

**Company Registration No. 9040380 (England and Wales)**

**RYBURN VALLEY HIGH SCHOOL  
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

# RYBURN VALLEY HIGH SCHOOL

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# RYBURN VALLEY HIGH SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Governors

Mr J Tinkler (Chair and Appointed governor)  
Mr M Cross (Appointed governor)  
Mr M Robertshaw (Appointed governor)  
Mrs L Morrison (Appointed governor) (Resigned 31 August 2018)  
Mrs G Carter (Appointed governor)  
Mr J Godfrey (Appointed governor) (Appointed 13 September 2017)  
Mrs A Bush (Appointed governor)  
Mrs L Masters (Parent governor)  
Mr S Hickling (Parent Governor) (Appointed 13 September 2018)  
Mr I Wood (Parent Governor) (Appointed 13 September 2018)  
Mr D Lord (Headteacher)  
Mrs K Parker (Staff governor)  
Mrs A Milner (Staff governor)

### Members

Mr J Tinkler  
Mr M Cross  
Mr M Robertshaw

### Senior management team

- Headteacher	Mr D Lord
- Deputy Headteacher	Mrs K Parker
- Deputy Headteacher	Mr R Clarke
- Assistant Headteacher	Mrs C Evans
- Assistant Headteacher	Mrs N Ramsden
- Assistant Headteacher	Mrs S A Roberts
- Business Manager	Mrs J Kendall

### Company registration number

9040380 (England and Wales)

### Registered office

St Peter's Avenue  
Sowerby Bridge  
West Yorkshire  
HX6 1DG

### Independent auditor

Simpson Wood Limited  
Bank Chambers  
Market Street  
Huddersfield  
HD1 2EW

### Responsible Officer

Internal Audit, Calderdale MBC

# RYBURN VALLEY HIGH SCHOOL

## REFERENCE AND ADMINISTRATIVE DETAILS

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### **Bankers**

Lloyds Bank plc  
Commercial Street  
Halifax  
HX1 1BB

### **Solicitors**

Eversheds LLP  
70 Great Bridge Street  
Manchester  
M1 5ES

# RYBURN VALLEY HIGH SCHOOL

## GOVERNORS' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2018

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The governors present their annual report together with the accounts and independent auditor's reports 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 Academy Trust operates an academy for pupils aged 11 to 19 serving a catchment area in and around the Ryburn Valley. It has a student capacity of 1500 including 6th form and had a roll of 1434 in the school census in October 2017. The schools PAN for 2017-2018 was 240.

#### **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 governors are the trustees of Ryburn Valley High School and are also the directors of the charitable company for the purposes of company law. Details of the governors 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.

##### Governors' indemnities

Subject to the provisions of the Companies Act 2006 every governor or other officer of the Academy shall be indemnified out of the assets of the Academy against any liability incurred by them in that capacity in defending any proceedings whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy.

In accordance with normal commercial practice the Academy has purchased insurance to protect all governors and staff from claims arising from negligent acts, errors or omissions whilst on Academy business. The insurance provides up to £2,000,000 for a claim in any period of insurance.

##### Method of recruitment and appointment or election of governors

The Academy Trust has the following governors as set out in its Memorandum and Articles of Association:

- Up to 8 governors who are appointed as trustees
- Up to 4 parent governors who are elected by parents of registered pupils of the Academy
- Up to 3 staff governors who are elected by the staff at the school
- The Headteacher who is treated for all purposes as being an ex-officio governor

The Governors are appointed for a four year term, which does not apply to the Headteacher, who is entitled to be a governor as long as he/she remains as Headteacher of the school. Subject to remaining eligible for a particular type of governor, any governor can be re-appointed or re-elected.

When appointing new governors, the governing body gives consideration to the skills and experience mix of the existing governors in order to ensure that the Trust has the necessary skills to contribute fully to the Academy's development.

# **RYBURN VALLEY HIGH SCHOOL**

## **GOVERNORS' REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2018***

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#### Policies and procedures adopted for the induction and training of governors

Induction is by means of a meeting with the Clerk to Governors, the Chair of Governors and a representative of the school (Headteacher or Business Manager). An induction pack containing key documentation necessary to undertake the role of governor is provided and new governors are given the opportunity to tour the school and meet staff and students. Formal Induction is also provided by One Governor Calderdale whom the school subscribes to for governor training. All new governors are encouraged to take part in induction training. The school also runs in-house governor training for specific areas of development.

#### Organisational structure

The Academy has a leadership structure which consists of the Governors, the Headteacher, Senior Leadership Team and Associate Leadership Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Full Governing Body meets seven times a year (AGM and each half term). At the Annual General Meeting, the Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures for the year. At half termly meetings, it receives reports including policies for ratification. The board may from time to time establish working groups to perform specific tasks over a limited timescale.

The governors are responsible for setting general policy, adopting an annual plan and budget, approving statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy and staff appointments.

The Governing Body have devolved responsibility for the day to day management of the Academy to the Headteacher and Senior Leadership Team (SLT).

The SLT consists of the Headteacher, who is the Academy's Accounting Officer, two Deputy Headteacher's three Assistant Headteacher's and the Business Manager (who takes the role of finance director). The SLT controls the Academy at an executive level, implementing the policies laid down by the governors and reporting back to them. The Headteacher, Business manager and Chair of Governors are responsible for the authorisation of spending within agreed budgets. The Headteacher is responsible for the appointment of staff, however appointment panels for permanent teaching posts and responsibility posts usually include a governor.

#### Arrangements for setting pay and remuneration of key management personnel

The members and trustees of the schools act in a voluntary capacity and are not remunerated, however expenses could be claimed as laid down in the Governors Allowances Policy. The pay of the headteacher and SLT of the school follows the School Teachers Pay and Conditions Document and is based on the size of the school, following prescribed leadership grades in relation to the schools size. As with all staff in the school, the headteacher and SLT follow an annual appraisal process to determine as to whether they can proceed onto the next incremental scale relevant to their position. The headteacher has an annual review with members of the Headteacher Performance Management Committee, this consists of the Chair of Governors and two other governors. All the annual increases relating to both the management posts of the school and other incremental increases of staff are ratified annually by the Governor Pay Committee.

