

Hall Green Secondary School
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2018

Company Registration Number
07892732 (England and Wales)

Feltons
Chartered Accountants

Birmingham
B1 3JR

**Hall Green Secondary School
(A Company Limited by Guarantee)**

**Report and Financial Statements
Year ended 31 August 2018**

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**Hall Green Secondary School
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Reference and Administrative Details

Members	Martyn Alcott Robert Harvey Mrs Fiona Dennis-Stephens Mrs Jayne Owen Mrs Manjit Shellis
Trustees	David Adams (Headteacher and Accounting Officer) Martyn Alcott (community trustee) Barry Bowles (community trustee) Miss Katherine Carlisle (staff trustee, resigned 20/07/2018) Khuram Chohan (community trustee, appointed 09/03/2018) Ms Evette Clarke (parent trustee) Ms Leasa Clarke (community trustee, appointed 09/03/2018, resigned 03/10/2018) Mrs Fiona Dennis-Stephens (parent trustee) Robert Harvey (community trustee) Tarlochan Kambo (parent trustee, appointed 30/11/2017) Mrs Shanaz Khan (parent trustee) Steve Mash (parent trustee, resigned 20/07/18) Mrs Jayne Owen (chair, parent trustee) Mrs Manjit Shellis (community trustee) David Sutheran (staff trustee, resigned 20/07/2018) Mrs Zubina Ziebeck (staff trustee, appointed 11/07/2018)
Company secretary	Mike Hosfield
Senior management team	
• Headteacher	David Adams
• Deputy Headteacher	Andrew Simson
• Deputy Headteacher	Mike Hosfield
• Assistant Headteacher	Mrs Pauline Evans
• Assistant Headteacher	Ryan Slattery
Company name	Hall Green Secondary School
Principal and registered office	Southam Road Hall Green Birmingham B28 0AA
Company registration number	07892732
Independent auditor	Feltons 8 Sovereign Court 8 Graham Street Birmingham B1 3JR
Bankers	Lloyds Bank The Cross Worcester WR1 3PY
Solicitors	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

Hall Green Secondary School (A Company Limited by Guarantee)

Trustees' report

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 16 serving a catchment area in Hall Green, Birmingham. It has a pupil capacity of 900 and had a roll of 904 in the school census on 31 August 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 Hall Green Secondary School are also the directors of the charitable company for the purposes of company law. The charitable company operates as Hall Green Secondary School.

Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative details on page 1.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the academy has purchased the Risk Protection Arrangement from the Department for Education to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The arrangement provides cover up to £10,000,000 on any one claim.

Method of recruitment and appointment or election of Trustees

Parent trustees are elected by the parents of registered pupils at the academy. A parent trustee must be a parent of a pupil at the academy at the time when she/he is elected.

Community trustees may be appointed by the board of trustees provided that the person who is appointed as a community trustee is:

- a person who lives or works in the community served by the academy; or
- a person who, in the opinion of the board of trustees, is committed to the government and success of the academy.

Staff Trustees are elected by employees of the academy trust.

The above selection procedures are organised around parent ballots for all parental trustees and staff ballots for staff representatives on the Governing Body.

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Trustees' report (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees

The board of trustees has a service level agreement with School and Governor Support, a traded service provided by Birmingham Local Education Authority to provide training, advice and support to the board of trustees.

Newly elected trustees attend induction training for new trustees, and in addition select specific training provided by School and Governor Support in accordance with their needs.

One of the trustees is appointed as link trustee, attends relevant training and provides information to trustees following such training. The link trustee also manages the training of the Governing Body as a whole to ensure that there are sufficient skills and expertise within the Governing Body to hold the school to account.

Organisational structure

The Governing Body has established committees and appoints trustees to serve on each of the committees annually. The committees for the period of the report were:

- Finance & General Purposes including Pay Committee
- Pastoral & Curriculum
- Head Teacher Performance Management

The written terms of reference of the committees include the monitoring of the preparation and management of the academy's budget and implementation of the academy's financial management policies, including risk assessment.

The Governing Body also appoints an external company to carry out the Internal Auditor role and this has been fully implemented in accordance with the academy trust's financial procedures.

Decisions relating to whole school matters are reserved for the board of trustees. Those responsibilities delegated to management include whole school spending within certain limits according to the Scheme of Delegation.

Arrangements for setting pay and remuneration of key management personnel

The Governing Body agrees the Academy Pay Policy every year using the School Teachers' Pay and Conditions Document (STPCD) issued by the Department for Education. The Senior Leadership Team pay is calculated using the guidance in STPCD based on the size of the school. The Governing Body also agrees the school Appraisal Policy which explains how pay increments are agreed for the Senior Leadership Team. Trustees that are not employed by the school do not receive payment.

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Trustees' report (continued)

Trade union facility time

Information in accordance with Schedule 2 of the Trade Union (Facility Time Publication Requirements) Regulations 2017 is as follows:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent number
4	2

Trade union facility time (continued)

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	
1% - 50%	2
51% - 99%	
100%	

Percentage of pay bill spent on facility time

Total cost of facility time	£3,000
Total pay bill	£4,544,364
Facility time as percentage of total pay bill	0.066%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	1.28%
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Related parties and other Connected Charities and Organisations

There was one related party.

