives, Strategies and Activities**

During the year Farmor's School received a 'Requires Improvement' rating from Ofsted, having been rated 'Good' previously. Many areas of the school were rated as Good, including the Sixth Form, students' Personal Development and Wellbeing, and the quality of Leadership and Management. However, inconsistencies in standards of Teaching and Learning brought this aspect of the school's work down and resulted in a fall in the overall rating. Exam outcomes have remained strong during this period, and the Academy Trust quickly set about addressing the recommendations in the Ofsted report.

Since 2014, the Academy Trust has been over-subscribed in Year 7. In 2018, the Trust increased its Published Admissions Number (PAN) to 168 and remained over-subscribed. In addition, the Trust agreed, following discussion with the local authority, to take on an additional 12 students in September 2018. Sixth Form student numbers have fallen over a two year period due to small cohorts coming up through the school. The total effect of these changes is an increase in the number of pupils on roll in 2018, with further increases projected in the coming years. The popularity of the Academy Trust is increasing despite the recent Ofsted rating, which reflects the confidence parents and the local community have in the school.

Within this context the Trustees and Senior Leadership Team have agreed ambitious strategic priorities for the future which are described later in this report under the heading "Plans for Future Periods".

The Academy Trust will know it has been successful when all students make excellent progress, achieve their educational and career ambitions and leave the Academy Trust as confident, well-rounded young people. Excellent exam results will be part of the picture of success, but not become an end in themselves. When the Academy Trust achieves excellence it hopes Ofsted will agree, but the pursuit of Ofsted success should never become the Academy Trust's primary focus.

**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers and duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

Through its subsidiary company, the Academy Trust provides leisure facilities for the local community with the aim of improving the life of said community.

The Academy Trust has maintained its links with the wider community and promotes the use of its premises to local groups; for example, it has strong links with Fairford Youth Rugby Club who sometimes use the Academy Trust grounds for training and a local Petanque group who continue to use the Academy Trust grounds for their community group to train and play matches. Fairford Brownies, local Tae-Kwon-Do, Personal Fitness, Box Skills, and Youth Football have all used the Academy Trust facilities regularly during the last year. During the summer period Allsorts Gloucestershire used the school facilities to provide a playscheme for students with disabilities and Roaring Rugby provided a multisports scheme.

**STRATEGIC REPORT**

**Achievements and Performance**

**Background**

The Academy Trust is in its eighth year of operation. In September 2018 the Academy Trust increased its Published Admission Number (PAN) for Year 7 students from 150 to 168. It was over-subscribed for Year 7 for the fifth year in a row and agreed to take up an additional 12 students in September 2018, increasing the full intake into Year 7 to 180 students. The Academy Trust had 981 students on roll according to the school census on 1 October 2018, an increase of 54 students compared with October 2017.



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

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**Continuing professional development**

Three teaching staff took part in year- long leadership programmes, two of these as part of The Cotswold Edge Teaching School Alliance.

During the year 86 applications for staff training were approved, a significant proportion of these related to preparation sessions for new specifications at KS4 and KS5 and to support NQT induction within PE and Science. The school continued to make good use of free courses where available.

Associate staff also benefited from inset training covering a variety of subjects. Training was provided on aspects of coaching to support appraisal of colleagues. Online training was used for safety training and induction. Several staff visited other schools to learn from their provision around cover in order to develop the practice in school.

**Student Achievement:**

**GCSE results and progress 2017/18**

4 or above in both English and Maths (good pass)	69% (FFT50 benchmark 80%) [1]
5 or above in both English and Maths (strong pass)	49% (FFT50 benchmark 62%)

5 or more 9-4/ A* to C grades (inc English and Maths at 4+)	66%
5 or more 9-4/ A* to C grades (inc English and Maths at 5+)	48%
5 or more 9-4/ A* to A grades (inc English and Maths at 7+)	14%

5 or more A\* to C grades including English and Maths (the legacy measure)

The 5\* to C (including English and Maths) measure was introduced in 2004 and discontinued in 2015, following qualification changes this measure is now 9 - 4 for reformed subjects. The nature of the reformed scale calculations make comparisons to 2016 and before invalid.

[1] FFT benchmarks are based on how similar pupils nationally performed in the subject last year, (similar pupils are defined as similar prior attainment, gender and month of birth).

Average - schools that made the average progress last year (FFT50 - 50th percentile progress)  
High - schools that made greater than average progress (FFT20 - 20th percentile progress)

**End of KS5 – Outcomes 2017/18:**

**Overall results**

A\*/A 30%  
A\*/B 55%  
A\*/C 79%  
A\*/E 99.2%

Results were up this year by 10% at A\*/A and A\*/B which is particularly pleasing given the comprehensive academic profile of our intake. 30% of all subjects achieved 100% A\*-C and 15 subjects had positive Value Added compared to 8 last year which shows departments are getting to grips with the new linear A levels.

82% of Year 13 students who had applied to go to University gained a place at their first choice university. The three students who had been holding places for Medicine all achieved the grades required. Top university destinations this year were Cardiff, Manchester and Bristol; 52% of students who applied to go to university went to Russell Group universities.

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

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**Targets for 2018/19**

**KS4 FFT Targets**

GCSE	FFT-50	FFT-20
5+ 7-9	22%	29%
English & Maths 9-5	54%	60%
Attainment 8	5.1	5.8
Pupil Premium 9-5 English & Maths	13%	17%
Pupil Premium Attainment 8	3.2	3.6

**Sixth Form Exam Grade Performance Targets**  
**A Level Targets**

**Headline attainment**

Students achieving A*- B grades	50%
Students achieving A*- C grades	90%
Value Added	+0.3

**Developing Facilities**

To continue to develop its facilities, during the year the Academy Trust has:

- completed a refurbishment project on its PE changing rooms, having been successful in gaining funding for this project from the ESFA under its Condition Improvement Fund grant scheme;
- completed a refurbishment project on the student food technology room which was also funded by the ESFA under its Condition Improvement Fund;
- refurbished its unused caretakers house to provide an administration block;
- remodelled vacated office space to create a new English teaching room; and
- refurbished the Modern Foreign Languages block .