# RYBURN VALLEY HIGH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Trade union facility time

#### *Relevant union officials*

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

#### *Percentage of time spent on facility time*

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

#### *Percentage of pay bill spent on facility time*

Total cost of facility time	-
Total pay bill	-
Percentage of the total pay bill spent on facility time	-

#### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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### Related parties and other connected charities and organisations

The Academy has collaborative links with its thirteen feeder primary schools which form part of the Ryburn Valley Learning Community. The school has a Parents Teachers Association which is associated with the Academy. The school is part of Teamworks SCITT for teacher training. We also work with Huddersfield University to provide initial teacher training.

There are no related parties, including sponsors, which either control or significantly influence the decisions and operations of Ryburn Valley High School.

### **Objectives and activities**

#### Objects and aims

The principal object and activity of the charitable company is the operation of the Ryburn Valley High School to provide free education and care for pupils of different abilities between the ages of 11-18. The Academy continues to specialise in the area of the Creative Media Arts (the school used to receive extra funding for having a specialism, but no longer do so).

The aim of the Academy is to provide all students with a huge array of opportunities to succeed and educate all our young people towards outstanding academic achievement. The precept that 'Everyone matters and every dream counts' together with the traditional values of Kindness, Honesty, Respect and Endeavour are at the heart of everything Ryburn does. Our core purpose is to inspire young people with a love of learning, a zest for life and a genuine confidence to excel in a colourful world.

Our vision and values are clearly explained on our website along with a comprehensive School Development Plan (SDP) which explains how this vision will be realised.

# RYBURN VALLEY HIGH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Objectives, strategies and activities

#### **Effective Leadership and Management –**

- Increase capacity and skills of staff to ensure we achieve our vision
- Strengthen our community by improving communication with all stakeholders and extending extracurricular opportunities
- Improve Quality Assurance procedures

#### **Develop systems to deliver good and outstanding Teaching, Learning and Assessment**

- Develop clear Ryburn vision for outstanding teaching – Strive for 5
- Ensure all Teaching and Learning is good or better all the time
- Ensure the programme of high quality Continuing Professional Development and Learning (CPDL) is effective
- Develop effective methods of Reporting and Assessment that ensures all students make excellent progress

#### **Develop systems to ensure outstanding Personal Development, Behaviour and Welfare of Students and staff**

- Extend and improve our transition Activities
- Continue to improve systems to maintain outstanding behaviour and attendance of students
- Establish a change to the school day to incorporate teacher collaborative planning time
- Continue to develop the widest range of staff led opportunities in and out of the classroom
- Utilise Erasmus+ projects to enhance our SMSC developments
- Instil British Values and ensure our innovative PSHCE curriculum prepares students for life

#### **Develop our curriculum so all learners achieve outstanding outcomes**

- As a result of 'KS3 – the wasted years' develop a challenging and enriching 2 year KS3 Curriculum
- Improve our options procedures to ensure learners are on the most suitable KS4 pathway
- Extend the KS4 curriculum over 3 years to maximise student outcomes
- Develop the Post - 16 curriculum to maximise student outcomes in collaboration with other colleges as part of C6.
- Focus additional funding such as pupil premium funding to eliminate differences in outcomes of disadvantaged learners
- Maximise outcomes and opportunities for more able students
- Enhance CEAIG procedures to ensure 100% progression to further education and training
- Ensure high levels of literacy and numeracy

### Public benefit

The governors confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning future activities.

The Academy aims to advance for the public benefit, education in the Ryburn Valley and the surrounding area. In particular, offering a broad curriculum with a strong emphasis on the inclusion of students with Special Educational Need.



# RYBURN VALLEY HIGH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Strategic report

#### Achievements and performance

The school continues to be oversubscribed and is full in all year groups (11-16). At its October census 2017, it had 1433 students and 1434 in October 2018. The table below shows the exam results for the year ending 31 August 2018.

#### Exam Results (2018):

<b>A Level Results:</b>	
Average Points Per Entry	25.8
% A* - B grades	42.5%
% A* - C grades	68.5%
% A* - E grades	97.3%
<b>GCSE Results:</b>	
% 5 A* - C (9-4) (including English and Mathematics)	64.9%
% 5 A* - C	75%
% 5 A* - G	99%
% 1 A* - G	100%

For 2017/18 our professional progress 8 score was 0.19, which was above the national average (-0.03). At KS5 the vocational progress scores were significantly positive.

The attendance for 2017-18 was 96.3% which was well above the national average of 95%. Punctuality was also good due to same day detentions. Our SEN attendance again was high at 94.6% compare with national at 92.9%. Our fixed term exclusion rate was 4.5% which is well below the national percentage of 7.6%. The school had three permanent exclusions during 2017-18.

Commendations are given for good work, behaviour, etc. In 2017-18 the school, gave out thousands of rewards.

#### Key performance indicators

The Academy considers its main performance indicators to be pupil attendance rates and the examination results achieved. These are shown in detail in the Achievements and performance section above. The financial performance of the Academy for the period under review is detailed in the Financial Review section below. The key financial performance indicator is to avoid a deficit budget which will highlight effectiveness of the budget control procedures that are in place.

#### Capital investment

As part of our computer replacement programme we have replaced 99 PC's throughout the school and replaced one of the servers. We have purchased a new photocopier for the print room.

#### Fundraising activities

During the year, students and staff at the school raised £5,100. This was distributed to a number of organisations including Children in Need, Overgate Hospice, Danny Jones Defibrillator Fund Trust, Poppy Appeal, MacMillan, Yorkshire Air Ambulance and Sports Relief.

#### Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the Governing Body continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

# RYBURN VALLEY HIGH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### **Financial review**

These financial statements reflect the operational activity for the Academy for the year ended 31 August 2018. Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the 12 months ended 31 August 2018 and the associated expenditure are shown as Restricted General Funds in the Statement of Financial Activity (SOFA).

