

Company Registration Number: (07706726)

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**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
(A company limited by guarantee)

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**Members**

I R N Ballsdon

S Cooke

M Eben- Aimine (appointed 1 October 2017, resigned 14 November 2018)

A Stephenson (appointed 1 October 2017, resigned 14 November 2018)

**Governors**

I R N Ballsdon, Chair of Governors

S Cooke, Head Teacher

J A Kettell

R I Proyard

J E Reynolds

J Parr (resigned 26 January 2018)

C Smith, Chairman of Audit Committee

A Butt

D Geraghty (appointed 29 September 2017)

K Card (appointed 29 September 2017)

**Company registered number**

07706726

**Company name**

The Avenue School Special Needs Academy Trust

**Registered office**

Conwy Close, Tilehurst, Reading, Berkshire, RG304BZ

**Company secretary**

T Green

**Senior management team**

S Cooke, Head Teacher

A Stephenson, Deputy Head Teacher

M Eben-Aimine, Deputy Head Teacher

C Minette-George, Assistant Head

E Webb, Assistant Head

K Gray, Assistant Head

T Green, Finance Manager

**Independent auditor**

Crowe U.K. LLP, Aquis House, 49-51 Blagrove Street, Reading, Berkshire, RG1 1PL

**Bankers**

Lloyds, Reading, RG1 2BT

**Solicitors**

Browne Jacobson, Mowbray House, Cattle Meadow Road, Nottingham, NG2 1BJ

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**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2018. The annual report serves the purpose of both trustees' report and a directors' report under company law.

The trust operates a special needs academy for pupils aged 3 -19. Places are offered to pupils within the Reading Borough Council local authority as well as to those pupils from surrounding Local Authorities. As of 1st Sept 2018, the school is funded for 150 places.

**Structure, governance and management**

**a. Constitution**

The Academy Trust is a company limited by guarantee and an exempt Charitable Company. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Governors act as the Trustees for the charitable activities of The Avenue School Special Needs Academy Trust and are also the Directors of the Charitable Company for the purposes of Company Law. The Charitable Company is known as The Avenue School. Details of the Governors who served throughout the year except as noted are included in the Reference and Administrative Details.

**b. Members' liability**

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

**c. Governors' indemnities**

The Academy Trust holds an insurance policy with Zurich Municipal which included Governors Liability insurance. This qualifies as third party indemnity insurance as defined by section 236 of the Companies Act 2006.

**d. Method of recruitment and appointment or election of Governors**

The Members may appoint nine Governors save that no more than one third of the total number of individuals appointed as Governors shall be employees of the Academy Trust (including the Head Teacher).

**e. Policies and procedures adopted for the induction and training of Governors**

The Academy purchases membership of Reading Borough Council Governor's Services as part of the Academy SLA agreement. Induction and training course dates are highlighted to the members of the Governing Body immediately. Governors are encouraged to take up this training as well as other relevant training for example from The National College. The school is also a member of the School Bus Organisation and The Key, which provide support for Governors and the Senior Leadership Team.

**f. Organisational structure**

As specified in the Articles of Association the business of the Academy Trust is managed by the Governors who exercise all the powers of the Academy Trust. The Governors consider advice given by the Headteacher and

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

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Senior Leadership Team. Governors are responsible for setting policies, planning and budget setting and making senior staff appointments and monitoring the performance of the Headteacher annually.

The academy board of governors is made up of several members, including parent governors, staff governors, community governors and co-opted governors. The full governing body meets once every half term to approve decisions, policies, school development plan and financial status. The Governing Body takes a strategic role, and delegates the responsibility of advising on all financial matters to the Finance & Audit committee, though retains overall approval for financial decisions.

The day to day running of the academy is delegated to the Headteacher and Senior Leadership Team who implement the policies agreed by the Governors. The Senior Leadership Team is responsible for the authorisation of spending within agreed budgetary limits and appointment of staff except the Senior Leadership Team. The Headteacher has been appointed as the Accounting Officer. A member of the Governing Body has been appointed as the Responsible Officer.

The Governing body of The Avenue School Special Needs academy have completed a skills audit, the findings of which are being prepared and key outcomes communicated in the academic year 2018/19.

**g. Pay policy for key management personnel**

All key personnel can expect to receive regular, constructive feedback on their performance and are subject to annual appraisal that recognizes their strengths, informs plans for their future development and helps to enhance their professional practice.

Governors review all pay decisions, but delegate responsibility for all staff appraisals and pay reviews (apart from the Headteacher) to the Headteacher. The Headteacher's performance and pay reviews are carried out by a delegation of Governors. Teacher's pay reviews are paid with effect from 1st September, backdated as appropriate.

**h. Trade union facility time**

**Relevant union officials**

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

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	-
1%-50%	3
51%-99%	-
100%	-

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

	£
Total cost of facility time	1,139
Total pay bill	104,113
Percentage of total pay bill spent on facility time	1 %

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

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**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours **5 %**

**i. Connected organisations, including related party relationships**

The Boddington Trust Fund is a related charity by value of the common control.

