

Registration number: 07511610

Fairfield High School for Girls

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2015

Beever and Struthers
Chartered Accountants and Statutory Auditors
215 - 219 Chester Road
Manchester
M15 4JE

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Fairfield High School for Girls

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Fairfield High School for Girls

Reference and Administrative Details

Members	Mr R Lingard
	Mr Shackleton
	Mr Hesketh
	Mr B Taylor (resigned 31 March 2015)
	Ms B Derbyshire (appointed 1 December 2015)
	Ms B Worthington (appointed 1 December 2015)
Governors and Trustees (Directors)	Mr A Sever
	Ms L Richards
	Ms R Gleave-Leary (resigned 31 March 2015)
	Ms K Chappell
	Ms M Doherty (resigned 31 March 2015)
	Mr Williams (resigned 31 March 2015)
	Mr A Eyre
	Ms B Derbyshire
	Ms B Worthington
	Mr A Sever
	Ms L Richards
	Mr P Cooper (appointed 1 April 2015)
	Mr S Birtles (appointed 1 April 2015)
	Ms A McGarry (appointed 1 April 2015)
	Ms H Weston (appointed 1 April 2015)
	Ms A Mutter
	Ms R Rasul (appointed 1 April 2015)
	Mr N Gallagher (appointed 1 April 2015)
	Ms M McGranaghan (appointed 1 April 2015)
Senior Management Team	Mr B Hesketh, Headteacher
	Ms S Bateman, Deputy Headteacher
	Ms J Mawdsley, Assistant Headteacher
	Ms J Mawdsley, Assistant Headteacher
	Ms Lealman, Assistant Headteacher
	Mr Moran, School Business Manager

Company Registration Number 07511610

Fairfield High School for Girls

Reference and Administrative Details (continued)

Auditors

Beever and Struthers
Chartered Accountants and Statutory Auditors
215 - 219 Chester Road
Manchester
M15 4JE

Fairfield High School for Girls

Trustees' Report for the Year Ended 31 August 2015

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company registration number is 07511610.

The governors act as the trustees for the charitable activities of Fairfield High School for Girls and are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

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.

Trustees' indemnities

The Academy through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

Method of recruitment and appointment or election of Trustees

The governors are appointed under the terms of the Academy's articles of association. The term of office for any governor shall be four years. The Head's term of office runs parallel with his contract of employment. Subject to remaining eligible to be a particular type of governor any governor may be reappointed or re-elected.

Policies and procedures adopted for the induction and training of Trustees

During the period under review the governors held 6 meetings. The training and induction provided for new governors will depend on their existing experience. All new governors are given a tour of the Academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees and directors of the Charitable Company.

Fairfield High School for Girls

Trustees' Report for the Year Ended 31 August 2015 (continued)

Organisational structure

The Governing Body of the Academy have delegated the day-to-day running of the Academy to the Headteacher and the Academy's Senior Leadership Team:

Brendan Hesketh Headteacher
Stephanie Bateman Deputy Headteacher
James Beckett Assistant Headteacher
Jane Mawdsley Assistant Headteacher
Fiona Lealman Assistant Headteacher
John Moran School Business Manager

Financial considerations over £5,000 are referred to the Building & Finance Committee and, where considered necessary, comprise at least three quotes.

Objectives and activities

Objects and aims

In furtherance of the Academy Trust's principal activity, the Academy Trust may exercise the following:

- to operate bank accounts in the name of the Academy Trust.
- to acquire, alter, improve and to charge or otherwise dispose of property.
- to employ such staff as are necessary for proper pursuit of our principal activity and to make all reasonable and necessary provision for the payment of pensions and superannuation to staff and their dependants.
- to co-operate with other Academies, independent and maintained schools, and statutory authorities and to exchange information and advice with them.
- to establish, maintain, carry on, manage and develop the Academy at Fairfield Avenue, Droylsden, Manchester M43 6AB.
- to offer prizes and awards to pupils and otherwise to encourage and assist pupils.
- to provide educational facilities and services to girls within the age group 11 – 16.
- to carry out research into the development and application of new techniques in education in particular in relation to the areas of curricular specialisation of the Academy and to its approach to curriculum development and delivery.
- subject to such consents as may be required by law, to borrow and raise money for the furtherance of its principal activity in such manner and on such security as the Academy Trust may think fit.
- to deposit or invest any funds of the Academy Trust not immediately required for the furtherance of our principal activity subject to the terms and conditions as detailed in the memorandum and articles of association.
- to do all such other lawful things as are necessary for or are incidental to or conducive to the achievement of our principal activity.

Fairfield High School for Girls

Trustees' Report for the Year Ended 31 August 2015 (continued)

Objectives, strategies and activities

- The progress of all pupils, including all identifiable groups, in all subjects exceeds expected rates of progress and are high compared to national figures.
- Teaching in all year groups and all subjects results in all pupils, including all identifiable groups, making outstanding progress over time
- Enhance pupils' application of cross-curricular skills in Literacy, Mathematics and independent learning; provide advice and guidance which results in sustained transition to the next stage of their education.
- Develop further curriculum opportunities (including extra-curricular participation) to ensure SMSC and British Values result in all young women becoming successful learners, confident individuals and responsible citizens, capable of thriving in modern Britain.
- Amend the curriculum and assessment practises accordingly, in light of national changes, to ensure outstanding progress and personal development for all.