The Academy also receives grants for Fixed Assets from the ESFA. In accordance with the Charities Statement of Recommended Practice (SORP FRS102) such grants are shown in the SOFA as restricted income in the Restricted Fixed Asset Fund. The Restricted Fixed Asset Fund is reduced by annual depreciation charges over the expected useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2018, total expenditure (excluding fixed assets funds) of £8,007,569 was covered by recurrent grant funding from the DfE, together with other incoming resources of £7,959,052. The total fund value at the end of the year (excluding restricted fixed asset funds and the pension fund) was £824,461 (this includes £72,455 School fund balance). The restricted fixed asset fund at the end of the year includes capital reserves of £209,847 available for spend.

The land, buildings and other assets were transferred to the Academy on conversion. Land and Buildings were professionally valued by a DfE representative in September 2015 at £15,903,000. Other assets have been included in the financial statements using original purchase price and/or remaining useful life.

At 31 August 2018 the net book value of fixed assets was £14,792,702 and movements in tangible fixed assets are shown in Note 12 to the financial statements. The assets were used exclusively for providing education and associated support services to the students and the Academy.

The non-teaching staff of the Academy are entitled to membership of the West Yorkshire Pension Fund. The Academy's share of the Scheme's assets is currently assessed to be less than its liabilities in the scheme and consequently the Academy balance sheet shows a net liability of £1,247,000. The liability inherited on conversion was £830,000.

Governors appointed Calderdale MBC Internal Audit section as the Responsible Officer to undertake the Internal audit function. A full review of the internal controls and systems for 2017-18 were carried out by the Responsible Officer and a report produced for the Governing Body, there were no issues reported which gave the committee cause for concern. The report stated that the controls of the school were good.

#### Reserves policy

The governors review the reserve levels of the Academy on a regular basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The governors take into account the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Governors agreed for the period to 31 August 2018 that the appropriate limit of free cash should be approximately £300,000. This was put into a Lloyds Bank special deposit Account with 0.8% interest. This amount was arrived at by calculating what a sufficient amount of working capital would be needed to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies. The Academy's current level of reserves (total funds less the amount held in fixed assets and restricted funds) is £604,012. Of this figure £66,665 relates to School fund reserves and is mainly to cover trips not yet completed, therefore the amount of free cash reserves is £537,347.

# RYBURN VALLEY HIGH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Investment policy

Governors are committed to ensuring that all funds under their control are managed in such a way as to maximise returns whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from approved financial institutions. Day-to-day management of the surplus funds is delegated to the Headteacher and Business Manager within strict guidelines approved by the Governing Body.

### Principal risks and uncertainties

The Governing body recognises that the defined benefit scheme deficit (Local Government Pension Scheme) which is set out in Note 18 to the financial statements, represents a significant potential liability. However, as the Governors consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from the liability is minimised. Readers should also note that 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 principal risks and uncertainties facing the Academy are as follows:

**Financial** – the Academy has considerable reliance on continued government funding through the ESFA. In the last year 96% of the Academy's incoming resources was government funded (including income from Local Authority) 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.

**Failures in governance/management** – the risk in this area arises from the potential failure to effectively manage the Academy's finances. Internal controls, compliance with regulations and legislation, statutory returns, etc. The governors continue to review and ensure that appropriate measures are in place to mitigate these risks. A responsible officer has been appointed on behalf of the Governing Body to check that internal controls are in place.

**Reputational** – the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational and behavioural standards. To mitigate this risk, governors ensure that student success, achievement and wellbeing are closely monitored and reviewed.

**Safeguarding and Child Protection** – the governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff. The governors agree the Academy's Child Protection and Safeguarding Policy and procedures, there is a governor appointed with a responsibility for child protection and safeguarding who reports back to the Governors Achievement and Wellbeing Committee.

**Staffing** – the success of the Academy is reliant on the quality of its staff. Governors monitor and review policies and procedures to ensure the continued professional development and training of staff, ensuring that annual appraisals of staff are carried out and that there is clear succession planning.

**Fraud and mismanagement of funds** – The Academy has appointed an internal auditor (Responsible Officer) to carry out checks on financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

# RYBURN VALLEY HIGH SCHOOL

## GOVERNORS' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 AUGUST 2018*

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#### Financial and risk management objectives and policies

The Academy holds a Risk Register that has been agreed and is reviewed by the governing body. The register has been discussed by governors and includes the financial risks to the Academy. The governors have assessed the major risks to which the Academy is exposed, in particular those relating to finances, staffing, facilities and operational areas. The governors have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll is small. However the reduction in Post 16 funding levels, the freeze on the Governments overall education budget, changes in funding arrangements for special educational needs and increasing employment costs and PFI costs mean that budgets will be increasingly tight in coming years. The Academy has been modelling these risks with 3 year financial projections during 2017-18 and incorporated these findings into its strategic plans.

The governors examine the financial health formally every term, reviewing expenditure and commitments against budgets, by means of termly financial summaries to the governing body.

At the year end the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

#### **Plans for future periods**

Ryburn Valley High School will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels.

From April 2019, Ryburn Valley High School will be working together with other schools from Calderdale and Kirklees to form a Multi Academy Trust called the Together Learning Trust. The trust will be made up of 5 schools, these are Ryburn, Bolton Brow Academy, Honley High School, Meltham Moor Primary School and Netherton Infant and Nursery School.

#### **Auditor**

In so far as the governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the governors 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.