**Key Performance Indicators**

As funding is based on pupil numbers this is a key performance indicator. The Academy has 981 students on roll according to the school census on 1 October 2018, an increase of 54 over the number on roll at the time of the school census in 2017. It is anticipated that the number on roll will continue increase as the school continues to attract a full intake in year 7 each year alongside an increase in PAN to 168 per year from September 2018.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2017-2018 this was 82.0%, compared to 83.4% in 2016-2017.

**Going Concern**

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

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

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**FINANCIAL REVIEW**

**Financial Review**

Most of the Academy Trust's income is obtained from the Department for Education via the Education Skills Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as explained in the Academy Trust's accounting policies.

During the year ended 31 August 2018, the Academy Trust received total income of £4,918,439 (2017: £5,121,778) and incurred total expenditure of £4,929,214 (2017: £5,173,353) excluding the restricted fixed asset fund and the charge to expenditure for the pension fund. The excess of expenditure of income for the year was £10,775 (2017: £51,575). Income reduced 4.0% compared to the prior year with expenditure, being tightly managed, reducing by 4.7% and the excess of expenditure over income reducing by 79%.

At 31 August 2018 the net book value of fixed assets was £15,278,706 (2017: £15,205,969) and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

The building that is used by Farmor's Sports Centre was transferred to the Academy Trust on 1 January 2014 from Cotswold District Council. The freehold of the buildings was valued at £1,750,000 at the point of transfer.

The Academy Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 25 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

**Reserves Policy**

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

As detailed in note 1.5 to the accounts, the Trustees are reviewing the reserves position of the Academy Trust and are confident that through further cost savings and increased student numbers, the Academy Trust will return to a surplus position in future accounting periods.

The higher student numbers will help to secure future funding as the Academy Trust grows and help to stabilise sixth form numbers in the future, particularly as the final remaining small year group has now moved through the school. However, the increased student numbers and impact of lagged funding have put an additional strain on the Academy's cashflow, and, subsequent to the year end, the Trust has made an application to the ESFA for additional short term funding to ensure the Trust is able to meet its financial liabilities as they fall due in the financial period to 31 August 2019. After this date the Academy's GAG funding will reflect the increased student numbers and the Trust will be able to manage its cashflow going forward.

The Local Government defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

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

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**Investment Policy**

Due to the nature and timing of receipt of funding, the Academy Trust may at times hold cash balances surplus to its short term requirements. The Trustees 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.

**Principal Risks And Uncertainties**

The Board of Trustees regularly reviews the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The principal risks and uncertainties facing the Academy Trust are set out below:

**Financial** - the Academy Trust has considerable reliance on continued Government funding through the ESFA. In the last year 82.0% of the Academy Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

**Financial** – the Academy Trust acknowledges the risks associated with fluctuating pupil numbers and has looked strategically at the impact of this on funding and the ability to maintain current provision. Year 7 intake has been full for five academic years (as at September 2018) with one final small year group leaving Year 11 in the summer of 2018. The Sixth Form numbers have fallen slightly but remain strong. The Sixth Form numbers are expected to increase again over the coming few years now that the numbers in Years 7 to 11 have stabilised.

**Failures in governance and/or management** - the risks in this area arise from potential failure to manage effectively the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

**Reputational** - the continuing success of the Academy Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that high quality teaching is maintained and that student success and achievement are closely monitored and reviewed.

**Safeguarding and child protection** - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

**Staffing** - the success of the Academy Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning and recruitment procedures designed to attract high quality staff.

**Fraud and mismanagement of funds** - Mr D Wright, who was a Trustee and also an accountant by profession carried out checks on financial systems and records on a termly basis as an Internal Assurance Officer. He provided Internal Assurance (IA) reports directly to the Finance, Resources and Business Development Committee. The Academy will receive two internal audit visits from Bishop Fleming in the year ahead to replace the work that Mr Wright carried out.

The Academy has agreed a Risk Management Strategy and has a Risk Register. The relevant risks are discussed by each appropriate Governors' Committee in light of any new information and strategic and operational changes.

The Trustees examine the financial health of the Academy Trust formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Finance, Resources and Business Development Committee meetings. The Trustees also review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

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

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The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 25 to the financial statements, represents a significant potential liability. However the Trustees consider that, as the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**PLANS FOR FUTURE PERIODS**

**Strategic Priorities 2018 to 2023**

The Academy reviewed its plans for improvement and has set new strategic priorities for the coming five years, 2018 to 2023, as detailed below:

**A diverse, knowledge-rich CURRICULUM**

We must ensure that all students acquire a broad, deep and valuable knowledge of the world. The curriculum sets out this knowledge and justifies its inclusion. The subject disciplines, each with their own traditions and pedagogies, bring diversity and richness. Learning, defined as the acquisition and application of knowledge, is our core purpose.

**High quality TEACHING, LEARNING and ASSESSMENT**

Teachers' expertise in instructing students is developed through experience and guidance, and must be informed by the best insights into, and evidence of, how to teach and how students learn. There is no one 'right way' to teach, and the effectiveness of our provision will be judged by the quality of outcomes in terms of achievement, knowledge and enjoyment.

**Enabling students to make GOOD CHOICES regarding their conduct, safety and education**

The measure of our students is in the quality of the choices they make. Students will learn to conduct themselves in ways that are in their own interest and are respectful and supportive of others. We will educate them to make good choices in relation to their health, wellbeing and safety. At key transition points, students will make informed decisions about their studies which will help them achieve their ambitions. We will encourage students to learn from their mistakes and be a role model for others.

**Promoting the WELLBEING of students and staff**

Our school must be a place where we are encouraged to look after ourselves and to look out for others. Our relationships with others will be characterised by trust, support and mutual concern.