**Objectives and Activities**

**a. Objects and aims**

In setting the objectives, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefits and in particular to its supplementary public benefit guidance on advancing education.

The charitable company's objectives are to provide and maintain, manage and develop Special Needs Education.

The main objectives of the Academy during the period ended 31 August 2018 are summarised below:

- To provide the very best opportunities for all pupils to enable them to fulfil their full potential mentally, physically, socially and emotionally;
- To provide a broad and balanced curriculum for all pupil to develop the skills and knowledge needed for life;
- To develop and maintain a high quality learning environment; supported by an appropriate and evolving assessment system;
- To establish consistency and high expectations and support staff with their own personal development and preparation for the future of special education within the authority;
- To develop the school as a specialist resource.

The special educational provision is made at the Academy for one or more categories of Special Educational Needs. These categories may include, but are not limited to, severe and complex learning difficulties, autistic spectrum disorders and needs associated with physical disabilities.

**b. Objectives, strategies and activities**

The main strategy is encompassed in the mission statement: "To enhance each individual's quality of life and maximise independence through an individual approach to the development of communication, personal and social, physical, academic and life skills. Learning will be delivered through an approach to PACE: Playfulness, Acceptance, Curiosity and Empathy (Dan hughes, 1997)".

- Establishing a learning environment designed to inspire students in their quest for knowledge and skills through a range of learning strategies and activities, to maximise independence and opportunities beyond school;
- Establishing a structure to maintain and improve the high standards in the school.

**c. Public benefit**

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general



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

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guidance on Public Benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The Academy's objective is to advance, for the public benefit, education in the area in particular but without prejudice to the area of establishing, maintaining and developing a school offering special needs education for pupils with an EHCP or Statement of Special Educational Needs.

### **Achievements and performance**

#### **Strategic report**

The academy has completed its seventh year of operation. The school has been operating for over 100 years.

Pupils have a baseline assessment completed on admission including both social skills and attainment in basic skills to enable any rapid early progress to be noted. The schools database bring together a wide range of data including attendance and any additional interventions to support individual learning.

Close scrutiny and analysis of this information leads to a judgement that no one group under-performs. Individual pupils on free school meals who receive additional pupil premium funding are provided with the relevant and necessary support to help them meet their maximum potential.

The school prides itself in having a clear focus on the needs of individual pupils and no one pupil is disadvantaged.

#### **a. Key performance indicators**

An Ofsted inspection carried out in February 2016 stated that "the school continues to be outstanding". The report stated: "Together with the visionary leadership of the Headteacher, senior leaders make an extremely effective team"; "Leaders' checks on teaching and learning are comprehensive and accurate"; "The quality of teaching, learning and assessment is extremely well developed to meet the needs of the pupils". The report highlighted that all groups of pupils make outstanding progress. Recommendations were that the new assessment system is refined further so that it is more immediately accessible.

The school has been requested by the Local Authority to increase the number of pupils on roll, this highlights the good reputation of the school in the community and has introduced financial efficiencies.

#### **b. Going concern**

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

#### **Financial review**

The school's funding is obtained from ESFA General Annual Grant, plus Special Educational Needs Top Up funding from the local authorities in which the pupils reside. The school saw a surplus of £365k in the financial year, which has reversed the issue experience in the previous financial year, where the reserves were brought down to a critical level. The reserves are now back in line with the requirement stated in the reserves policy.

The surplus was generated primarily by increasing the pupil numbers, whilst managing costs. The use of the school facilities out of school hours was developed during the year and has generated £12k. £29k of the revenue

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

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surplus was transferred to Capital, to fund upgrades in ICT equipment across the school. The Local Authority donated £220k of assets, by way of 2 new classrooms, in order for the school to accommodate the need for Special Needs Education in the area.

**a. Reserves policy**

The directors' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the school and to fund future projects. The directors intend to review the reserves policy annually to ensure that this aim can be achieved.

The Board of Directors have determined that the appropriate level of free reserves should be a minimum of 2.5% of total funding, and ideally at a level to cover one month's payroll costs. The policy of the Trust is to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies, subject to the constraint that the level of resources does not exceed the level permitted by the EFA. The Trust's free reserves as at 31st August 2018 were £97k (2017: £87k). These free reserves represent 2.1% of total incoming resources in the year. The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies. In future years capital maintenance and development projects may be considered in the reserves policy review.

**b. Material investments policy**

The directors' investment powers are set down in the charitable company's Memorandum and Articles of Association, which permit the investment of monies of the charitable company that are not immediately required for its purposes in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

The policy is to minimise risk and maintain liquidity.

**c. Principal risks and uncertainties**

The principal risks are the pension fund where the school must make good its long term obligations. Due to the nature of these obligations and the timeframes they are due to be realised over, there is a material uncertainty over the final balance. The Academy obtains advice from the scheme actuaries when discussing the pension scheme.