The governors' report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 05 December 2018 and signed on its behalf by:

Mr J Tinkler

**Chair and Appointed governor**

# RYBURN VALLEY HIGH SCHOOL

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### Scope of responsibility

As governors we acknowledge we have overall responsibility for ensuring that Ryburn Valley High 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 Governing Body 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 Ryburn Valley High School and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met 8 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

<b>Governors</b>	<b>Meetings attended</b>	<b>Out of possible</b>
Mr J Tinkler (Chair and Appointed governor)	7	8
Mr M Cross (Appointed governor)	6	8
Mr M Robertshaw (Appointed governor)	5	8
Mrs L Morrison (Appointed governor) (Resigned 31 August 2018)	6	8
Mrs G Carter (Appointed governor)	5	8
Mr J Godfrey (Appointed governor) (Appointed 13 September 2017)	6	8
Mrs A Bush (Appointed governor)	6	8
Mrs L Masters (Parent governor)	4	8
Mr S Hickling (Parent Governor) (Appointed 13 September 2018)	0	0
Mr I Wood (Parent Governor) (Appointed 13 September 2018)	0	0
Mr D Lord (Headteacher)	8	8
Mrs K Parker (Staff governor)	5	8
Mrs A Milner (Staff governor)	8	8

Governors complete a self-evaluation and skills audit at the end of each academic year. The SEF and audit had been designed by the National Governors Association and is a recognised self-evaluation tool.

Governors are part of an effective team, working at a strategic level to enable the school to provide the best possible teaching and learning environment for the pupils.

Individually and collectively governors demonstrated that they had questioned, challenged and supported the Head and his staff across all aspects of the school business.

There was evidence of

- significant involvement in recruitment and selection,
- active participation in all meetings,
- attendance at many school events
- shedding light on developments in the school and how decisions being made have impacted on the children's learning and progress.
- carrying out specialist governor duties and reporting back to the FGB
- attendance at governor training

The skills audit demonstrated a good balance of skills and experience across the Board of Governors. Areas where the governing board skills / experience require further support included chairing skills, knowledge of procurement / purchasing, premises and facilities management and links with the local businesses. A programme of training and development has been agreed for the next 12 months. The review will be carried out again at the end of the next academic year August 2019.

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# RYBURN VALLEY HIGH SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

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From September 2017, the governors decided that the school would no longer have a separate staffing and resources committee. The financial responsibilities are the responsibility of all governors and as such all financial reporting is incorporated into a termly meeting of the full governing body. The terms of reference are as follows:

- Ensure the school meets the relevant statutory requirements particularly in relation to best value
- To establish and maintain an up to date 3 year financial plan
- To consider a budget position statement including virement decisions at least termly and to consider significant anomalies from the anticipated position
- To approve financial statements including:
  - Charges and remissions policies
  - policy and charges for the community use of the school premises
  - policy and the price of school meals
- To make decisions in respect of service agreements
- To make decisions on expenditure ensuring as far as is practical, that Health and Safety issues are appropriately prioritised
- To monitor expenditure of all voluntary funds kept on behalf of the Governing Board including a review of the audit report of such funds

#### **Review of value for money**

The Accounting officer (Headteacher) is responsible for ensuring that the Academy Trust delivers good value for money in the use of public resources. The Accounting Officer is aware of the guide to academy value for money statements published by the Education and Skills Funding Agency and understands that value for money refers to the educational and wider social outcomes achieved in return for the taxpayers resources received.

The Accounting Officer has ensured that the academy's use of resources has provided good value for money during the academic year, as below:

#### Improving Educational Results

- Rigorous tracking of student progress and achievement to ensure interventions and support are targeted to realise best outcomes.
- 64.9% of students achieved A\* to C (9-4) including Maths and English. A significant number of subjects achieved above the national average. The Academy's progress score is above the national expectation.
- Easter, May half term, after school and Saturday morning revision classes are actively promoted for targeted students. Parental revision and study skills events are organised to help support their child's revision.
- We monitor the progress of Post 16 students to ensure that they are on the courses most suited to them. Our vocational results were significantly above the national average and average points per student for academic subjects increasing.
- We continually monitor attendance with our attendance over all cohorts being above the national average.
- By effectively using our pupil premium income our gap between pupil premium students and non pupil premium students are reduced.
- Behaviour is very good as commented on by external visitors and governors.
- The broad curriculum and extra curricular activities provide students with the opportunity to achieve the highest level of academic and personal achievement which their abilities allow.
- Our most recent Ofsted Inspection (May 2017) was graded good.

# RYBURN VALLEY HIGH SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2018*

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### Financial Performance

- Financial governance and oversight is robust. The governing body consist of members who have finance and business experience.
- The governors receive regular financial monitoring statements, where expenditure is monitored against budget and any significant variances reported accordingly.
- The annual budget and 3 year plan is approved by governors and reviewed regularly
- Significant spending proposals are costed and presented to the Governing Body and Senior Leadership Team for consideration and challenge
- The schools financial procedure states that 3 quotes have to be obtained before incurring any expenditure above £2,500, however in practice more than 1 quote is usually obtained for expenditure over £500
- All Budget Holders are encouraged to have regard for efficiency and economy when purchasing goods and services.
- All curriculum departments receive monthly financial statements to aid their departmental budget monitoring.
- The school routinely reviews contracts to ensure best value.
- The IT Manager continues to be influential in driving down the costs of hardware and software by better procurement and negotiation
- The governors carry out staffing reviews in line with budget forecasts and carry out efficiency savings when required.
- The Business Manager continually challenges the PFI service contract endeavoring to achieve best value
- The school works with other local academies and schools to undertake cost comparison and benchmarking
- The school seeks to explore opportunities to generate additional funding.

# RYBURN VALLEY HIGH SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Ryburn Valley High School for this accounting period of 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts.

### **Capacity to handle risk**

The board of governors 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 governors 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 period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of governors.

### **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 Governing Body;
- annual 3 year forecasted budget modelling reviewed by SLT and governors;
- regular reviews governing body of reports which indicate financial performance against the forecasts and of major purchase plans and capital works;
- staffing reviews;
- 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 Governing Body has considered the need for a specific internal audit function and has appointed Calderdale MBC, Internal Audit Team to act as the Responsible Officer to oversee the Academies internal controls and systems.

The Responsible Officers role includes giving advice on financial matters and performs a range of checks on the Academy Trust's financial systems.

On an annual basis, the Responsible Officer reports to the Governing Body on the operation of the systems of control and on the discharge of the financial responsibilities of the Governing Body.