**A thriving SIXTH FORM**

The Sixth Form is core to our identity as a school. We will build on strong foundations; a broad curriculum, wide-ranging opportunities beyond study, excellent examination results and students achieving their personal goals. Our Sixth Form must be an attractive option for those already at the school, and from elsewhere. A thriving Sixth Form is essential for a thriving school.

**A rich and varied EXTRA-CURRICULAR offer**

We aim for students to remember not just what they were taught, but what they experienced during their time at the school. These experiences will shape them, help them form lasting relationships and instil values such as integrity, fellowship and endeavour.

**Professionally enriching work and OPPORTUNITIES TO DEVELOP**

Our staff are our greatest asset. We value their loyalty, expertise and professionalism. Work should be enriching in itself, whether you decide to develop your career or commit to developing expertise in a role for a period of time. All employees should be offered opportunities to grow and develop, being proud of their job and their contributions to the school.

**Financial security and HIGH QUALITY FACILITIES**

We must make the most of the scarce resources available to us so that we can deliver the facilities our students and staff deserve.

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

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Full details of these plans for the future are given in the Academy's Development Plan.

The Academy Trust has remained a member of the Balcarras Teaching School Alliance . The Academy Trust continues to build links with other schools through the Gloucestershire Association of Secondary Heads (GASH) and the Jubilee Network .

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The financial statements include results of the Elizabeth Farmor Trust, a registered charity (no 01123825) which is under the control of the Trustees of the Academy Trust. The object of the Elizabeth Farmor Trust is to raise money to enhance the education of pupils at Farmor's School.

**TRUSTEES' INDEMNITIES**

There were no third party indemnity provisions during the year or at the date of approval of the Trustees' report.

**AUDITORS**

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on 4 December 2018 and signed on the board's behalf by:



**Tony Joslyn**  
Chair of Trustees

**FARMOR'S SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

As Trustees, we acknowledge we have overall responsibility for ensuring that Farmor's 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 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 Farmor's School 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 4 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
T Joslyn (Chair)	4	4
R Bailey	1	2
M Evans	4	4
S Paton	3	4
S Bartholomew	4	4
D Evans	3	4
E Knox	2	2
R Mundy	4	4
K Norman	2	2
L Porter (Joint Vice Chair)	3	4
S Conlan (Joint Vice Chair)	4	4
R Mundy	4	4
D Wright	2	3

The Board moved to a new governance structure with effect from the 1 January 2018. The new the Articles of Association were approved by the Department for Education in July 2017.

During this period the key challenges that have faced the Board have been related to budgetary constraints that the Academy faced for the period to 31 August 2018.

During the period Tony Joslyn, was re-appointed as Chair of Trustees. The Board has delegated certain functions to the following committees: Policies; Student Welfare; Finance, Resources and Business Development; Curriculum and Quality of Teaching; Staffing and Staff Welfare and, Pay.

**FARMOR'S SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (continued)**

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The **Finance, Resources and Business Development Committee** is a sub-committee of the main Board of Trustees. It is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reports from the internal assurance reviewer. This Committee approves the annual budget for submission to the Education Skills Funding Agency (ESFA). It also performs the role of an audit committee and reviews business development activity. The Committee also has responsibility for business development and monitoring the use of school resources including premises. This committee aims to meet up to five times per year and is comprised of members with financial or premises understanding and background to enable it to better meet its responsibilities. During the year ending 31 August 2018, the committee met three times.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
R Bailey	0	2
D Evans (Chair)	3	3
M Evans	3	3
T Joslyn	3	3
E Knox	2	3
D Wright	1	2
C Moran	0	1
K Norman	1	1

**REVIEW OF VALUE FOR MONEY**

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- a reduction in staffing costs: the Academy Trust has continued to reduce its staffing costs by reviewing all appointments and restructuring departments, as appropriate, allowing cost savings to be made without affecting the outcomes for students;
- outsourcing grounds maintenance and cleaning provision to ensure a better provision for the money spent;
- outsourcing of the school's catering provision, to start from September 2018, to ensure a better provision for staff and students and to mitigate financial losses from the in-house provision; and
- continuing to review all areas of expenditure to look for cost savings and improvements.

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

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



**GOVERNANCE STATEMENT (continued)**

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**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust'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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance, Resources and Business Development 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; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, David Wright, a Trustee and accountant by profession, has continued as Internal Assurance Officer until he retired in April 2018. The Board has appointed Bishop Fleming LLP to perform internal assurance reviews from the 2018/19 academic year onwards.

The internal assurance reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

On a termly basis, the reviewer reports to the Board of Trustees through the Finances, Resources and Business Development Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**GOVERNANCE STATEMENT (continued)**

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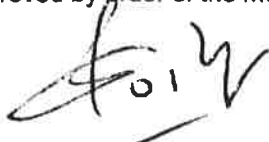
**REVIEW OF EFFECTIVENESS**

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:

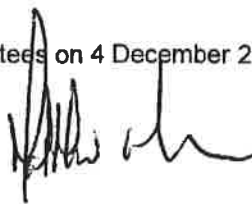
- the work of the internal assurance reviewer;
- the work of the external auditors;
- the work of the finance team who continually review their accounting processes; and
- comprehensive budgeting and monitoring systems with annual budget and periodic financial reports which are reviewed and agreed by the Trustees.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Resources and Business Development Committee. Although there were no areas of weakness identified in the year to be addressed, the Academy is committed to continuous improvement of the systems it has in place.

Approved by order of the members of the Board of Trustees on 4 December 2018 and signed on their behalf, by:



**Tony Joslyn  
Chair of Trustees**



**Matthew Evans  
Accounting Officer**

**FARMOR'S SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

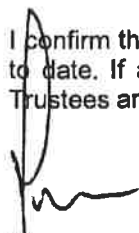
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Farmor's School 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.

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.

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.



**M Evans  
Accounting Officer**

**Date: 4 December 2018**

**FARMOR'S SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2018**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 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 business.