The other principal risk is the grants received for the funding of the school, these are decided annually and hence reduce the Governors' ability to produce long term budgets.

**Fundraising**

The academy had no fundraising activities requiring disclosure under S162A of the Charities Act 2011

**Plans for future periods**

**a. Future developments**

The aims and objectives for providing special needs education for 2018 – 2020 are:

- To develop the school as a centre of excellence that is able to work collaboratively with other special schools and offer outreach and training packages for our mainstream colleagues, other professionals and parents.
- To establish clear curriculum pathways, supported by coherent assessment structures, that lead into lifelong learning opportunities



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

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- To establish the school within a broader community, with improved links with parents, schools, local community and groups

**Funds held as custodian**

Although the charitable company maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, The Avenue Special Needs Academy Trust does not hold, and the directors do not anticipate that it will in the future hold, any funds as custodian for any third party.

**Disclosure of information to auditor**

Insofar as the Governors are aware:

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

The Governors' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on ~~30 DEC 18~~ and signed on its behalf by:

**I R N Ballsdon**  
**Chair of Trustees**



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**GOVERNANCE STATEMENT**

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**Scope of Responsibility**

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

The board of trustees has delegated the day-to-day responsibility to the Head Teacher, 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 The Avenue School Special Needs Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings attended	Out of a possible
I R N Ballsdon, Chair of Governors	5	5
S Cooke, Head Teacher	5	5
J A Kettell	5	5
R I Proyart	5	5
J E Reynolds	3	5
J Parr	1	1
C Smith	3	5
A Butt	2	5
D Geraghty	5	5
K Card	5	5

Tracey Green was appointed Finance Director February 2015.

There have been key changes to the board of Trustees at the start of the year, following retirement of Sue Bourne and Mary Harris. Anna Stephenson and Maarit Eben- Aimine were appointed as new trustees. M.Robinson, G Beha, J Vockins and J Parr stepped down as Governors at the start of the year; K card and D Geraghty were appointed as Staff Governors. A Butt resigned as Governor in October 2018.

The Trustees and Governors have focused on working with the new school leadership team to support the School Development plan (SDP), expansion of the school and closer links with the school community. The board have noted, in particular, the quality of the Headteacher's reports presented at each Governors' meeting and how this gives them a better understanding of the progress of the SDP etc.

The governors have been asked to complete a skills audit and the results of this will be reviewed and key areas will be addressed in 2018/19. There remains a challenge in appointing governors with the correct skills to run the Trust; along with the knowledge and understanding to provide the right level of challenge to the school

The Finance and Audit Committee is a sub-committee of the main governing body. Its purpose is to assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity. During the period, the committee has focused on ensuring good financial practice and policy is established in the school, and have approved the use of funds to replace staff laptops.

Attendance at meetings in the year was as follows:

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**GOVERNANCE STATEMENT (continued)**

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Governor	Meetings attended	Out of a possible
C Smith (Chair)	3	4
I R N Ballsdon	4	4
T Green	4	4
J Kettel	3	3
J Parr	1	1
S Cooke	4	4

During the work carried out to set up a Multi-Academy Trust, governance of the Trust was reviewed, including the structure of the governing bodies.

The outcome highlighted that the challenge faced by the Trust is appointing governors with the correct skills to run the Trust; along with the knowledge and understanding to provide the right level of challenge to the school.

A further review of governance will be carried out in 2017/18

#### **Review of Value for Money**

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

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

1. Decreasing or challenging the staff to pupil ratios.
2. Increase in the number of pupils on roll
3. Reviewed the use of the premises by community groups.

#### **The Purpose of the System of Internal Control**

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

#### **Capacity to Handle Risk**

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

#### **The Risk and Control Framework**

The academy's system of internal financial control is based on a framework of regular management information

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**GOVERNANCE STATEMENT (continued)**

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and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Crowe U.K. LLP as internal auditor.

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

- Credit Card Expenditure
- Payroll
- Risk Register
- Journals
- Procedures surrounding fund allocation for income and expenditure
- EFA Income
- Other Income (non EFA)
- Staff Expenses & Authorisation
- Purchasing
- Procedures and controls over Balance Sheet reconciliations

On a quarterly basis, the auditor reports to the board of trustees through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

This work was carried out in line with ESFA requirements and the work carried out so far has not uncovered any material control issues

**Review of Effectiveness**

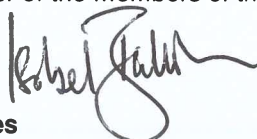
As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 3rd Dec 18 and signed on their behalf, by:

**I R N Ballsdon**  
**Chair of Trustees**



**S Cooke**  
**Accounting Officer**



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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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



**S Cooke**  
**Accounting Officer**



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

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The Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the 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 financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

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

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

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

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

Approved by order of the members of the board of trustees on *3rd Dec 18* and signed on its behalf by:



**I R N Ballsdon**  
**Chair of Trustees**



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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**