The RO has delivered the work as planned during the year and there have been no material control issues arising as a result of work performed.



# RYBURN VALLEY HIGH SCHOOL

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2018**

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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 responsible officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the business manager/Finance Director within the Academy Trust who has 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 governing body/audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Governing Body on 05 December 2018 and signed on its behalf by:

Mr J Tinkler  
**Chair and Appointed governor**

Mr D Lord  
**Headteacher**

# **RYBURN VALLEY HIGH SCHOOL**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2018**

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

I confirm that I and the Academy Trust's Governing Body 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 Governing Body and ESFA.

Mr D Lord  
**Accounting Officer**

05 December 2018

# **RYBURN VALLEY HIGH SCHOOL**

## **STATEMENT OF GOVERNORS' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 AUGUST 2018***

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The governors (who act as trustees for Ryburn Valley High School and are also the directors of Ryburn Valley High School for the purposes of company law) are responsible for preparing the governors' report and the accounts 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 governors to prepare accounts for each financial year. Under company law the governors must not approve the accounts 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 accounts, the governors 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Governing Body on 05 December 2018 and signed on its behalf by:

Mr J Tinkler  
**Chair and Appointed governor**

# RYBURN VALLEY HIGH SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RYBURN VALLEY HIGH SCHOOL

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### Opinion

We have audited the accounts of Ryburn Valley High School for the year ended 31 August 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company'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;
- 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 accounts' 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 accounts 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 governors' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the governors have not disclosed in the accounts 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 accounts are authorised for issue.

### Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The governors are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the governors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the governors' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

# RYBURN VALLEY HIGH SCHOOL

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RYBURN VALLEY HIGH SCHOOL (CONTINUED)

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' report, including the incorporated strategic report.

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

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

### **Responsibilities of governors**

As explained more fully in the statement of governors' responsibilities, the governors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the governors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the governors are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company, 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 accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Daniel McAllister FCA (Senior Statutory Auditor)**  
for and on behalf of Simpson Wood Limited

5 December 2018

**Chartered Accountants**  
**Statutory Auditor**

Bank Chambers  
Market Street  
Huddersfield  
HD1 2EW

# **RYBURN VALLEY HIGH SCHOOL**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RYBURN VALLEY HIGH SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 29 September 2015 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 Ryburn Valley High 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 Ryburn Valley High School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Ryburn Valley High School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Ryburn Valley High School and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Ryburn Valley High School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Ryburn Valley High School's funding agreement with the Secretary of State for Education dated 28 August 2014 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 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 ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance which may include review and corroboration of the most recent Financial Management and Governance Evaluation or equivalent;
- evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity;
- assessment and testing of a sample of the specific control activities over regularity of a particular activity;
- when performing sample testing of expenditure, considering whether the activity is permissible within the academy trust's framework of authorities.

# **RYBURN VALLEY HIGH SCHOOL**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RYBURN VALLEY HIGH SCHOOL AND THE EDUCATION AND 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 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.

### **Reporting Accountant**

Simpson Wood Limited

Dated: 5 December 2018

# RYBURN VALLEY HIGH SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2018 £	Total 2017 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	56,012	135,352	29,144	220,508	332,584
Charitable activities:						
- Funding for educational operations	4	-	7,677,778	-	7,677,778	7,710,869
Other trading activities	5	64,069	22,897	-	86,966	145,892
Investments	6	2,944	-	-	2,944	7,082
<b>Total</b>		<u>123,025</u>	<u>7,836,027</u>	<u>29,144</u>	<u>7,988,196</u>	<u>8,196,427</u>
<b>Expenditure on:</b>						
Raising funds	7	76,303	184,776	-	261,079	311,537
Charitable activities:						
- Educational operations	8	-	7,746,490	369,157	8,115,647	8,490,632
<b>Total</b>	7	<u>76,303</u>	<u>7,931,266</u>	<u>369,157</u>	<u>8,376,726</u>	<u>8,802,169</u>
<b>Net income/(expenditure)</b>		46,722	(95,239)	(340,013)	(388,530)	(605,742)
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	18	-	268,000	-	268,000	1,430,000
<b>Net movement in funds</b>		46,722	172,761	(340,013)	(120,530)	824,258
<b>Reconciliation of funds</b>						
Total funds brought forward		557,290	(1,199,312)	15,342,562	14,700,540	13,876,282
Total funds carried forward		<u>604,012</u>	<u>(1,026,551)</u>	<u>15,002,549</u>	<u>14,580,010</u>	<u>14,700,540</u>



# RYBURN VALLEY HIGH SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

Comparative year information Year ended 31 August 2017	Notes	Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2017
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and capital grants	3	43,354	222,943	66,287	332,584
Charitable activities:					
- Funding for educational operations	4	-	7,710,869	-	7,710,869
Other trading activities	5	102,661	43,231	-	145,892
Investments	6	7,082	-	-	7,082
<b>Total</b>		<u>153,097</u>	<u>7,977,043</u>	<u>66,287</u>	<u>8,196,427</u>
<b>Expenditure on:</b>					
Raising funds	7	95,717	215,820	-	311,537
Charitable activities:					
- Educational operations	8	20,000	8,099,230	371,402	8,490,632
<b>Total</b>	7	<u>115,717</u>	<u>8,315,050</u>	<u>371,402</u>	<u>8,802,169</u>
<b>Net income/(expenditure)</b>		37,380	(338,007)	(305,115)	(605,742)
Transfers between funds	16	(29,616)	(12,879)	42,495	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	18	-	1,430,000	-	1,430,000
<b>Net movement in funds</b>		7,764	1,079,114	(262,620)	824,258
<b>Reconciliation of funds</b>					
Total funds brought forward		549,526	(2,278,426)	15,605,182	13,876,282
Total funds carried forward		<u>557,290</u>	<u>(1,199,312)</u>	<u>15,342,562</u>	<u>14,700,540</u>