Objectives and activities

Objects and aims

The strategic goal of Hall Green Secondary School is to provide a broad and balanced curriculum to all pupils in accordance with the funding agreement between the academy trust and the Department for Education.

Objectives, strategies and activities

The school aims to build upon its good Ofsted judgement to achieve outstanding status, through:

- High quality teaching and learning
- An enriched and supportive learning environment
- Personalised learning
- Monitoring and striving for outstanding pupil progress

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Trustees' report (continued)

The strategies adopted for achieving these objectives are contained in the School Development Plan. Some of the key strategies are:

Objectives and activities continued

- Targeted task groups providing CPD for teaching staff
- Timetabled quality assurance programme for the year
- Planned infrastructure programme to develop the school site
- Targeted support for individuals and groups

Significant activities linked to the trust's charitable activities, and how they further its aims, have been:

- Pupils leaving the school in 2018 made expected progress based on initial calculations of the school's Progress 8
- Ofsted inspection February 2016 confirmed that the school is a good school

Public benefit

In setting our objectives and planning our activities, the board of trustees has given careful consideration to the general guidance on public benefit published by the Charity Commission on their website at www.gov.uk/topic/running-charity/managing-charity in exercising their powers or duties.

Hall Green Secondary School is an equal opportunity employer, and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of disability, gender, race, colour or sexual orientation.

Strategic Report

Achievements and Performance

The school development plan for 2017-18 contained six key issues in moving the school towards an outstanding Ofsted judgement.

Key Issue 1 Even better achievement and progress
Targets were set for the year as listed below, and results reported to governors.

Key Issue 2 Quality of Teaching
The quality of teaching in the school was assessed using learning walks and lesson observations. Internal checks and the Ofsted visit in February 2016 confirm that teaching in the school continues to be good.

Key Issue 3 Behaviour and Safety
The school collects data on the behaviour and attendance of pupils at the school and presents these to governors in the Pastoral & Curriculum Committee meeting each term. There continues to be an improvement in the behaviour of pupils in and around the school. Attendance, though, has dipped below expected levels.

Key Issue 4: SMSC/PSHE/CEIAG
The school provides a curriculum that promotes pupils' wider understanding of the world of work and their wider responsibilities. The school's NEET levels remain very low year on year.

Key Issue 5: School environment and premises
The Finance & General Purposes Committee monitors health and safety of the school and oversees premises infrastructure to ensure pupils have an appropriate environment for learning. An external review of Health and Safety within the school confirmed a high level of provision for the safety and welfare of pupils and staff.

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Trustees' report (continued)

Key Issue 6: Leadership

Governors ensure that appropriate information is provided for them throughout the year and also monitor school activities with visits to the school.

Key Performance Indicators

The school received an Ofsted visit in February 2016 and was judged to be a good school. The school continues to be oversubscribed with 904 on roll and a waiting list for each year group.

Targets and actual results for the 2017-18 academic year are below.

Description	2018 Target	2018 Actual
Progress 8	0.0 to +0.4	+0.1
Attainment 8	5/C+	C+ (4.8)
% 4+ in En and Ma	55-60%	66%
% 4+ in Ebacc	35-40%	19%
Attendance	95-96%	93.9%
Persistent Absence (>15% to 2015; >10% from 2016)	<10%	12.9%

- Direct costs as a percentage of total costs were 74.4% (2017 : 77.9%)
- Support costs as a percentage of total costs were 25.6% (2017 : 22.1%)
- Total payroll costs as a percentage of recurring income were 89.7% (2017 : 81.6%)

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 Statement of Accounting Policies.

Financial Review

The financial results of Hall Green Secondary School are detailed in the following pages. It is considered that the finances are sound and well established. The principal financial management policies adopted are laid down by the Finance Handbook for Academies published by the Education and Skills Funding Agency (ESFA) and requirements as laid down by the Academy's Financial Handbook.

The principal funding source is grant income from the ESFA. All expenditure of this grant income is planned to fulfil the objectives and strategies of the Academy.

During the year ended 31 August 2018 total resources expended were £6,056,978 and the deficit of income over expenditure was £532,902 which included depreciation of £179,973.

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Trustees' report (continued)

Reserves Policy

The trustees continually monitor the reserves of the charitable company. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and nature of reserves.

It is the board of trustees' general policy to continue to build reserves which can be used for future educational purposes. The aim is to maintain a contingency fund of at least 10% of the total income for the school. Any additional surplus is directed towards the infrastructure and maintenance schedule for the school or significant time-limited initiatives to support the school's development plan.

The academy had total funds at 31 August 2018 of £5,164,223 which included £896,474 restricted funds not available for general purposes of the academy trust, £0 of free reserves defined as unrestricted funds available for general purposes and £7,622,749 which can only be realised by the disposal of tangible fixed assets.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was a surplus/deficit of £896,474.

In addition, the deficit on the restricted pension fund of £3,355,000 arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary.

Investment Policy

Any surplus funds are invested with Lloyds Bank in a deposit account.

These investments are carried out in accordance with the powers vested in the board of trustees.

Principal Risks and Uncertainties

The trustees have considered the major risks and uncertainties facing the charitable company which include changes in legislation and regulations and cash flow management and have put in place procedures to deal with these matters.