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

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

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

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



**Tony Joslyn  
Chair of Trustees**

**Date: 4 December 2018**

**FARMOR'S SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
FARMOR'S SCHOOL**

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**OPINION**

We have audited the financial statements of Farmor's School (the 'Academy Trust') 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 FRS 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 Trust'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 Auditors' 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.

**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 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. 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.

**FARMOR'S SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
FARMOR'S SCHOOL**

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 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 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 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 Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

**FARMOR'S SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
FARMOR'S SCHOOL**

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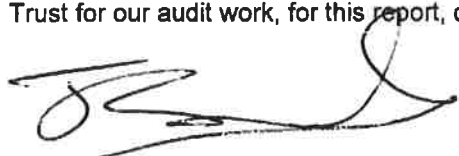
**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

**USE OF OUR REPORT**

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



Joseph Scaife FCA DChA (Senior Statutory Auditor)

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date:

12/12/18

**FARMOR'S SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO FARMOR'S  
SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 2 October 2018 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 Farmor's School 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 Farmor's School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Farmor's School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Farmor's School and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF FARMOR'S SCHOOL'S ACCOUNTING OFFICER AND THE  
REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Farmor's School's funding agreement with the Secretary of State for Education dated 1 August 2011, 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 Trust's income and expenditure.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.



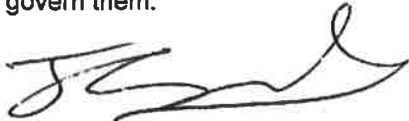
**FARMOR'S SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**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.



Joseph Scaife FCA DChA (Reporting Accountant)

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
16 Queen Square  
Bristol  
BS1 4NT

Date: 12/12/18

**FARMOR'S SCHOOL**  
**(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 £
<b>INCOME FROM:</b>						
Donations and capital grants	2	33,623	36,457	283,800	353,880	308,737
Charitable activities	3	199,279	4,566,327	-	4,765,606	4,974,475
Other trading activities	4	82,547	-	-	82,547	47,215
Investments	5	206	-	-	206	233
<b>TOTAL INCOME</b>		<b>315,655</b>	<b>4,602,784</b>	<b>283,800</b>	<b>5,202,239</b>	<b>5,330,660</b>
<b>EXPENDITURE ON:</b>						
Charitable activities		315,655	4,740,559	366,640	5,422,854	5,632,502
<b>TOTAL EXPENDITURE</b>	6	<b>315,655</b>	<b>4,740,559</b>	<b>366,640</b>	<b>5,422,854</b>	<b>5,632,502</b>
<b>NET EXPENDITURE BEFORE TRANSFERS</b>						
Transfers between Funds	18	-	(137,775)	(82,840)	(220,615)	(301,842)
		-	(28,225)	28,225	-	-
<b>NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>						
		-	(166,000)	(54,615)	(220,615)	(301,842)
Actuarial gains on defined benefit pension schemes	25	-	268,000	-	268,000	267,000
<b>NET MOVEMENT IN FUNDS</b>		<b>-</b>	<b>102,000</b>	<b>(54,615)</b>	<b>47,385</b>	<b>(34,842)</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		-	(1,263,229)	15,337,821	14,074,592	14,109,434
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>-</b>	<b>(1,161,229)</b>	<b>15,283,206</b>	<b>14,121,977</b>	<b>14,074,592</b>

The notes on pages 27 to 50 form part of these financial statements.

**FARMOR'S SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 07707979**

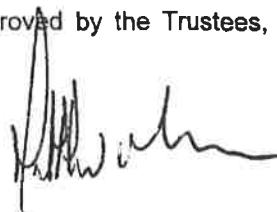
**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	13		15,278,706		15,205,969
Investments	14		1		1
			<u>15,278,707</u>		<u>15,205,970</u>
<b>CURRENT ASSETS</b>					
Debtors	15	283,381		198,478	
Cash at bank and in hand		81,220		165,287	
		<u>364,601</u>		<u>363,765</u>	
<b>CREDITORS: amounts falling due within one year</b>	16	(440,331)		(273,143)	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<u>(75,730)</u>		<u>90,622</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>15,202,977</u>		<u>15,296,592</u>
Defined benefit pension scheme liability	25		(1,081,000)		(1,222,000)
<b>NET ASSETS</b>			<u>14,121,977</u>		<u>14,074,592</u>
<b>FUNDS OF THE ACADEMY TRUST</b>					
Restricted funds:					
General funds	18	(80,229)		(41,229)	
Fixed asset funds	18	15,283,206		15,337,821	
Restricted funds excluding pension liability		<u>15,202,977</u>		<u>15,296,592</u>	
Pension reserve		<u>(1,081,000)</u>		<u>(1,222,000)</u>	
Total restricted funds			<u>14,121,977</u>		<u>14,074,592</u>
<b>TOTAL FUNDS</b>			<u>14,121,977</u>		<u>14,074,592</u>

The financial statements on pages 24 to 50 were approved by the Trustees, and authorised for issue, on 4 December 2018 and are signed on their behalf, by:



**Tony Joslyn**  
**Chair of Trustees**



**Matthew Evans**  
**Accounting Officer**

The notes on pages 27 to 50 form part of these financial statements.

**FARMOR'S SCHOOL**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	22	<b>76,304</b>	<b>(94,856)</b>
<b>Cash flows from investing activities:</b>			
Interest received		<b>206</b>	<b>233</b>
Purchase of tangible fixed assets		<b>(439,377)</b>	<b>(61,625)</b>
Capital grants from ESFA		<b>278,800</b>	<b>189,071</b>
<b>Net cash (used in)/provided by investing activities</b>		<b>(160,371)</b>	<b>127,679</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(84,067)</b>	<b>32,823</b>
Cash and cash equivalents brought forward		<b>165,287</b>	<b>132,464</b>
<b>Cash and cash equivalents carried forward</b>	23	<b>81,220</b>	<b>165,287</b>

The notes on pages 27 to 50 form part of these financial statements.