# RYBURN VALLEY HIGH SCHOOL

## BALANCE SHEET

AS AT 31 AUGUST 2018

		2018		2017	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		14,792,702		15,153,460
<b>Current assets</b>					
Debtors	13	127,218		97,697	
Cash at bank and in hand		1,087,209		1,013,629	
		<u>1,214,427</u>		<u>1,111,326</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(180,119)		(211,246)	
<b>Net current assets</b>			<u>1,034,308</u>		<u>900,080</u>
<b>Net assets excluding pension liability</b>			<u>15,827,010</u>		<u>16,053,540</u>
Defined benefit pension scheme liability	18		(1,247,000)		(1,353,000)
<b>Net assets</b>			<u><u>14,580,010</u></u>		<u><u>14,700,540</u></u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	16				
- Fixed asset funds			15,002,549		15,342,562
- Restricted income funds			220,449		153,688
- Pension reserve			(1,247,000)		(1,353,000)
<b>Total restricted funds</b>			<u>13,975,998</u>		<u>14,143,250</u>
<b>Unrestricted income funds</b>	16		<u>604,012</u>		<u>557,290</u>
<b>Total funds</b>			<u><u>14,580,010</u></u>		<u><u>14,700,540</u></u>

The accounts on pages 22 to 43 were approved by the governors and authorised for issue on 05 December 2018 and are signed on their behalf by:

Mr J Tinkler  
Chair and Appointed governor

Company Number 9040380

# RYBURN VALLEY HIGH SCHOOL

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

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	Notes	2018 £	£	2017 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	19		49,890		51,590
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		2,944		7,082	
Capital grants from DfE Group		29,144		28,767	
Capital funding received from sponsors and others		-		37,520	
Purchase of tangible fixed assets		(8,398)		(80,015)	
<b>Net cash provided by/(used in) investing activities</b>			23,690		(6,646)
<b>Net increase in cash and cash equivalents in the reporting period</b>			73,580		44,944
Cash and cash equivalents at beginning of the year			1,013,629		968,685
<b>Cash and cash equivalents at end of the year</b>			1,087,209		1,013,629
<b>Relating to:</b>					
Bank and cash balances			954,138		895,849
Short term deposits			133,071		117,780

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# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 AUGUST 2018**

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### **1 Accounting policies**

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

#### **1.1 Basis of preparation**

The accounts 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.

Ryburn Valley High School meets the definition of a public benefit entity under FRS 102.

#### **1.2 Going concern**

The governors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

#### **1.3 Income**

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

##### Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the period 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.

##### Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

##### 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.

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

(Continued)

#### 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

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### 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.

### 1.5 Tangible fixed assets and depreciation

Assets costing £3,000 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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Land and buildings	2% straight line
Computer equipment	33.33% straight line
Fixtures, fittings & equipment	12.5% straight line
Motor vehicles	20% straight line

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

(Continued)

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.

#### 1.6 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 of services it must provide.

#### 1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

#### 1.8 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. Prepayments are not financial instruments.

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

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

#### 1.9 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.

#### 1.10 Pensions 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 and the assets are held separately from those of the Academy Trust.

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

(Continued)

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 projected unit method. The 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 are recognised in the period to which they relate..

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

#### 1.11 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency/Department for Education.

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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 judgement

The financial statements are prepared on a factual basis as such there are no areas of judgement.

### 3 Donations and capital grants

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Donated fixed assets	-	-	-	37,520
Capital grants	-	29,144	29,144	28,767
Other donations	56,012	135,352	191,364	266,297
	<u>56,012</u>	<u>164,496</u>	<u>220,508</u>	<u>332,584</u>



# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	7,122,174	7,122,174	7,110,724
Other DfE group grants	-	359,237	359,237	361,070
	-	7,481,411	7,481,411	7,471,794
<b>Other government grants</b>				
Local authority grants	-	196,367	196,367	239,075
<b>Total funding</b>	-	7,677,778	7,677,778	7,710,869

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Hire of facilities	14,289	-	14,289	8,471
Supply income	720	-	720	-
Teachers insurance	-	-	-	26,788
Contributions to school trips	-	5,524	5,524	14,925
Other income	49,060	17,373	66,433	95,708
	64,069	22,897	86,966	145,892

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Short term deposits	2,944	-	2,944	7,082

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 7 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2018 £	Total 2017 £
Expenditure on raising funds	5,751	-	255,328	261,079	311,537
Academy's educational operations					
- Direct costs	5,503,913	369,157	420,989	6,294,059	6,574,762
- Allocated support costs	700,152	932,010	189,426	1,821,588	1,915,870
	<u>6,209,816</u>	<u>1,301,167</u>	<u>865,743</u>	<u>8,376,726</u>	<u>8,802,169</u>

#### Net income/(expenditure) for the year includes:

	2018 £	2017 £
Fees payable to auditor for:		
- Audit	6,375	5,750
- Other services	500	600
Operating lease rentals	3,689	3,500
Depreciation of tangible fixed assets	369,157	371,402
Net interest on defined benefit pension liability	32,000	50,000
	<u>312,061</u>	<u>370,852</u>

### 8 Charitable activities

	2018 £	2017 £
All from restricted funds:		
<b>Direct costs</b>		
Educational operations	6,294,059	6,574,762
<b>Support costs</b>		
Educational operations	1,821,588	1,915,870
	<u>8,115,647</u>	<u>8,490,632</u>

	2018 £	2017 £
<b>Analysis of support costs</b>		
Support staff costs	700,152	756,610
Technology costs	12,959	12,716
Premises costs	932,010	938,293
Other support costs	155,526	175,489
Governance costs	20,941	32,762
	<u>1,821,588</u>	<u>1,915,870</u>

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 9 Staff

#### Staff costs

Staff costs during the year were:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,758,016	4,868,191
Social security costs	480,819	483,719
Pension costs	862,050	948,253
	<u>6,100,885</u>	<u>6,300,163</u>
Staff costs	6,100,885	6,300,163
Agency staff costs	74,725	74,569
Staff restructuring costs	8,076	90,164
Staff development and other staff costs	26,130	24,361
	<u>6,209,816</u>	<u>6,489,257</u>
Total staff expenditure	<u>6,209,816</u>	<u>6,489,257</u>