Attention has also been focussed on non-financial risks arising from fire, health and safety. These risks are managed by ensuring accreditation is up to date, having robust policies in place, and regular awareness training for staff working in these operational areas. As part of the risk management of the school, the board of trustees has also commissioned a visit from external consultants to audit the health and safety provision of the school and provide advice on managing future risks.

Plans for Future Periods

The school's aims are set out in the School Development Plan and on the school website. They are:

- Every pupil makes outstanding progress.
- Every pupil leaves with personal belief in and aspiration for their own successful future, and as a result takes responsibility for their learning.
- Every pupil has the skills and attitudes to make a positive contribution to society as an active and engaged citizen.
- Every pupil shows care and respect for others.
- Every pupil values and celebrates diversity.
- Every pupil is aware of and sympathetic to the needs of others, particularly those less fortunate than themselves.

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Trustees' report (continued)

Plans for Future Periods continued

We call this our Journey to Outstanding.


The school continues working on the key issues in the development plan on the school journey to outstanding. The development plan is drawn up in consultation with governors in the Pastoral & Curriculum Committee meeting and approved in full governors meeting.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on12.12..... 2018 and signed on the board's behalf by:



Jayne Owen - Chair of Trustees

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Governance statement

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Hall Green Secondary 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 Hall Green Secondary 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 6 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
David Adams (Headteacher and Accounting Officer)	6	6
Martyn Alcott (community trustee)	6	6
Barry Bowles (community trustee)	4	6
Miss Katherine Carlisle (staff trustee, resigned 20/07/2018)	2	5
Khuram Chohan (community trustee, appointed 09/03/2018)	2	2
Ms Evette Clarke (parent trustee)	1	6
Ms Leasa Clarke (community trustee, appointed 09/03/2018, resigned 03/10/2018)	2	2
Mrs Fiona Dennis-Stephens (parent trustee)	3	6
Robert Harvey (community trustee)	6	6
Tarlochan Kambo (parent trustee, appointed 30/11/2017)	4	5
Mrs Shanaz Khan (parent trustee)	4	6
Steve Mash (parent trustee, resigned 20/07/2018)	4	5
Mrs Jayne Owen (Chair, parent trustee)	6	6
Mrs Manjit Shellis (community trustee)	5	6
Dave Sutheran (staff trustee, resigned 20/07/2018)	3	5
Mrs Zubina Ziebeck (staff trustee, appointed 20/07/2018)	1	1

A review of governance was undertaken during the year which found the governing body had a good range of skills and expertise to support its work, with some areas that needed refreshing.

Subsequent to this the following actions were taken

- The Chair of Governors attended the briefings for Chairs of Governors from Birmingham City Council
- The Governing Body received training on the new Analysing School Performance data replacing Raise Online.
- The Governing Body received training on preparing for an Ofsted Inspection.

The trust intends to conduct its next self-evaluation/external review in October 2018.

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Governance statement (continued)

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to oversee financial management within the academy.

Trustee	Meetings attended	Out of a possible
David Adams (Headteacher and Accounting Officer)	4	4
Martyn Alcott (community trustee)	4	4
Khuram Chohan (community trustee, appointed 09/03/2018)	2	2
Ms Leasa Clarke (community trustee, appointed 09/03/2018, resigned 03/10/2018)	2	2
Robert Harvey	4	4
Tarlochan Kambo (community trustee, appointed 30/11/2017)	3	3
Mrs Jayne Owen (Chair, parent trustee)	2	4

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:

- Inviting tenders to supply the school's cleaning service and appointing an external company to provide the service.
- Reviewing TLR structures and staffing needs.
- Renegotiating the school's printing and photocopying contract at a reduced rate.

The Purpose of the System of Internal Control

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

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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 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.

Governance statement (continued)

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and appointed an external company to carry out internal audit controls for this year:

- SBM Consultancy Ltd

His role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular, the checks carried out in the current period included:

- Correct functioning of the payroll system
- Review of purchasing systems
- Review of bank reconciliations

On at least a termly basis, the Bursar reports to the board of trustees, through the Finance and General Purposes Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities

The report from the external auditor recommends to review the Academies Financial Handbook. The main points were to review the terms of reference and programme of work for risk management, the role of the finance committee to be reviewed regarding internal controls. These will be reviewed at the Finance & General Purposes Committee meetings. The register of interests to be published on the school website.

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Governance statement (continued)

Review of Effectiveness

As Accounting Officer, David Adams (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 reviewer
- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on ..12/12..... 2018 and signed on its behalf by:



Jayne Owen
Chair of Trustees



David Adams
Accounting Officer

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Statement of regularity, propriety and compliance

As Accounting Officer of Hall Green Secondary 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 ESFA terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

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

DAVams. David Adams – Accounting Officer

12 | 12 | 2018

**Hall Green Secondary School
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Statement of Trustees' Responsibilities

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

Company law requires the 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 in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on ...12/12... 2018 and signed on its behalf by:



..... Jayne Owen – Chair of Trustees

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**Independent Auditor's Report on the Financial Statements to the Members of
Hall Green Secondary School**

Opinion

We have audited the financial statements of Hall Green Secondary School for the period ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

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

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 period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

Basis for opinion

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

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**Independent Auditor's Report on the Financial Statements to the Members of Hall Green Secondary School
(continued)**

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or 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 matter prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' 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 strategic report and the directors' 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
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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**Independent Auditor's Report on the Financial Statements to the Members of Hall Green Secondary School
(continued)**

Responsibilities for financial statements

As explained more fully in the trustees' responsibilities statement (set out on page 14), 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.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.