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### **Opinion**

We have audited the financial statements of The Avenue School Special Needs Academy Trust (the 'academy') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

### **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

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

**Responsibilities of trustees**

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

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

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**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
(A company limited by guarantee)

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**

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**Auditor's responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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



**Janette Joyce (Senior statutory auditor)**

**Crowe U.K. LLP**

Statutory Auditor

Aquis House  
49-51 Blagrove Street  
Reading  
Berkshire  
RG1 1PL

Date: 13.12.18

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**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE  
AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING  
AGENCY**

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In accordance with the terms of our engagement letter dated 2 June 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 The Avenue School Special Needs Academy Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Avenue School Special Needs Academy Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of The Avenue School Special Needs Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2011, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been



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**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE  
AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING  
AGENCY (continued)**

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applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Janette Joyce (Senior statutory auditor)

**Crowe U.K. LLP**

Statutory Auditor

Aquis House  
49-51 Blagrove Street  
Reading  
Berkshire  
RG1 1PL

Date: 13.12.18

**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**

(A company limited by guarantee)

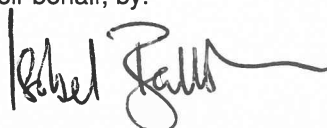
REGISTERED NUMBER: 07706726

**BALANCE SHEET  
AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Tangible assets	12		9,155,612		9,168,685
<b>Current assets</b>					
Debtors	13	84,725		84,222	
Cash at bank and in hand		515,311		191,513	
			<u>600,036</u>	<u>275,735</u>	
<b>Creditors:</b> amounts falling due within one year	14	(177,468)		(188,857)	
<b>Net current assets</b>			<u>422,568</u>		<u>86,878</u>
<b>Total assets less current liabilities</b>			<u>9,578,180</u>		<u>9,255,563</u>
Defined benefit pension scheme liability	20		(3,828,000)		(4,159,000)
<b>Net assets including pension scheme liabilities</b>			<u><u>5,750,180</u></u>		<u><u>5,096,563</u></u>
<b>Funds of the academy</b>					
Restricted income funds:					
Restricted income funds	16	325,329		-	
Restricted fixed assets	16	9,155,612		9,168,685	
Restricted income funds excluding pension liability		9,480,941		9,168,685	
Pension reserve		(3,828,000)		(4,159,000)	
Total restricted income funds			<u>5,652,941</u>		<u>5,009,685</u>
Unrestricted income funds	16		<u>97,239</u>		<u>86,878</u>
<b>Total funds</b>			<u><u>5,750,180</u></u>		<u><u>5,096,563</u></u>

The financial statements on pages 18 to 41 were approved by the Governors, and authorised for issue, on 30 Dec 18 and are signed on their behalf, by:

Chair of Trustees



The notes on pages 21 to 41 form part of these financial statements.



**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
(A company limited by guarantee)

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

	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	18	<b>353,318</b>	<b>(135,817)</b>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		188	220
Purchase of tangible fixed assets		<b>(37,775)</b>	<b>(109,135)</b>
Capital grants from DfE Group		8,104	7,989
Capital funding received from sponsors and others		-	57,482
<b>Net cash used in investing activities</b>		<b>(29,483)</b>	<b>(43,444)</b>
<b>Cash flows from financing activities:</b>			
Interest Paid		<b>(37)</b>	<b>(574)</b>
<b>Net cash used in financing activities</b>		<b>(37)</b>	<b>(574)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>323,798</b>	<b>(179,835)</b>
Cash and cash equivalents brought forward		<b>191,513</b>	<b>371,348</b>
<b>Cash and cash equivalents carried forward</b>	19	<b>515,311</b>	<b>191,513</b>

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**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
**(A company limited by guarantee)**

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**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), judgments and key sources of estimation uncertainty, is set out below.

**1.1 Basis of preparation of financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Avenue School Special Needs Academy Trust constitutes a public benefit entity as defined by FRS 102.

**1.2 Charity status**

The principal activity of the trust is the special educational provision for one or more categories of Special Educational Needs. The Academy Trust is a company limited by guarantee and an exempt Charitable Company (Company number: 07706726.) It is incorporated and domiciled in the UK. The address of the registered office is The Avenue School Special Needs Academy Trust, Conway Close, Tilehurst, Reading, Berkshire, RG30 4BZ.