**FARMOR'S SCHOOL**  
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**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.

Farmor's School 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 Trust 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.

Transfers are made between restricted general funds and restricted fixed asset funds where restricted general funds are used to purchase fixed assets.

**1.3 INCOME**

All income is recognised once the Academy Trust 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 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 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

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.

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**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 on charitable activities are costs incurred on the Academy Trust's educational operations, including support costs and those costs relating to the governance of the Academy Trust 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 Trust 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. At the year end the balance on the carried forward General Annual Grant (GAG) fund was a deficit of £83,837 (2017: £44,596). The reason for this year end deficit position is that the Academy Trust incurred additional costs in the year, largely in preparation for the planned increase in its PAN from 150 to 168 students in September 2018, together with the impact of a deficit in funding as a small year group moves through the school.

The Trustees are confident that, due to further cost savings and increased pupil numbers, the Academy Trust will return to a surplus position in future accounting periods. The pupil numbers are anticipated to grow in the future due to the aforementioned increased PAN intake and the agreement to take an additional 12 students in September 2018, as agreed with the local authority. This has led to an increase in pupil numbers of 54 students in the October 2018 census compared to the previous year.

The higher pupil numbers will help to secure future funding as the Academy Trust grows and help to stabilise sixth form numbers in the future, particularly as the final remaining small year group has now moved through the school. However, the increased pupil numbers and impact of lagged funding have put an additional strain on the Academy's cashflow, and, subsequent to the year end, the Trust has made an application to the ESFA for additional short term funding to ensure the Trust is able to meet its financial liabilities as they fall due in the financial period to 31 August 2019. After this date the Academy's GAG funding will reflect the increased pupil numbers and the Trust will be able to manage its cashflow going forward.

Subsequent to year end, the Academy has received a loan of £150,000 from the ESFA. The loan is interest free and will be repaid in monthly instalments starting no sooner than November 2019.

For this reason the Trustees 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.

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**1. ACCOUNTING POLICIES (continued)**

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £3,000 are capitalised.

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.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided 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:

Freehold property	-	2% straight line
Long term leasehold land	-	over the term of the lease
Fixtures and fittings	-	20% straight line
Computer equipment	-	20% 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.

**1.7 INVESTMENTS**

Subsidiary investments are stated at cost at the balance sheet date.

**1.8 TAXATION**

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

**1.9 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**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 and cash on deposit that has a notice period of less than 30 days.

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

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**1. ACCOUNTING POLICIES (continued)**

**1.11 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 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. Provisions are measured at the best estimate of the amounts required to settle the obligation.

**1.12 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 basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

**1.13 PENSIONS**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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. As stated in note 25, 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 net income / expenditure 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.



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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

**1.14 OPERATING LEASES**

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

**1.15 GROUP ACCOUNTING**

In preparing the financial statements the Academy Trust has taken the exemption under FRS 102 and has not consolidated the results of the trading subsidiary Farmor's Sports Centre Limited on the basis that these are immaterial to the group. Further information on the trading subsidiary can be found in note 14.

**1.16 AGENCY ARRANGEMENTS**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at the end of the period and are disclosed in Note 29.

**1.17 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 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 25, 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.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	33,623	36,457	5,000	75,080	104,855
Capital Grants	-	-	278,800	278,800	203,882
	<u>33,623</u>	<u>36,457</u>	<u>283,800</u>	<u>353,880</u>	<u>308,737</u>
Total 2017	<u>53,561</u>	<u>46,294</u>	<u>208,882</u>	<u>308,737</u>	

**3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General Annual Grant	-	4,105,145	4,105,145	4,232,059
Other DfE/ESFA grants	-	118,332	118,332	118,229
	<u>-</u>	<u>4,223,477</u>	<u>4,223,477</u>	<u>4,350,288</u>
<b>Other Government grants</b>				
High Needs	-	40,951	40,951	60,917
	<u>-</u>	<u>40,951</u>	<u>40,951</u>	<u>60,917</u>
<b>Other funding</b>				
Educational visit and transport income	-	301,899	301,899	379,904
Music income	27,381	-	27,381	32,812
Catering income	171,898	-	171,898	150,554
	<u>199,279</u>	<u>301,899</u>	<u>501,178</u>	<u>563,270</u>
	<u>199,279</u>	<u>4,566,327</u>	<u>4,765,606</u>	<u>4,974,475</u>
Total 2017	<u>183,366</u>	<u>4,791,109</u>	<u>4,974,475</u>	

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**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	3,753	-	3,753	5,095
Other funding	78,794	-	78,794	42,120
	<u>82,547</u>	<u>-</u>	<u>82,547</u>	<u>47,215</u>
Total 2017	<u>47,215</u>	<u>-</u>	<u>47,215</u>	

**5. INVESTMENT INCOME**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	206	-	206	233
Total 2017	<u>233</u>	<u>-</u>	<u>233</u>	

**6. EXPENDITURE**

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Education:					
Direct costs	3,424,219	-	468,104	3,892,323	4,174,523
Support costs	609,721	562,215	358,595	1,530,531	1,457,979
	<u>4,033,940</u>	<u>562,215</u>	<u>826,699</u>	<u>5,422,854</u>	<u>5,632,502</u>
Total 2017	<u>4,272,923</u>	<u>427,555</u>	<u>932,024</u>	<u>5,632,502</u>	

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**7. DIRECT COSTS**

	Total 2018 £	Total 2017 £
Pension finance costs	31,000	30,000
Educational supplies	26,032	38,412
Examination fees	73,123	78,257
Staff development	7,041	7,674
Other costs (including educational visits)	316,227	394,260
Supply teachers	13,663	5,959
Recruitment and support	-	448
Wages and salaries	2,667,906	2,840,631
National insurance	267,346	281,149
Pension cost	489,985	497,733
	<u>3,892,323</u>	<u>4,174,523</u>
Total 2017	<u>4,174,523</u>	