**Hall Green Secondary School
(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of Hall Green Secondary School
(continued)**

Auditor's responsibilities for the audit of the financial statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



David W Farnsworth FCA (Senior Statutory Auditor)

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

13 December 2018

**Hall Green Secondary School
(A Company Limited by Guarantee)**

Independent Reporting Accountant's Assurance Report on Regularity to Hall Green Secondary School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 7 December 2012 and further to the requirements of the Education and 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 the Hall Green Secondary School during the period 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 Hall Green Secondary School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hall Green Secondary 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 Hall Green Secondary School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Hall Green Secondary School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Hall Green Secondary School's funding agreement with the Secretary of State for Education dated 1 February 2012 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 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.

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.

The work undertaken to draw our conclusion includes :

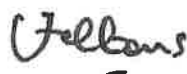
- Consideration of the applicable legislation and the academy trust's funding agreement
- Review and evaluation of the academy trust's system of internal controls
- Examination and assessment of the Accounting Officer's statement on Regularity, Propriety and Compliance
- Examination, on a test basis, of third party evidence supporting income and expenditure
- Review of exceptional and unusual items

Hall Green Secondary School
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Hall Green Secondary School and the Education and Skills Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



David W Farnsworth FCA (Reporting Accountant)

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

13 December 2018

Hall Green Secondary School
(A Company Limited by Guarantee)

Statement of financial activities for the year ended 31 August 2018
(including income and expenditure account)

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Restricted fixed asset funds £	Total 2018 £	Total 2017 £
Income from :							
Donations and capital grants	2	-	-	-	19,086	19,086	19,154
Funding for the academy trust's educational operations	3	99,595	-	5,402,047	-	5,501,642	5,547,026
Other trading activities	4	45	-	-	-	45	-
Investments	5	3,303	-	-	-	3,303	7,444
Total		102,943	-	5,402,047	19,086	5,524,076	5,573,624
Expenditure on :							
Charitable activities: Academy trust's educational operations	6	102,943	286,000	5,488,062	179,973	6,056,978	5,551,968
Total		102,943	286,000	5,488,062	179,973	6,056,978	5,551,968
Net income/(expenditure) before transfers		-	(286,000)	(86,015)	(160,887)	(532,902)	21,656
Transfers between funds	14	-	-	(15,682)	15,682	-	-
Net income/(expenditure) after transfers		-	(286,000)	(101,697)	(145,205)	(532,902)	21,656
Other recognised gains/(losses)							
Actuarial gains/(losses) on defined benefit pension schemes	14, 21	-	632,000	-	-	632,000	(637,000)
Net movement in funds		-	346,000	(101,697)	(145,205)	99,098	(615,344)
Reconciliation of funds							
Total funds brought forward	14	-	(3,701,000)	998,171	7,767,954	5,065,125	5,680,469
Total funds carried forward		-	(3,355,000)	896,474	7,622,749	5,164,223	5,065,125

All of the Academy's activities derive from continuing operations during the above two financial periods.

Hall Green Secondary School
(A Company Limited by Guarantee)

Company number : 07892732

Balance sheet as at 31 August 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	11		7,622,749		7,767,954
Current assets					
Debtors	12	119,171		107,063	
Cash at bank and in hand		<u>800,602</u>		<u>910,442</u>	
		919,773		1,017,505	
Liabilities					
Creditors: amounts falling due within one year	13	<u>23,299</u>		<u>19,334</u>	
Net current assets			896,474		998,171
Net assets excluding pension liability			8,519,223		8,766,125
Defined benefit pension scheme liability	21		<u>(3,355,000)</u>		<u>(3,701,000)</u>
Total net assets			<u>5,164,223</u>		<u>5,065,125</u>
Funds of the academy trust :					
Restricted funds					
Fixed asset fund	14	7,622,749		7,767,954	
General fund	14	896,474		998,171	
Pension reserve	14	<u>(3,355,000)</u>		<u>(3,701,000)</u>	
Total restricted funds			5,164,223		5,065,125
Unrestricted income funds	14		-		-
Total funds			<u>5,164,223</u>		<u>5,065,125</u>

The financial statements on pages 21 to 42 were approved by the trustees, and authorised for issue on 12/12/2018 and are signed on their behalf by:



Jayne Owen - Chair of Trustees

Hall Green Secondary School
(A Company Limited by Guarantee)

Statement of cash flows for the year ended 31 August 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	17	(97,461)	219,064
Cash flows from investing activities	18	(12,379)	7,582
Change in cash and cash equivalents in the reporting period		(109,840)	226,646
Cash and cash equivalents at 1 September 2017		910,442	683,796
Cash and cash equivalents at 31 August 2018	19	800,602	910,442

**Hall Green Secondary School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2018

1. Statement of accounting policies

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

Basis of preparation

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.

Hall Green Secondary School meets the definition of a public benefit entity under FRS 102.

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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

Grants

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

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 grants are reflected in the balance sheet 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.