**1.3 Going concern**

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

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**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
**(A company limited by guarantee)**

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

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**1. Accounting Policies (continued)**

**1.4 Income**

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
**(A company limited by guarantee)**

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

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**1. Accounting Policies (continued)**

**1.5 Expenditure**

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

Expenditure on raising funds includes all expenditure incurred by the academy to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	0.8% - 2%
Plant, Fixtures, fittings, computer equipment and vehicles	-	10% - 33%
Building improvements	-	10%

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

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**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
**(A company limited by guarantee)**

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

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**1. Accounting Policies (continued)**

**1.7 Cash at Bank and in hand**

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

**1.8 Liabilities and provisions**

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.9 Financial instruments**

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

*Financial assets* - trade and other debtors including accrued income 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 costs. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

**1.10 Taxation**

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

**1.11 Pensions Benefits**



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**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
(A company limited by guarantee)

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

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**1. Accounting Policies (continued)**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**1.12 Fund accounting**

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

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

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



**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**1. Accounting Policies (continued)**

**1.13 Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Governors consider that there are no additional material judgements in applying accounting policies or key sources of estimation uncertainty

**2. Income from donations and capital grants**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
Other donations	<b>32,625</b>	<b>200</b>	<b>32,825</b>	10,436
DFE/EFA Capital Grants	-	<b>8,104</b>	<b>8,104</b>	7,989
Donated fixed assets	-	<b>226,086</b>	<b>226,086</b>	47,046
	<b>32,625</b>	<b>234,390</b>	<b>267,015</b>	65,471
<i>Total 2017</i>	10,436	55,035	65,471	

**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
(A company limited by guarantee)

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

**3. Funding for Academy's educational operations**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	1,335,015	1,335,015	1,325,543
Other DfE/EFA grants	-	77,578	77,578	79,880
	-	1,412,593	1,412,593	1,405,423
<b>Other government grants</b>				
Local Authority grants	-	2,883,672	2,883,672	2,435,622
	-	2,883,672	2,883,672	2,435,622
<b>Other funding</b>				
Other Academy income	17,302	7,198	24,500	41,200
	17,302	7,198	24,500	41,200
	17,302	4,303,463	4,320,765	3,882,245
<i>Total 2017</i>	16,989	3,865,256	3,882,245	

**4. Other trading activities**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>Charity trading income</b>				
Sundry lettings and hire of facilities	13,514	-	13,514	2,646
Sundry income	9,208	-	9,208	15,061
Receipts from supply teacher insurance claims	3,650	-	3,650	12,952
	26,372	-	26,372	30,659
<b>Fundraising trading expenses</b>				
Raising funds	173	-	173	2,355
Net income from other trading activities	26,199	-	26,199	28,304

**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**5. Investment income**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income	188	-	188	221
<i>Total 2017</i>	<i>221</i>	<i>-</i>	<i>221</i>	

**6. Expenditure**

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on fundraising trading	-	-	173	173	2,355
Activities:					
Direct costs	3,046,072	-	96,046	3,142,118	3,164,829
Allocated Support costs	773,453	529,936	372,043	1,675,432	1,710,876
	<u>3,819,525</u>	<u>529,936</u>	<u>468,262</u>	<u>4,817,723</u>	<u>4,878,060</u>
<i>Total 2017</i>	<i>3,851,656</i>	<i>590,668</i>	<i>435,736</i>	<i>4,878,060</i>	

**7. Analysis of expenditure by activities**

	Direct Costs 2018 £	Support costs 2018 £	Total 2018 £	Total 2017 £
Educational Operations	3,142,118	1,675,432	4,817,550	4,875,705
<i>Total 2017</i>	<i>3,164,829</i>	<i>1,710,876</i>	<i>4,875,705</i>	

**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Staff costs	789,453	777,096
Depreciation	276,935	257,022
Staff restructuring costs	16,000	7,026
Recruitment and support	84,235	125,150
Technology costs	32,873	34,673
Maintenance of premises and equipment	40,804	60,709
Cleaning	95,865	145,771
Rent and rates	70	3,855
Energy costs	54,839	42,146
Insurance	53,146	58,370
Security and transports	28,694	23,660
Catering	26,278	28,604
Bank interest and charges	37	574
Other support costs	69,203	71,220
Pension finance costs	107,000	75,000
	<u>1,675,432</u>	<u>1,710,876</u>
<i>At 31 August 2017</i>	<u>1,710,876</u>	

**8. Net income/(expenditure)**

This is stated after charging:

	<b>2018 £</b>	<b>2017 £</b>
Depreciation of tangible fixed assets: - owned by the charity	276,934	257,022
Audit Fees	10,920	10,600
Operating lease rentals	4,410	4,410
	<u>292,264</u>	<u>272,032</u>

**THE AVENUE SCHOOL SPECIAL NEEDS ACADEMY TRUST**  
(A company limited by guarantee)

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

**9. Staff costs**

**a. Staff costs**

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	2,787,524	2,801,969
Social security costs	215,734	228,930
Operating costs of defined benefit pension schemes	800,267	813,731
	<u>3,803,525</u>	<u>3,844,630</u>
Staff restructuring costs	16,000	7,026
	<u><u>3,819,525</u></u>	<u><u>3,851,656</u></u>

Staff restructuring costs comprise:

Severance payments	<u>16,000</u>	<u>7,026</u>
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**b. Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs is non-statutory severance payments totalling £16,000 (2017: £7,026). Individually, the payments were: £10,000 and £6,000.