**8. SUPPORT COSTS**

	Total 2018 £	Total 2017 £
Staff development	3,486	5,593
Other costs	26,053	22,373
Maintenance of premises and equipment	51,558	16,502
Cleaning	35,274	4,249
Rent and rates	23,542	31,473
Energy costs	61,107	63,752
Insurance	36,955	44,127
Security and transport	24,094	26,510
Catering	127,502	107,210
Technology costs	60,774	60,615
Office overheads	23,303	19,328
Legal and professional	69,646	53,520
Bank interest and charges	94	94
Governance	11,800	14,492
Wages and salaries	418,415	454,758
National insurance	23,354	26,504
Pension cost	166,934	151,730
Depreciation	366,640	355,149
	<u>1,530,531</u>	<u>1,457,979</u>
Total 2017	<u>1,457,979</u>	

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. NET INCOME/(EXPENDITURE) FOR THE PERIOD**

This is stated after charging:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets:		
- owned by the charity	<b>366,640</b>	<b>355,149</b>
Auditors' remuneration - audit	<b>8,300</b>	<b>8,100</b>
Auditors' remuneration - non-audit	<b>3,250</b>	<b>3,250</b>
Operating lease rentals	<b>7,763</b>	<b>11,136</b>

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**10. STAFF COSTS**

**a. Staff costs**

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	3,072,688	3,289,430
Social security costs	290,700	307,653
Pension costs	656,919	649,463
	<u>4,020,307</u>	<u>4,246,546</u>
Supply teacher costs	13,633	5,959
Staff restructuring costs	-	20,418
	<u>4,033,940</u>	<u>4,272,923</u>

**b. Staff numbers**

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

	2018 No.	2017 No.
Teachers	67	72
Student Support Staff	19	18
Support Staff	25	27
Senior Leadership Team	6	6
	<u>117</u>	<u>123</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	55	60
Student Support Staff	14	14
Support Staff	19	21
Senior Leadership Team	6	6
	<u>94</u>	<u>101</u>

**c. 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	1	1
In the band £80,001 - £90,000	1	1

Both of the above employees participated in the Teacher's Pension Scheme. During the year ended 31 August 2018, pension contributions for those staff amounted to £24,604 (2017: £23,770).

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**10. STAFF COSTS (continued)**

**d. Key management personnel**

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £428,796 (2017: £416,789).

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the key management personnel other than in their role as Trustee, their remuneration as set out in note 11 has not been included in the total benefits received by key management personnel above.

**11. TRUSTEES' REMUNERATION AND EXPENSES**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: M Evans: Remuneration £85,000 - £90,000 (2017: £80,000 - £95,000), Employer's Pension Contribution £10,000 - £15,000 (2017: £10,000 - £15,000); L Matley: Remuneration £Nil (2017: £45,000 - £50,000), Employer's Pension Contribution £Nil (2017: £5,000 - £10,000); N Turner: Remuneration £Nil (2017: £20,000 - £25,000), Employer's Pension Contribution £Nil (2017: £0 - £5,000); C Gray: Remuneration £Nil (2017: £0 - £5,000), Employer's Pension Contribution £Nil (2017: £0 - £5,000); R Mundy: Remuneration £25,000 - £30,000 (2017: £5,000 - £10,000), Employer's Pension Contribution £5,000 - £10,000 (2017: £0 - £5,000).

During the year ended 31 August 2018, expenses totalling £344 (2017: £Nil) were reimbursed to 1 Trustee (2017: Nil).

**12. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2018 was £842 (2017: £829).

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

	Freehold property £	Leasehold property £	Furniture and fixtures £	Plant and equipment £	Total £
<b>COST</b>					
At 1 September 2017	14,698,891	2,129,681	162,637	177,325	17,168,534
Additions	420,448	-	17,354	1,575	439,377
At 31 August 2018	15,119,339	2,129,681	179,991	178,900	17,607,911
<b>DEPRECIATION</b>					
At 1 September 2017	1,631,278	53,003	151,493	126,791	1,962,565
Charge for the year	302,387	17,601	10,872	35,780	366,640
At 31 August 2018	1,933,665	70,604	162,365	162,571	2,329,205
<b>NET BOOK VALUE</b>					
At 31 August 2018	13,185,674	2,059,077	17,626	16,329	15,278,706
At 31 August 2017	13,067,613	2,076,678	11,144	50,534	15,205,969

**14. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1 September 2017 and 31 August 2018	1

**SUBSIDIARY UNDERTAKINGS**

The following subsidiary undertaking was acquired by the Academy on 26 September 2013.

Name	Holding
Farmor's Sports Centre Limited	100%

The aggregate of the share capital and reserves as at 31 August 2018 and of the profit or loss for the year ended on that date for the subsidiary undertaking was as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Farmor's Sports Centre Limited	1	-



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**15. DEBTORS**

	2018 £	2017 £
Trade debtors	45,026	16,661
Amounts owed by group undertakings	1,045	-
VAT repayable	49,058	12,055
Prepayments and accrued income	188,252	169,762
	<u>283,381</u>	<u>198,478</u>

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Trade creditors	234,481	29,699
Amounts owed to group undertakings	-	543
Other taxation and social security	72,617	74,649
Other creditors	14,553	91,469
Accruals and deferred income	118,680	76,783
	<u>440,331</u>	<u>273,143</u>

	2018 £	2017 £
<b>DEFERRED INCOME</b>		
Deferred income at 1 September 2017	1,641	-
Resources deferred during the year	-	1,641
Amounts released from previous years	(1,641)	-
Deferred income at 31 August 2018	<u>-</u>	<u>1,641</u>

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**17. FINANCIAL INSTRUMENTS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Financial assets measured at fair value through income and expenditure	<b>(41,916)</b>	165,287
Financial assets measured at amortised cost	<b>189,118</b>	117,671
	<b>147,202</b>	282,958
Financial liabilities measured at amortised cost	<b>(244,578)</b>	(113,600)

Financial assets measured at fair value through income and expenditure comprise of cash at bank and in hand.