Notes to the financial statements for the year ended 31 August 2018 (continued)

1. Statement of accounting policies (continued)

Income (continued)

- **Donations**
Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.
- **Other income**
Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.
- **Donated goods, facilities and services**
Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Upon sale the fair value of the goods is charged against, and the proceeds are recognised as, 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

Expenditure

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

- **Expenditure on raising funds**
This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.
- **Charitable activities**
These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

**Hall Green Secondary School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2018 (continued)

1. Statement of accounting policies (continued)

Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset over its expected useful life as follows:

Freehold buildings	- straight line over 50 years
Fittings and equipment	- 33% reducing balance
Computer hardware	- 33% straight line
Motor Vehicles	- 33% reducing balance

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought in to use and reclassified to freehold or leasehold land and buildings.

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.

Liabilities

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

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Financial instruments

The academy trust only holds basic financial instruments as defined by 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. Prepayments are not financial instruments.

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

Hall Green Secondary School
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018 (continued)

1. Statement of accounting policies (continued)

Financial instruments (continued)

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

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes:

Pension benefits

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

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

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

**Hall Green Secondary School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2018 (continued)

1. Statement of accounting policies (continued)

Pension benefits (continued)

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

Fund accounting

Unrestricted income funds represent 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 Education and Skills Funding Agency or Department for Education.

Critical accounting estimates and areas of judgement

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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.

Hall Green Secondary School
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018 (continued)

2. Donations and capital grants

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	Total 2017/18 £	Total 2016/17 £
Capital grants	-	-	19,086	19,086	19,154
	-	-	19,086	19,086	19,154
2017 total	-	-	19,154	19,154	

3. Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	Total 2017/18 £	Total 2016/17 £
DfE/ESFA grants					
General Annual Grant (GAG)	-	4,864,411	-	4,864,411	4,825,970
Other DfE Group grants	-	319,002	-	319,002	316,080
	-	5,183,413	-	5,183,413	5,142,050
Other government grants					
Local authority grants	-	217,734	-	217,734	297,467
Other government funding	-	900	-	900	-
	-	218,634	-	218,634	297,467
Other income from the academy trust's educational operations	99,595	-	-	99,595	107,509
	99,595	218,634	-	318,229	404,976
	99,595	5,402,047	-	5,501,642	5,547,026
2017 total	107,509	5,439,517	-	5,547,026	

4. Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2017/18 £	Total 2016/17 £
Hire of facilities	45	-	45	-
	45	-	45	-
2017 total	-	-	-	

5. Investment income

	Unrestricted funds £	Restricted funds £	Total 2017/18 £	Total 2016/17 £
Short term deposits	3,303	-	3,303	7,444
2017 total	7,444	-	7,444	

Hall Green Secondary School
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018 (continued)

6. Expenditure

	Staff costs £	Non pay expenditure- Premises £	Other £	Total 2017/18 £	Total 2016/17 £
Academy's educational operations					
Direct costs	4,013,575	84,917	405,916	4,504,408	4,328,938
Allocated support costs	939,417	357,200	255,953	1,552,570	1,223,030
	<u>4,952,992</u>	<u>442,117</u>	<u>661,869</u>	<u>6,056,978</u>	<u>5,551,968</u>
2017 total	<u>4,525,480</u>	<u>442,801</u>	<u>583,687</u>	<u>5,551,968</u>	

Net income/(expenditure) for the period includes :

		2017/18 £	2016/17 £
Operating leases	- plant and machinery	17,853	30,364
Depreciation		179,973	192,550
Fees payable to auditor	- audit	7,250	6,500
	- other services	<u>175</u>	<u>250</u>

7. Charitable activities

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	Total 2017/18 £	Total 2016/17 £
Educational operations					
Direct costs	88,943	-	4,415,465	4,504,408	4,328,938
Support costs	14,000	286,000	1,252,570	1,552,570	1,223,030
	<u>102,943</u>	<u>286,000</u>	<u>5,668,035</u>	<u>6,056,978</u>	<u>5,551,968</u>
2017 total	<u>114,953</u>	<u>13,000</u>	<u>5,424,015</u>	<u>5,551,968</u>	
Analysis of support costs					
Support staff costs	4,000	286,000	649,417	939,417	648,569
Depreciation	-	-	95,056	95,056	100,988
Technology costs	-	-	31,570	31,570	4,722
Premises costs	-	-	279,997	279,997	304,390
Other support costs	10,000	-	187,155	197,155	154,639
Governance costs	-	-	9,375	9,375	9,722
Total support costs	<u>14,000</u>	<u>286,000</u>	<u>1,252,570</u>	<u>1,552,570</u>	<u>1,223,030</u>
2017 total	<u>55,751</u>	<u>13,000</u>	<u>1,154,279</u>	<u>1,223,030</u>	

Hall Green Secondary School
(A Company Limited by Guarantee)

Notes to the financial statements for the year ended 31 August 2018 (continued)

8. Staff

a) Staff costs

Staff costs during the period were:

	Total 2017/18 £	Total 2016/17 £
Wages and salaries	3,541,027	3,487,039
Social security costs	341,917	333,002
Pension costs	947,420	646,296
	4,830,364	4,466,337
Agency staff costs	122,628	57,143
Staff restructuring costs	-	2,000
	4,952,992	4,525,480
	Total 2017/18 £	Total 2016/17 £
Staff restructuring costs comprise :		
Severance payments	-	2,000
	-	2,000

b) Staff severance payments

Included in staff restructuring costs is a single non-statutory/non-contractual severance payment totalling £nil (2017: £2,000).

c) Staff numbers

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

	2017/18 Number	2016/17 Number
Teachers	62	63
Administration and support	75	75
Management	5	5
	142	143

d) Higher paid staff

	2017/18 Number	2016/17 Number
The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was :		
£60,001 - £70,000	2	2
£80,001 - £90,000	1	1

**Hall Green Secondary School
(A Company Limited by Guarantee)**

Notes to the financial statements for the year ended 31 August 2018 (continued)

8. Staff (continued)

e) Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £380,316 (2017: £379,895).