**c. Staff numbers**

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

	2018 No.	2017 No.
Teachers	20	15
Administration and support	125	135
Management	9	6
	<u>154</u>	<u>156</u>

**d. Higher paid staff**

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

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

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2018 pension contributions were £11,709 (2017: £33,826).

**e. Key management personnel**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Staff costs (continued)**

The Key management personnel of the academy trust compromise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employee NI received by key management personnel for their services to the academy trust was £567,987 (2017: £483,580).

**10. Governors' remuneration and expenses**

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Governors. The value of Governors' remuneration and other benefits was as follows:

		2018 £	2017 £
S M Bourne (Headteacher) (Retired 31 August 2017)	Remuneration	-	£75,000-£80,000
	Pension contributions paid	-	£10,000-£15,000
R Proyart	Remuneration	25,000-30,000	£25,000-£30,000
	Pension contributions paid	0-5,000	£0-£5,000
G Beha (Left 31 August 2017)	Remuneration	-	£35,000-£40,000
	Pension contributions paid	-	£5,000-£10,000
B Reynolds	Remuneration	-	£0-£5,000
	Pension contributions paid	-	£0-£5,000
K Card (Appointed 31 August 2017)	Remuneration	30,000-35,000	-
	Pension contributions paid	5,000-10,000	-
D Geragthy (Appointed 31 August 2017)	Remuneration	40,000-45,000	-
	Pension contributions paid	5,000-10,000	-
S Cooke (Headteacher) (Appointed 31 August 2017)	Remuneration	70,000-75,000	-
	Pension contributions paid	10,000-15,000	-

During the year ended 31 August 2018, no Governors received any reimbursement of expenses (2017 - £NIL).

**11. Governors' and Officers' Insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim.



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**12. Tangible fixed assets**

	Long-term leasehold property £	Furniture and fixtures £	Plant and equipment £	Total £
<b>Cost</b>				
At 1 September 2017	10,061,770	378,991	79,968	10,520,729
Additions	-	43,861	220,000	263,861
At 31 August 2018	10,061,770	422,852	299,968	10,784,590
<b>Depreciation</b>				
At 1 September 2017	1,144,881	180,990	26,173	1,352,044
Charge for the year	192,894	52,169	31,871	276,934
At 31 August 2018	1,337,775	233,159	58,044	1,628,978
<b>Net book value</b>				
At 31 August 2018	8,723,995	189,693	241,924	9,155,612
At 31 August 2017	8,916,889	198,001	53,795	9,168,685

**13. Debtors**

	2018 £	2017 £
Trade debtors	29,036	4,086
Other debtors	29,391	21,518
Prepayments and accrued income	26,298	58,618
	<u>84,725</u>	<u>84,222</u>

**14. Creditors: Amounts falling due within one year**

	2018 £	2017 £
Trade creditors	43,934	101,882
Other taxation and social security	52,556	54,076
Other creditors	2,253	1,288
Accruals and deferred income	78,725	31,611
	<u>177,468</u>	<u>188,857</u>

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**14. Creditors: Amounts falling due within one year (continued)**

	2018 £	2017 £
<b>Deferred income</b>		
Deferred income at 1 September 2017	5,250	2,167
Resources deferred during the year	1,603	5,250
Amounts released from previous years	(5,250)	(2,167)
Deferred income at 31 August 2018	<u>1,603</u>	<u>5,250</u>

At the balance sheet date the academy trust was holding funds received in advance in respect of free school meals £1,603 (2017: £5,250).

**15. Financial instruments**

	2018 £	2017 £
Financial assets measured at amortised cost	<u>570,907</u>	<u>221,003</u>
Financial liabilities measured at amortised cost	<u>(123,309)</u>	<u>129,531</u>

Financial assets measured at amortised cost comprise cash in bank and hand, trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

**16. Statement of funds**

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>						
General Funds - all funds	<u>86,878</u>	<u>76,487</u>	<u>(66,126)</u>	<u>-</u>	<u>-</u>	<u>97,239</u>

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**16. Statement of funds (continued)**

**Restricted funds**

GAG	-	1,335,015	(1,305,343)	(29,672)	-	-
Other DfE / EFA grants	-	77,578	(77,578)	-	-	-
Other activity funding	-	7,398	(7,398)	-	-	-
Local Authority Grants	-	2,883,672	(2,558,343)	-	-	325,329
LGPS deficit fund	(4,159,000)	-	(526,000)	-	857,000	(3,828,000)
	<u>(4,159,000)</u>	<u>4,303,663</u>	<u>(4,474,662)</u>	<u>(29,672)</u>	<u>857,000</u>	<u>(3,502,671)</u>

**Restricted Fixed Assets**

Inherited Fixed asset fund	9,168,685	-	(276,935)	263,862	-	9,155,612
DfE/ESFA capital grants	-	8,104	-	(8,104)	-	-
Donated fixed asset	-	226,086	-	(226,086)	-	-
	<u>9,168,685</u>	<u>234,190</u>	<u>(276,935)</u>	<u>29,672</u>	<u>-</u>	<u>9,155,612</u>
Total restricted funds	<u>5,009,685</u>	<u>4,537,853</u>	<u>(4,751,597)</u>	<u>-</u>	<u>857,000</u>	<u>5,652,941</u>
Total of funds	<u>5,096,563</u>	<u>4,614,340</u>	<u>(4,817,723)</u>	<u>-</u>	<u>857,000</u>	<u>5,750,180</u>

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

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

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Academy via the Education Funding Agency by the Department for Education. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the Academy.