Staff restructuring costs comprise:

Redundancy payments	<u>8,076</u>	<u>90,164</u>
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#### Staff numbers

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

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Teachers	96	103
Administration and support	60	70
Management	7	8
	<u>163</u>	<u>181</u>
	<u>163</u>	<u>181</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Teachers	88	87
Administration and support	44	43
Management	7	8
	<u>139</u>	<u>138</u>
	<u>139</u>	<u>138</u>

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 9 Staff

(Continued)

#### Higher paid staff

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

	2018 Number	2017 Number
£70,000 - £75,000 (yearly)	1	2
£75,000 - £80,000 (yearly)	1	-
£90,000 - £95,000 (yearly)	1	1
	<u>          </u>	<u>          </u>

#### Key management personnel

The key management personnel of the Academy Trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £550,625 (2017 : £600,237).

### 10 Governors' remuneration and expenses

The headteacher and other staff governors only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy trust in respect of their role as governors. During the year, no travel and subsistence payments were neither made or reimbursed.

The value of governors' remuneration was as follows:

#### D Lord (Head-teacher)

Remuneration £95,000 - £100,000 (yearly)  
Employer's pension contribution £15,000 - £20,000 (yearly)

#### K Parker (Deputy-head)

Remuneration £75,000 - £80,000 (yearly)  
Employer's pension contribution £10,000 - £15,000 (yearly)

#### A Milner (Staff governor)

Remuneration £15,000 to £20,000 (yearly)  
Employer's pension contribution £0 - £5,000 (yearly)

Other related party transactions involving the governors are set out within the related parties note.

### 11 Governors and officers insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust 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 £300 (2017 : £268).

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2017	15,903,000	205,199	126,516	42,837	16,277,552
Additions	-	8,398	-	-	8,398
At 31 August 2018	15,903,000	213,597	126,516	42,837	16,285,950
<b>Depreciation</b>					
At 1 September 2017	922,320	141,562	49,265	10,945	1,124,092
Charge for the year	307,440	36,408	17,804	7,504	369,156
At 31 August 2018	1,229,760	177,970	67,069	18,449	1,493,248
<b>Net book value</b>					
At 31 August 2018	14,673,240	35,627	59,447	24,388	14,792,702
At 31 August 2017	14,980,680	63,637	77,251	31,892	15,153,460

### 13 Debtors

	2018 £	2017 £
Trade debtors	2,651	6,445
VAT recoverable	41,601	28,214
Other debtors	4,315	11,196
Prepayments and accrued income	78,651	51,842
	127,218	97,697

### 14 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	65,076	9,634
Other taxation and social security	54	1,060
Other creditors	928	61,814
Accruals and deferred income	114,061	138,738
	180,119	211,246

Included within Other Creditors are redundancy liabilities due of £nil (2017: £51,375) and payroll creditors amounting to £928 (2017: £9,179).

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

15 Deferred income	2018 £	2017 £
Deferred income is included within:		
Creditors due within one year	72,718	25,271
Deferred income at 1 September 2017	25,271	23,870
Released from previous years	(13,169)	(6,691)
Amounts deferred in the year	60,616	12,588
<b>Deferred income at 31 August 2018</b>	<b>72,718</b>	<b>23,870</b>

At the balance sheet date the Academy Trust was holding funds received in advance in respect of grants from Emotional Wellbeing and Stem Club.

16 Funds	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	82,092	7,122,174	(7,012,089)	-	192,177
Other DfE / ESFA grants	-	359,237	(359,237)	-	-
Other government grants	-	196,367	(196,367)	-	-
Other restricted funds	71,596	158,249	(201,573)	-	28,272
Pension reserve	(1,353,000)	-	(162,000)	268,000	(1,247,000)
	(1,199,312)	7,836,027	(7,931,266)	268,000	(1,026,551)
<b>Restricted fixed asset funds</b>					
DfE group capital grants	15,342,562	29,144	(369,157)	-	15,002,549
<b>Total restricted funds</b>	<b>14,143,250</b>	<b>7,865,171</b>	<b>(8,300,423)</b>	<b>268,000</b>	<b>13,975,998</b>
<b>Unrestricted funds</b>					
General funds	557,290	123,025	(76,303)	-	604,012
<b>Total funds</b>	<b>14,700,540</b>	<b>7,988,196</b>	<b>(8,376,726)</b>	<b>268,000</b>	<b>14,580,010</b>

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 16 Funds

(Continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the academy. 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.

Restricted fixed asset funds must be used for the purchase of fixed assets. The fund has been generated through funding from government grants, donated assets and transfers from predecessor school.

Other restricted funds relates to the school fund where the income received must be expended on school trips.

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 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	231,332	7,110,724	(7,217,469)	(42,495)	82,092
Other DfE / ESFA grants	-	361,070	(390,686)	29,616	-
Other government grants	-	239,075	(239,075)	-	-
Other restricted funds	21,242	266,174	(215,820)	-	71,596
Pension reserve	(2,531,000)	-	(252,000)	1,430,000	(1,353,000)
	<u>(2,278,426)</u>	<u>7,977,043</u>	<u>(8,315,050)</u>	<u>1,417,121</u>	<u>(1,199,312)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	15,605,182	28,767	(371,402)	-	15,262,547
Capital expenditure from GAG	-	-	-	42,495	42,495
Private sector capital sponsorship	-	37,520	-	-	37,520
	<u>15,605,182</u>	<u>66,287</u>	<u>(371,402)</u>	<u>42,495</u>	<u>15,342,562</u>
<b>Total restricted funds</b>	<u>13,326,756</u>	<u>8,043,330</u>	<u>(8,686,452)</u>	<u>1,459,616</u>	<u>14,143,250</u>
<b>Unrestricted funds</b>					
General funds	<u>549,526</u>	<u>153,097</u>	<u>(115,717)</u>	<u>(29,616)</u>	<u>557,290</u>
<b>Total funds</b>	<u>13,876,282</u>	<u>8,196,427</u>	<u>(8,802,169)</u>	<u>1,430,000</u>	<u>14,700,540</u>