9. Related Party Transactions - Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from 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 staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows :

D Adams (principal and trustee)	
Remuneration	£80,000 - £85,000 (2017 : £80,000 - £85,000)
Employer's pension contributions paid	£10,000 - £15,000 (2017 : £10,000 - £15,000)
K Carlisle (staff trustee - resigned 20/7/18)	
Remuneration	£45,000 - £50,000 (2017 : £45,000 - £50,000)
Employer's pension contributions paid	£5,000 - £10,000 (2017 : £5,000 - £10,000)
D Sutheran (staff trustee - resigned 20/7/18)	
Remuneration	£20,000 - £25,000 (2017 : £20,000 - £25,000)
Employer's pension contributions paid	£nil - £5,000 (2017 : £nil - £5,000)
Z Ziebeck (staff trustee - appointed 11/7/18)	
Remuneration	£5,000 - £10,000 (2017 : £nil)
Employer's pension contributions paid	£nil - £5,000 (2017 : £nil)
M Hosfield (staff trustee - resigned 13/9/17)	
Remuneration	£nil (2017 : £55,000 - £60,000)
Employer's pension contributions paid	£nil (2017 : £5,000 - £10,000)

During the year ended 31 August 2018, travel and subsistence expenses totalling £nil (2017 : £nil) were reimbursed or paid directly to trustees.

10. Trustees' and officers' insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from

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Notes to the financial statements for the year ended 31 August 2018 (continued)

11. Tangible fixed assets

	Freehold property £	Fittings and equipment £	Computer hardware £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2017	8,216,965	423,251	282,514	34,960	8,957,690
Additions	-	30,628	4,140	-	34,768
At 31 August 2018	<u>8,216,965</u>	<u>453,879</u>	<u>286,654</u>	<u>34,960</u>	<u>8,992,458</u>
Depreciation					
At 1 September 2017	601,200	301,382	262,323	24,831	1,189,736
Charge for the year	108,343	50,322	17,966	3,342	179,973
At 31 August 2018	<u>709,543</u>	<u>351,704</u>	<u>280,289</u>	<u>28,173</u>	<u>1,369,709</u>
Net book values					
At 31 August 2018	<u>7,507,422</u>	<u>102,175</u>	<u>6,365</u>	<u>6,787</u>	<u>7,622,749</u>
At 31 August 2017	<u>7,615,765</u>	<u>121,869</u>	<u>20,191</u>	<u>10,129</u>	<u>7,767,954</u>

Freehold property was valued at 31 August 2012 by an independent RICS registered valuer appointed by the academy's trustees. Fittings and equipment, computer hardware and motor vehicles were valued as at the same date by the trustees. The basis on which the valuations were made was depreciated replacement cost. Subsequent additions have been included at cost. Freehold property includes land at valuation of £2,800,000 that is not being depreciated.

Cost or valuation at 31 August 2018 is represented by :

	Leasehold land and buildings £	Fittings and equipment £	Computer hardware £	Motor vehicles £	Total £
Valuation in 2012	7,930,080	80,227	115,932	2,000	8,128,239
Cost	286,885	373,652	170,722	32,960	864,219
	<u>8,216,965</u>	<u>453,879</u>	<u>286,654</u>	<u>34,960</u>	<u>8,992,458</u>

12. Debtors

	Total 2018 £	Total 2017 £
Debtors from operations	236	-
VAT recoverable	30,180	11,333
Prepayments and accrued income	88,755	95,730
	<u>119,171</u>	<u>107,063</u>

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Notes to the financial statements for the year ended 31 August 2018 (continued)

13. Creditors

	Total 2018 £	Total 2017 £
Amounts falling due within one year:		
Creditors from operations	-	50
Accruals	23,299	19,284
	<u>23,299</u>	<u>19,334</u>

14. Funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	998,171	4,864,411	(4,950,426)	(15,682)	896,474
Pupil Premium	-	319,002	(319,002)	-	-
Other grants	-	218,634	(218,634)	-	-
	<u>998,171</u>	<u>5,402,047</u>	<u>(5,488,062)</u>	<u>(15,682)</u>	<u>896,474</u>
Restricted fixed asset funds					
Transfer on conversion	7,367,513	-	(105,468)	-	7,262,045
DfE Group capital grants	156,746	19,086	(30,101)	-	145,731
Capital expenditure from GAG	241,519	-	(44,031)	15,682	213,170
Other government funding	2,176	-	(373)	-	1,803
	<u>7,767,954</u>	<u>19,086</u>	<u>(179,973)</u>	<u>15,682</u>	<u>7,622,749</u>
Pension reserve	<u>(3,701,000)</u>	<u>-</u>	<u>(286,000)</u>	<u>632,000</u>	<u>(3,355,000)</u>
Total restricted funds	<u>5,065,125</u>	<u>5,421,133</u>	<u>(5,954,035)</u>	<u>632,000</u>	<u>5,164,223</u>
Unrestricted funds					
Other income	-	102,943	(102,943)	-	-
Total unrestricted funds	<u>-</u>	<u>102,943</u>	<u>(102,943)</u>	<u>-</u>	<u>-</u>
Total funds	<u>5,065,125</u>	<u>5,524,076</u>	<u>(6,056,978)</u>	<u>632,000</u>	<u>5,164,223</u>

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

Restricted general funds

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education and Skills Funding Agency and Birmingham City Council.