The fixed assets fund was set up to recognise the tangible assets gifted to the Academy upon conversion which represents the school site including the freehold and long leasehold land and buildings and all material items of plant and machinery included therein. It also includes all fixed assets subsequently purchased by way of grants and other funding. Transfers from the Restricted General Fund represents capital additions purchased from GAG income.

The LGPS deficit fund has been created to separately identify the pension deficit inherited from the local authority upon conversion to academy status and through which all the pension scheme movements are recognised.

Other DfE/EFA grants including the pupil premium fund has been set up to manage the restricted pupil premium income received for the purposes of supporting children who have been eligible for free school meals at any point in the last six years. The relevant expenditure incurred is recorded through this fund. Other funding includes the PE grant and the grant for the production of the March 2012 accounts return.

The other restricted income fund has been created to recognise all sundry sources of restricted income from various sources that are individually immaterial in value. The relevant expenditure is then also recorded through this fund.

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**16. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 September 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2017 £</i>
General Funds - all funds	317,893	58,304	(24,256)	(265,063)	-	86,878
<b>Restricted funds</b>						
General Annual Grant (GAG)	55,134	1,315,952	(1,582,049)	210,963	-	-
Other activity funding	14,428	725	(15,153)	-	-	-
Local Authority Grants	-	2,435,622	(2,435,622)	-	-	-
Other DFE/EFA grants	-	112,958	(112,958)	-	-	-
LGPS deficit fund	(3,437,000)	-	(451,000)	-	(271,000)	(4,159,000)
	<u>(3,367,438)</u>	<u>3,865,257</u>	<u>(4,596,782)</u>	<u>210,963</u>	<u>(271,000)</u>	<u>(4,159,000)</u>
<b>Restricted Fixed Assets</b>						
Inherited Fixed asset fund	9,316,572	-	(257,022)	109,135	-	9,168,685
DFE/ESFA capital grants	-	7,989	-	(7,989)	-	-
Other capital grants	-	47,046	-	(47,046)	-	-
	<u>9,316,572</u>	<u>55,035</u>	<u>(257,022)</u>	<u>54,100</u>	<u>-</u>	<u>9,168,685</u>
Total restricted funds	<u>5,949,134</u>	<u>3,920,292</u>	<u>(4,853,804)</u>	<u>265,063</u>	<u>(271,000)</u>	<u>5,009,685</u>
Total of funds	<u>6,267,027</u>	<u>3,978,596</u>	<u>(4,878,060)</u>	<u>-</u>	<u>(271,000)</u>	<u>5,096,563</u>

**17. Analysis of net assets between funds**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Restricted fixed assets 2018 £</b>	<b>Total funds 2018 £</b>
Tangible fixed assets	-	-	9,155,612	9,155,612
Current assets	97,239	502,797	-	600,036
Creditors due within one year	-	(177,468)	-	(177,468)
Provisions for liabilities and charges	-	(3,828,000)	-	(3,828,000)
	<u>97,239</u>	<u>(3,502,671)</u>	<u>9,155,612</u>	<u>5,750,180</u>

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**17. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2017 £</i>	<i>Restricted funds 2017 £</i>	<i>Restricted fixed assets 2017 £</i>	<i>Total funds 2017 £</i>
Tangible fixed assets	-	-	9,168,685	9,168,685
Current assets	87,844	187,891	-	275,735
Creditors due within one year	(966)	(187,891)	-	(188,857)
Provisions for liabilities and charges	-	(4,159,000)	-	(4,159,000)
	<u>86,878</u>	<u>(4,159,000)</u>	<u>9,168,685</u>	<u>5,096,563</u>

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

	<b>2018 £</b>	<b>2017 £</b>
Net expenditure for the year (as per Statement of Financial Activities)	<b>(203,383)</b>	<b>(899,464)</b>
<b>Adjustment for:</b>		
Depreciation charges	<b>276,934</b>	<b>257,022</b>
Donated Fixed Assets	<b>(226,086)</b>	<b>-</b>
(Increase)/decrease in debtors	<b>(503)</b>	<b>58,254</b>
(Decrease)/increase in creditors	<b>(11,389)</b>	<b>62,488</b>
Capital grants from DfE and other capital income	<b>(8,104)</b>	<b>(65,471)</b>
Defined benefit pension scheme cost less contributions payable	<b>419,000</b>	<b>376,000</b>
Defined benefit pension scheme finance cost	<b>107,000</b>	<b>75,000</b>
Interest Paid	<b>37</b>	<b>574</b>
Interest Recieved	<b>(188)</b>	<b>(220)</b>
<b>Net cash provided by/(used in) operating activities</b>	<b><u>353,318</u></b>	<b><u>(135,817)</u></b>

**19. Analysis of cash and cash equivalents**

	<b>2018 £</b>	<b>2017 £</b>
Cash in hand	<b>515,311</b>	<b>191,513</b>
<b>Total</b>	<b><u>515,311</u></b>	<b><u>191,513</u></b>

**20. Pension commitments**

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the Royal Borough of Windsor and Maidenhead.