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 16 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 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	231,332	14,232,898	(14,229,558)	(42,495)	192,177
Other DfE / ESFA grants	-	720,307	(749,923)	29,616	-
Other government grants	-	435,442	(435,442)	-	-
Other restricted funds	21,242	424,423	(417,393)	-	28,272
Pension reserve	(2,531,000)	-	(414,000)	1,698,000	(1,247,000)
	<u>(2,278,426)</u>	<u>15,813,070</u>	<u>(16,246,316)</u>	<u>1,685,121</u>	<u>(1,026,551)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	15,605,182	57,911	(740,559)	-	14,922,534
Capital expenditure from GAG	-	-	-	42,495	42,495
Private sector capital sponsorship	-	37,520	-	-	37,520
	<u>15,605,182</u>	<u>95,431</u>	<u>(740,559)</u>	<u>42,495</u>	<u>15,002,549</u>
<b>Total restricted funds</b>	<u>13,326,756</u>	<u>15,908,501</u>	<u>(16,986,875)</u>	<u>1,727,616</u>	<u>13,975,998</u>
<b>Unrestricted funds</b>					
General funds	<u>549,526</u>	<u>276,122</u>	<u>(192,020)</u>	<u>(29,616)</u>	<u>604,012</u>
<b>Total funds</b>	<u>13,876,282</u>	<u>16,184,623</u>	<u>(17,178,895)</u>	<u>1,698,000</u>	<u>14,580,010</u>

### 17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2018 are represented by:</b>				
Tangible fixed assets	-	-	14,792,702	14,792,702
Current assets	666,022	338,558	209,847	1,214,427
Creditors falling due within one year	(62,010)	(118,109)	-	(180,119)
Defined benefit pension liability	-	(1,247,000)	-	(1,247,000)
<b>Total net assets</b>	<u>604,012</u>	<u>(1,026,551)</u>	<u>15,002,549</u>	<u>14,580,010</u>



# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 17 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2017 are represented by:</b>				
Tangible fixed assets	-	-	15,153,460	15,153,460
Current assets	558,813	332,730	219,783	1,111,326
Creditors falling due within one year	(1,523)	(179,042)	(30,681)	(211,246)
Defined benefit pension liability	-	(1,353,000)	-	(1,353,000)
<b>Total net assets</b>	<b>557,290</b>	<b>(1,199,312)</b>	<b>15,342,562</b>	<b>14,700,540</b>

### 18 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 Yorkshire Pension Fund. Both are multi-employer defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' 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.

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 18 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates to be 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 pension costs paid to the TPS in the period amounted to £597,857 (2017: £603,886).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 14.8 per cent for employers and 5.5 to 6.8 per cent for employees. The estimated value of employer contributions for the forthcoming year is £139,000.

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.

<b>Total contributions made</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Employer's contributions	142,000	146,000
Employees' contributions	56,000	60,000
Total contributions	<u>198,000</u>	<u>206,000</u>

  

<b>Principal actuarial assumptions</b>	<b>2018</b>	<b>2017</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	3.25	3.15
Rate of increase for pensions in payment/inflation	2	1.9
Discount rate for scheme liabilities	2.8	2.5
Inflation assumption (CPI)	<u>2</u>	<u>1.9</u>

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 18 Pension and similar obligations

(Continued)

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

	2018 Years	2017 Years
Retiring today		
- Males	22.1	22.1
- Females	25.3	25.2
Retiring in 20 years		
- Males	23.1	23.0
- Females	27.1	27.0

#### The Academy Trust's share of the assets in the scheme

	2018 Fair value £	2017 Fair value £
Equities	2,376,010	2,225,106
Government & corporate bonds	455,455	389,610
Cash	70,070	43,290
Property	133,770	129,870
Other assets	149,695	98,124
Total market value of assets	3,185,000	2,886,000

The actual return on scheme assets was £128,000 (2017: £285,000).

#### Amount recognised in the Statement of Financial Activities

	2018 £	2017 £
Current service cost	264,000	348,000
Past service cost	8,000	-
Interest income	(74,000)	(50,000)
Interest cost	106,000	100,000
Total operating charge	304,000	398,000

# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

18 Pension and similar obligations	(Continued)	
<b>Changes in the present value of defined benefit obligations</b>		<b>2018</b>
		<b>£</b>
At 1 September 2017		4,239,000
Current service cost		264,000
Interest cost		106,000
Employee contributions		56,000
Actuarial gain		(214,000)
Benefits paid		(27,000)
Past service cost		8,000
		<hr/>
At 31 August 2018		4,432,000
		<hr/> <hr/>
<b>Changes in the fair value of the Academy Trust's share of scheme assets</b>		<b>2018</b>
		<b>£</b>
At 1 September 2017		2,886,000
Interest income		74,000
Actuarial gain		54,000
Employer contributions		142,000
Employee contributions		56,000
Benefits paid		(27,000)
		<hr/>
At 31 August 2018		3,185,000
		<hr/> <hr/>
<b>19 Reconciliation of net expenditure to net cash flow from operating activities</b>		
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(388,530)	(605,742)
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(29,144)	(66,287)
Investment income receivable	(2,944)	(7,082)
Defined benefit pension costs less contributions payable	130,000	202,000
Defined benefit pension net finance cost	32,000	50,000
Depreciation of tangible fixed assets	369,157	371,402
(Increase)/decrease in debtors	(29,522)	18,441
(Decrease)/increase in creditors	(31,127)	88,858
	<hr/>	<hr/>
<b>Net cash provided by operating activities</b>	<b>49,890</b>	<b>51,590</b>
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# RYBURN VALLEY HIGH SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 20 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:

	2018	2017
	£	£
Amounts due within one year	20,215	2,544
	<u>20,215</u>	<u>2,544</u>

### 21 Related party transactions

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

### 22 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.