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

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Notes to the financial statements for the year ended 31 August 2018 (continued)

14. Funds (continued)

Unrestricted funds

These comprise resources that may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds

These comprise resources which are to be applied to specific capital purposes imposed by The Education and Skills Funding Agency and Birmingham City Council where the asset acquired or created is held for a specific purpose.

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

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	789,981	4,825,970	(4,617,918)	138	998,171
Pupil Premium	-	316,080	(316,080)	-	-
Other grants	-	297,467	(297,467)	-	-
	<u>789,981</u>	<u>5,439,517</u>	<u>(5,231,465)</u>	<u>138</u>	<u>998,171</u>
Restricted fixed asset funds					
Transfer on conversion	7,474,391	-	(106,878)	-	7,367,513
DfE Group capital grants	171,265	19,154	(33,535)	(138)	156,746
Capital expenditure from GAG	293,190	-	(51,671)	-	241,519
Other government funding	2,642	-	(466)	-	2,176
	<u>7,941,488</u>	<u>19,154</u>	<u>(192,550)</u>	<u>(138)</u>	<u>7,767,954</u>
Pension reserve	<u>(3,051,000)</u>	<u>-</u>	<u>(13,000)</u>	<u>(637,000)</u>	<u>(3,701,000)</u>
Total restricted funds	<u>5,680,469</u>	<u>5,458,671</u>	<u>(5,437,015)</u>	<u>(637,000)</u>	<u>5,065,125</u>
Unrestricted funds					
Other income	-	114,953	(114,953)	-	-
Total unrestricted funds	<u>-</u>	<u>114,953</u>	<u>(114,953)</u>	<u>-</u>	<u>-</u>
Total funds	<u>5,680,469</u>	<u>5,573,624</u>	<u>(5,551,968)</u>	<u>(637,000)</u>	<u>5,065,125</u>

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Notes to the financial statements for the year ended 31 August 2018 (continued)

14. Funds (continued)

A current year 12 months and prior year 12 months combined position is as follows :

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	789,981	9,690,381	(9,568,344)	(15,544)	896,474
Pupil Premium	-	635,082	(635,082)	-	-
Other grants	-	516,101	(516,101)	-	-
	<u>789,981</u>	<u>10,841,564</u>	<u>(10,719,527)</u>	<u>(15,544)</u>	<u>896,474</u>
Restricted fixed asset funds					
Transfer on conversion	7,474,391	-	(212,346)	-	7,262,045
DfE Group capital grants	171,265	38,240	(63,636)	(138)	145,731
Capital expenditure from GAG	293,190	-	(95,702)	15,682	213,170
Other government funding	2,642	-	(839)	-	1,803
	<u>7,941,488</u>	<u>38,240</u>	<u>(372,523)</u>	<u>15,544</u>	<u>7,622,749</u>
Pension reserve	<u>(3,051,000)</u>	<u>-</u>	<u>(299,000)</u>	<u>(5,000)</u>	<u>(3,355,000)</u>
Total restricted funds	<u>5,680,469</u>	<u>10,879,804</u>	<u>(11,391,050)</u>	<u>(5,000)</u>	<u>5,164,223</u>
Unrestricted funds					
Other income	-	217,896	(217,896)	-	-
Total unrestricted funds	<u>-</u>	<u>217,896</u>	<u>(217,896)</u>	<u>-</u>	<u>-</u>
Total funds	<u>5,680,469</u>	<u>11,097,700</u>	<u>(11,608,946)</u>	<u>(5,000)</u>	<u>5,164,223</u>

15. Analysis of net assets between funds

Fund balances at 31 August 2018
are represented by:

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	7,622,749	7,622,749
Current assets	-	-	919,773	-	919,773
Current liabilities	-	-	(23,299)	-	(23,299)
	-	-	896,474	7,622,749	8,519,223
Pension scheme liability	-	(3,355,000)	-	-	(3,355,000)
Total net assets	<u>-</u>	<u>(3,355,000)</u>	<u>896,474</u>	<u>7,622,749</u>	<u>5,164,223</u>

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Notes to the financial statements for the year ended 31 August 2018 (continued)

15. Analysis of net assets between funds (continued)

Comparative information in respect of the preceding period is

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	7,767,954	7,767,954
Current assets	-	-	1,017,505	-	1,017,505
Current liabilities	-	-	(19,334)	-	(19,334)
	-	-	998,171	7,767,954	8,766,125
Pension scheme liability	-	(3,701,000)	-	-	(3,701,000)
Total net assets	-	(3,701,000)	998,171	7,767,954	5,065,125

16. Commitments under operating leases

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

	Total 2018 £	Other Total 2017 £
Amounts due within one year	14,671	4,425
Amounts due between one and five years	24,339	904
	39,010	5,329

17. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Total 2017/18 £	Total 2016/17 £
Net income/(expenditure) for reporting period (as per the SoFA)	(532,902)	21,656
Adjusted for :		
Depreciation (note 11)	179,973	192,550
Capital grants from DfE and other capital income	(19,086)	(19,154)
Interest receivable (note 5)	(3,303)	(7,444)
Defined benefit pension scheme cost less contributions payable	192,000	(48,000)
Defined benefit pension scheme finance cost/(income) (note 21)	94,000	61,000
Decrease / (increase) in debtors	(12,108)	11,234
Increase / (decrease) in creditors	3,965	7,222
Net cash provided by / (used in) operating activities	(97,461)	219,064

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Notes to the financial statements for the year ended 31 August 2018 (continued)

18. Cash flows from investing activities

	Total 2017/18 £	Total 2016/17 £
Interest received	3,303	7,444
Purchase of tangible fixed assets	(34,768)	(19,016)
Capital grants from DfE Group	19,086	19,154
Net cash provided by / (used in) investing activities	(12,379)	7,582

19. Analysis of cash and cash equivalents

	At 31 August 2018 £	At 31 August 2017 £
Cash at bank and in hand	800,602	910,442
	800,602	910,442

20. Member's 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. Pension and similar obligations

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

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

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

Notes to the financial statements for the year ended 31 August 2018 (continued)

21. Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed 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 year amounted to £394,047 (2017 : £394,026).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Notes to the financial statements for the year ended 31 August 2018 (continued)

21. Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £323,128 (2017 : £296,314), of which employer's contributions totalled £267,348 (2017 : £239,695) and employees' contributions totalled £55,780 (2017 : £56,619). The agreed contribution rates for future years are 19.1% for employers and between 5.5% and 9.9% 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.

The trustees have agreed that the trust will make additional contributions in addition to normal funding levels over the next 22 years.

Principal actuarial assumptions

	At 31 August 2018	At 31 August 2017
Rate of increase in salaries	3.80%	4.20%
Rate of increase for pensions in payment / inflation	2.30%	2.70%
Discount rate for scheme liabilities	2.65%	2.60%
Inflation assumption (CPI)	2.30%	2.70%
Commutation of pensions to lump sums	50.00%	50.00%

Sensitivity analysis

	As disclosed	Discount rate	CPI rate	In life expectancy
		+ 0.1% pa	+ 0.1% pa	+ 1 year
	£'000s	£'000s	£'000s	£'000s
Present value of total obligation	6,410	6,266	6,537	6,631
Projected service cost	326	318	334	336
		- 0.1% pa	- 0.1% pa	- 1 year
	£'000s	£'000s	£'000s	£'000s
Present value of total obligation	6,410	6,557	6,286	6,196
Projected service cost	326	334	318	316

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

	At 31 August 2018	At 31 August 2017
Retiring today		
Males	21.9	21.8
Females	24.4	24.3
Retiring in 20 years		
Males	24.1	24.0
Females	26.7	26.6

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Notes to the financial statements for the year ended 31 August 2018 (continued)

21. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	1,933,000	1,874,000
Government bonds	220,000	217,000
Other bonds	113,000	114,000
Property	248,000	216,000
Cash/liquidity	115,000	147,000
Other	426,000	393,000
Total market value of assets	3,055,000	2,961,000

The actual return on scheme assets was £34,000 (2017 : £897,000).

	2017/18 £	2016/17 £
Amount recognised in the statement of financial activities		
Current service cost (net of employee contributions)	369,000	173,000
Net interest cost	94,000	61,000
Administration expenses	1,000	1,000
Total amount recognised in the SoFA	464,000	235,000

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

	2017/18 £	2016/17 £
At 1 September 2017	6,662,000	5,455,000
Current service cost	369,000	326,000
Interest cost	172,000	105,000
Changes in financial assumptions	(676,000)	878,000
Change in demographic assumptions	-	(111,000)
Experience (gain) on defined benefit obligation	-	626,000
Liabilities assumed/(extinguished) on settlements/business combinations	-	(621,000)
Benefits paid net of transfers in	(173,000)	(53,000)
Contributions by participants	56,000	57,000
Business combinations	-	-
At 31 August 2018	6,410,000	6,662,000

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Notes to the financial statements for the year ended 31 August 2018 (continued)

21. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2017/18 £	2016/2017 £
At 1 September 2017	2,961,000	2,404,000
Interest income	78,000	44,000
Return on assets less interest	(44,000)	853,000
Other actuarial (losses)	-	(97,000)
Administration expenses	(1,000)	(1,000)
Employer contributions	178,000	222,000
Contributions by participants	56,000	57,000
Benefits paid net of transfers in	(173,000)	(53,000)
Business combinations	-	(468,000)
At 31 August 2018	3,055,000	2,961,000
Net pension scheme liability	(3,355,000)	(3,701,000)

22. 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 the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures relating to connected parties and related party transactions.

The following related party transactions took place during the period:

Expenditure Related Party Transactions

The Reach Free School Trust

Charitable company in which the principle is a trustee (effective September 2015)	2018 £	2017 £
Fees charged from related party during the year	10,000	3,000

The trust conducted this transaction at arms' length following a competitive tendering exercise in accordance with its financial regulations, which David Adams neither participated in, nor influenced.

In entering into the transaction the trust has complied with the requirements of the Academies Financial Handbook 2017.