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**20. Pension commitments (continued)**

Both are Multi-employer defined benefit pension schemes.

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

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

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £136,362 (2017 - ££135,969).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has



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**20. Pension commitments (continued)**

accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £412,688 (2017 - £406,000), of which employer's contributions totalled £309,000 (2017 - £301,000) and employees' contributions totalled £99,881 (2017 - £105,000). The agreed contribution rates for future years are 17.6% for employers and 5.5-12.5% for employees.

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

Principal actuarial assumptions:

	<b>2018</b>	<i>2017</i>
Discount rate for scheme liabilities	<b>2.65 %</b>	<i>2.60 %</i>
Rate of increase in salaries	<b>3.80 %</b>	<i>4.20 %</i>
Rate of increase for pensions in payment / inflation	<b>2.30 %</b>	<i>2.70 %</i>

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

	<b>2018</b>	<i>2017</i>
Retiring today		
Males	<b>23.1</b>	<i>23.0</i>
Females	<b>25.2</b>	<i>25.1</i>
Retiring in 20 years		
Males	<b>25.3</b>	<i>25.2</i>
Females	<b>27.5</b>	<i>27.4</i>

	<b>At 31 August 2018</b>	<i>At 31 August 2017</i>
<b>Sensitivity analysis</b>	<b>£</b>	<i>£</i>
Discount rate +0.1%	<b>6,391,000</b>	<i>6,387,000</i>
Discount rate -0.1%	<b>6,745,000</b>	<i>6,741,000</i>
Mortality assumption - 1 year increase	<b>6,791,000</b>	<i>6,777,000</i>
Mortality assumption - 1 year decrease	<b>6,349,000</b>	<i>6,354,000</i>

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**20. Pension commitments (continued)**

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

	<b>Fair value at 31 August 2018 £</b>	<i>Fair value at 31 August 2017 £</i>
Equities	<b>1,284,000</b>	1,197,000
Gilts	-	-
Corporate bonds	<b>411,000</b>	377,000
Property	<b>375,000</b>	330,000
Cash and other liquid assets	<b>405,000</b>	277,000
Target return portfolio	<b>111,000</b>	128,000
Commodities	<b>51,000</b>	43,000
Infrastructure	<b>184,000</b>	169,000
Longevity insurance	<b>(83,000)</b>	(118,000)
	<hr/>	<hr/>
Total market value of assets	<b>2,738,000</b>	2,403,000
	<hr/>	<hr/>

The actual return on scheme assets was £108,000 (2017 - £175,000).

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

	<b>2018 £</b>	<i>2017 £</i>
Service cost	<b>728,000</b>	751,000
Net interest on the defined liability (asset)	<b>105,000</b>	104,000
Administration expenses	<b>2,000</b>	3,000
	<hr/>	<hr/>
Total	<b>835,000</b>	858,000
	<hr/>	<hr/>

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

	<b>2018 £</b>	<i>2017 £</i>
Opening defined benefit obligation	<b>6,562,000</b>	5,553,000
Current service cost	<b>728,000</b>	677,000
Interest cost	<b>170,000</b>	123,000
Employee contributions	<b>100,000</b>	105,000
Actuarial (gains) / losses	<b>(814,000)</b>	166,000
Benefits paid	<b>(180,000)</b>	(62,000)
	<hr/>	<hr/>
Closing defined benefit obligation	<b>6,566,000</b>	6,562,000
	<hr/>	<hr/>

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**20. Pension commitments (continued)**

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

	2018 £	2017 £
Opening fair value of scheme assets	2,403,000	2,116,000
Interest income	65,000	50,000
Actuarial losses/(gains)	43,000	(105,000)
Employee contributions	100,000	105,000
Benefits paid	(180,000)	(62,000)
Employer contributions	309,000	301,000
Administration expenses	(2,000)	(2,000)
	<u>2,738,000</u>	<u>2,403,000</u>
Closing fair value of scheme assets	<u>2,738,000</u>	<u>2,403,000</u>

**21. Operating lease commitments**

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

	2018 £	2017 £
<b>Amounts payable:</b>		
Within 1 year	4,410	4,410
Between 1 and 5 years	3,307	7,716
	<u>7,717</u>	<u>12,126</u>
Total	<u>7,717</u>	<u>12,126</u>

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

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**23. Related party transactions**

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

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