Financial assets measured at amortised cost comprise of cash at bank, trade debtors, amounts due from group undertakings, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, amounts due to group undertakings, certain balances within other creditors and accruals.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**18. STATEMENT OF FUNDS**

	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Carried forward £
<b>UNRESTRICTED FUNDS</b>						
General funds	-	315,655	(315,655)	-	-	-
<b>RESTRICTED FUNDS</b>						
	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Carried forward £
General Annual Grant (GAG)	(44,596)	4,105,145	(4,152,377)	7,991	-	(83,837)
Rates Relief	-	18,833	(18,833)	-	-	-
Pupil Premium	-	72,181	(72,181)	-	-	-
High needs income	-	40,951	(40,951)	-	-	-
Trip Income	-	301,899	(301,899)	-	-	-
Other restricted income	-	27,318	(27,318)	-	-	-
Elizabeth Farmor Trust	3,367	36,457	-	(36,216)	-	3,608
Pension fund	(1,222,000)	-	(127,000)	-	268,000	(1,081,000)
	<u>(1,263,229)</u>	<u>4,602,784</u>	<u>(4,740,559)</u>	<u>(28,225)</u>	<u>268,000</u>	<u>(1,161,229)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Carried forward £
Fixed assets transferred on conversion	11,369,905	-	(274,677)	-	-	11,095,228
Fixed assets purchased from GAG and other restricted	187,723	-	(4,535)	28,225	-	211,413
Capital grants	2,170,193	283,800	(52,428)	-	-	2,401,565
Sports Centre donation	1,610,000	-	(35,000)	-	-	1,575,000
	<u>15,337,821</u>	<u>283,800</u>	<u>(366,640)</u>	<u>28,225</u>	<u>-</u>	<u>15,283,206</u>
Total restricted funds	<u>14,074,592</u>	<u>4,886,584</u>	<u>(5,107,199)</u>	<u>-</u>	<u>268,000</u>	<u>14,121,977</u>
Total of funds	<u>14,074,592</u>	<u>5,202,239</u>	<u>(5,422,854)</u>	<u>-</u>	<u>268,000</u>	<u>14,121,977</u>

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**18. STATEMENT OF FUNDS (continued)**

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

**RESTRICTED FUNDS**

The General Annual Grant (GAG) represents funding received from the ESFA during the period in order to fund the continuing activities of the Academy.

Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

High needs income represents funding received by the Local Authority to fund further support for students with additional needs.

Trip income represents income received from parents for children to be able to attend school trips.

Other restricted income includes funding received for tuition fees, income received in relation to school lockers and other restricted donations. During the year £28,225 (2017: £15,872) was transferred to the restricted fixed asset fund to represent fixed assets purchased from restricted income.

Donations represent funds donated from the Elizabeth Farmor Trust for the educational purposes of the Academy. See note 27 for further details.

Pension fund - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme.

**RESTRICTED FIXED ASSET FUNDS**

Fixed assets transferred on conversion represent the building and equipment donated to the Academy from Gloucestershire County Council on conversion to an Academy.

Other capital grants represent grants received from the ESFA for the replacement of windows, a roof replacement programme, refurbishment of the Sixth Form Centre, building a new Learning Resource Centre, refurbishment of the school toilets, refurbishment of the school changing rooms and the refurbishment of the DT block.

The Academy was gifted a sports centre on 1 January 2014 from Cotswold District Council. The sports centre has been treated as an asset of the Academy and a new subsidiary company, Farmor's Sports Centre Limited, was incorporated to manage the sports centre's use by the public. Details of the subsidiary can be found at Note 14.

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**18. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2017 £
<b>GENERAL FUNDS</b>						
General funds	2,429	284,375	(286,804)	-	-	-
<b>RESTRICTED FUNDS</b>						
	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2017 £
General Annual Grant (GAG)	(17,535)	4,232,059	(4,284,888)	25,768	-	(44,596)
Rates Relief	-	18,298	(18,298)	-	-	-
Pupil Premium	-	74,704	(74,704)	-	-	-
High needs income	-	60,917	(60,917)	-	-	-
Trip Income	-	379,904	(379,904)	-	-	-
Other restricted income	-	25,227	(25,227)	-	-	-
Elizabeth Farmor Trust	41,234	46,294	(42,611)	(41,550)	-	3,367
Pension fund	(1,385,000)	-	(104,000)	-	267,000	(1,222,000)
	<u>(1,361,301)</u>	<u>4,837,403</u>	<u>(4,990,549)</u>	<u>(15,782)</u>	<u>267,000</u>	<u>(1,263,229)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed assets transferred on conversion	11,652,405	-	(282,500)	-	-	11,369,905
Fixed assets purchased from GAG and other restricted	176,213	-	(4,272)	15,782	-	187,723
Capital grants	1,994,688	208,882	(33,377)	-	-	2,170,193
Sports Centre donation	1,645,000	-	(35,000)	-	-	1,610,000
	<u>15,468,306</u>	<u>208,882</u>	<u>(355,149)</u>	<u>15,782</u>	<u>-</u>	<u>15,337,821</u>
Total restricted funds	<u>14,107,005</u>	<u>5,046,285</u>	<u>(5,345,698)</u>	<u>-</u>	<u>267,000</u>	<u>14,074,592</u>
Total of funds	<u>14,109,434</u>	<u>5,330,660</u>	<u>(5,632,502)</u>	<u>-</u>	<u>267,000</u>	<u>14,074,592</u>

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**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	15,278,706	15,278,706
Fixed asset investments	-	1	-	1
Current assets	-	360,101	4,500	364,601
Creditors due within one year	-	(440,331)	-	(440,331)
Pension scheme liability	-	(1,081,000)	-	(1,081,000)
	-	(1,161,229)	15,283,206	14,121,977

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	15,205,969	15,205,969
Fixed asset investments	-	1	-	1
Current assets	-	231,913	131,852	363,765
Creditors due within one year	-	(273,143)	-	(273,143)
Pension scheme liability	-	(1,222,000)	-	(1,222,000)
	-	(1,263,229)	15,337,821	14,074,592

**20. 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.

**21. GENERAL INFORMATION**

Farmor's School is a company limited by guarantee, incorporated in England and Wales. The registered office is The Park, Leafield Road, Fairford, Gloucestershire, GL7 4JQ.

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**22. 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)	(220,615)	(301,842)
<b>Adjustment for:</b>		
Depreciation charges	366,640	355,149
Interest received	(206)	(233)
(Increase)/decrease in debtors	(84,903)	3,715
Increase/(decrease) in creditors	167,188	(66,574)
Capital grants from DfE and other capital income	(278,800)	(189,071)
Defined benefit pension scheme cost less contributions payable	96,000	74,000
Defined benefit pension scheme finance cost	31,000	30,000
<b>Net cash provided by/(used in) operating activities</b>	<b>76,304</b>	<b>(94,856)</b>

**23. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2018 £	2017 £
Cash at bank and in hand	81,220	165,287
	<b>81,220</b>	<b>165,287</b>

**24. CAPITAL COMMITMENTS**

At 31 August 2018 the Academy Trust had capital commitments as follows:

	2018 £	2017 £
Contracted for but not provided in these financial statements	-	168,164

The above capital commitments at the end of the previous period related to the refurbishment of the school changing rooms, this work was completed in the year. There were no capital commitments at 31 August 2018.

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**25. PENSION COMMITMENTS**

The Academy Trust'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 Gloucestershire County Council. Both are multi-employer Defined Benefit Pension Schemes.

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

Contributions amounting to £Nil were payable to the schemes at 31 August 2018 (2017: £74,467) and are included within creditors.

**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 £405,096 (2017: £420,348).

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](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).



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**25. PENSION COMMITMENTS (continued)**

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £191,000 (2017: £186,000), of which employer's contributions totalled £156,000 (2017: £150,000) and employees' contributions totalled £35,000 (2017: £36,000). The agreed contribution rates for future years are 26% for employers and 5.5% to 8.5% for employees.

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

Principal actuarial assumptions:

	<b>2018</b>	<b>2017</b>
Discount rate for scheme liabilities	<b>2.80 %</b>	2.50 %
Expected return on scheme assets at 31 August	<b>2.50 %</b>	2.50 %
Rate of increase in salaries	<b>2.70 %</b>	2.70 %
Rate of increase for pensions in payment / inflation	<b>2.40 %</b>	2.40 %

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

	<b>2018</b>	<b>2017</b>
Retiring today		
Males	<b>22.4 years</b>	22.4 years
Females	<b>24.6 years</b>	24.6 years
Retiring in 20 years		
Males	<b>24.0 years</b>	24.0 years
Females	<b>26.4 years</b>	26.4 years

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**25. PENSION COMMITMENTS (continued)**

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	1,333,000	1,195,000
Bonds	406,000	315,000
Property	154,000	116,000
Cash and other liquid assets	39,000	34,000
Total market value of assets	<u>1,932,000</u>	<u>1,660,000</u>

The actual return on scheme assets was £52,000 (2017: £93,000).

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

	2018 £	2017 £
Current service cost	(252,000)	(224,000)
Interest income	44,000	30,000
Interest cost	(75,000)	(60,000)
Total	<u>(283,000)</u>	<u>(254,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	2,882,000	2,749,000
Current service cost	252,000	224,000
Interest cost	75,000	60,000
Employee contributions	35,000	36,000
Actuarial gains	(216,000)	(174,000)
Benefits paid	(15,000)	(13,000)
Closing defined benefit obligation	<u>3,013,000</u>	<u>2,882,000</u>

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**25. PENSION COMMITMENTS (continued)**

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

	2018 £	2017 £
Opening fair value of scheme assets	1,660,000	1,364,000
Interest income	44,000	30,000
Actuarial gains	52,000	93,000
Employer contributions	156,000	150,000
Employee contributions	35,000	36,000
Benefits paid	(15,000)	(13,000)
Closing fair value of scheme assets	1,932,000	1,660,000

**26. 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 £
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	10,076	10,076
Between 1 and 5 years	22,466	21,821
Total	32,542	31,897

**27. RELATED PARTY TRANSACTIONS**

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

During the year management fees of £25,320 (2017: £28,732) were charged to Farmor's Sports Centre Limited, a 100% wholly owned subsidiary. At the year end £1,045 (2017: £(543)) was owed to/(by) the Academy to Farmor's Sports Centre Limited. In preparing the financial statements the Academy has taken the exemption under FRS 102 and has not consolidated the results of this trading subsidiary on the basis that these are immaterial to the group.

The Elizabeth Farmor Trust Fund (the 'trust') was a trust established to generate and provide funding to the Academy. The Academy and the trust have common trustees. As the Academy is entitled under the trust's rules to all income generated, the trust's cash balance has been recognised as an asset of the Academy. The trust's balances are considered immaterial to the users of the accounts and so a full consolidation, under FRS102 has not been performed.

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**28. POST BALANCE SHEET EVENTS**

Subsequent to year end, the Academy has received a loan of £150,000 from the ESFA. The loan is interest free and will be repaid in monthly instalments starting no sooner than November 2019.

**29. AGENCY ARRANGEMENTS**

The Academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2018 the Academy received £10,491 (2017: £10,491) and disbursed £4,023 (2017: £8,066) from the fund. An amount of £10,995 (2017: £4,527) is included in other creditors relating to undistributed funds that are repayable to ESFA.

The Academy Trust receives cash from students as an agent for several travel agents. In the accounting period ended 31 August 2018 the Academy Trust received £191,630 (2017: £65,303) and disbursed £191,630 (2017: £65,303) from the fund for Academy trips. All funds have been distributed before the year end.