Public benefit

The Academy provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

Fairfield High School for Girls

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report

Achievements and performance

- Currently an Ofsted 'Outstanding' school.
- 78% 5 or more A* - C grades, including English and Mathematics (provisional data).
- 42% EBacc.
- 86.1% 3 Levels of Progress in English.
- 85.1% 3 Level of Progress in Maths.
- 42.1% 4 Level of Progress in English.
- 47.1% 4 Levels of Progress in Maths.
- Best ever attendance figures of 96.5%.
- IAG Gold Accreditation.
- Inclusion Quality Mark – Flagship Status.

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 it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Principal risks and uncertainties

The members of the Building & Finance Committee have approved a 'Risk Management Strategy' and 'Risk Register' and the contents therein have been reviewed and systems and procedures have been established to manage those risks.

Financial review

Some funds accumulated from previous GAG underspends have been, and are being invested in improving school facilities. This places the academy trust better to target key elements of our School Improvement Plan and, ultimately, to achieve improved outcomes.

During the period under review the academy trust invested in building works on an extension/redevelopment of the main front entrance (£64,000.00) with the contractors Rosslee Construction. As a result of past student surveys, the academy trust also invested in a two storey extension to the existing sports hall to incorporate a purpose built dance studio and conference facilities. This work began in June 2015 with contractors Walter Carefoot Construction (£746,318.00) and building works are due for completion December 2015. Internal works (dance floor, mirror walls and audio/visual installation) are due for completion early 2016.

Reserves policy

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The governors will keep this level of reserves under review.

Fairfield High School for Girls

Trustees' Report for the Year Ended 31 August 2015 (continued)

Strategic Report

Investment policy

The Academy's Investment Policy was agreed by the Governing Body on 27th November 2012:

- Regularly monitor cash flow and current a/c balances to ensure immediate financial commitments can be met (payroll and payment runs) and that the current accounts have adequate balances to meet forthcoming commitments. In practice a working balance of around £300,000.00 is likely to be maintained.
- Periodically, to identify funds surplus to immediate cash requirements and transfer to an appropriate Banking Institution Deposit Account bearing a higher interest rate.
- Periodically review interest rates and compare with other investment opportunities.
- The Academy's current policy is to only invest funds in risk free and immediately accessible deposit accounts.
- Any future change in Policy requires the approval of Governors via the Building & Finance Committee.

Plans for future periods

The principal source of funding for the academy trust has been via the EFA and this continues to be most beneficial. The academy trust has now begun 'Phase 2' of improving our building stock, as outlined above.

'Phase 3' is currently being investigated and may include the demolition of the central (single storey) area of our building stock, which is currently in poor condition, and construction of a two storey replacement. 'Phase 3' is not likely to begin during the next accounting period.

Fairfield High School for Girls

Trustees' Report for the Year Ended 31 August 2015 (continued)

Funds held as Custodian Trustee on behalf of others

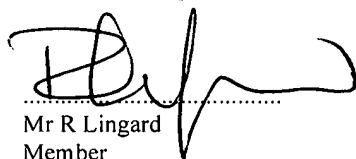
Fairfield High School for Girls held funds on behalf of Tameside Association of Secondary Heads and also on behalf of Tameside Secondary Schools (as part of CERN school trips) in a bank account held separately at Lloyds Bank PLC. The balance of that account at year end 31st August 2015 was £2,116.65.

Auditor

In so far as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, approved by order of the members of the Governing Body on ~~8.12.15~~ and signed on its behalf by:



Mr R Lingard
Member

Fairfield High School for Girls

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Fairfield High School for Girls 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 Mr Hesketh, 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 Fairfield High School for Girls and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Value for Money

As accounting officer, I, Brendan Hesketh have responsibility for ensuring that our Academy delivers good value in the use of public resources. I understand that value for money refers to the educational and wider societal outcomes achieved in return for taxpayer resources received.

As accounting officer, I consider how our use of resources has provided good value during each academic year, and report where value for money can be improved, including the use of benchmarking data where available. I have delivered improved value for money this year by:

- Improving educational outcomes
- Revising our catering contract resulting in significant capital savings
- Renewing facilities, for example heating and ICT so that overheads are reduced

In the future we will continue to investigate:

- Renewing our Human Resources costs
- Efficiencies through Facility Management
- Economies of scale that might be afforded through partnership working

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Fairfield High School for Girls for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body 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 Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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:

Fairfield High School for Girls

Governance Statement (continued)

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

The Governing Body has considered the need for a specific internal audit function and has decided:

The role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a quarterly basis, the reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

There were no material control or other issues reported by the RO to date.

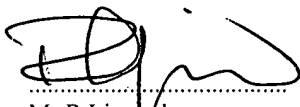
Review of effectiveness

As Accounting Officer, Mr Hesketh 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 ;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on8.12.15.....and signed on its behalf by:



.....
Mr R Lingard
Member

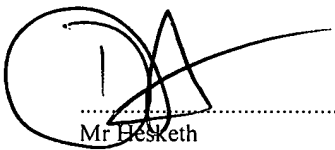
Fairfield High School for Girls

Statement on Regularity, Propriety and Compliance

As accounting officer of Fairfield High School for Girls I have considered my responsibility to notify the academy trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust 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.

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 EFA.



.....
Mr Hesketh
Accounting officer

Fairfield High School for Girls

Statement of Trustees' Responsibilities

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

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

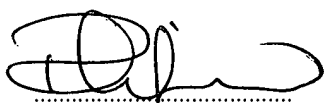
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed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

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

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

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

Approved by order of the members of the Board on 9.12.15 and signed on its behalf by:



Mr R Lingard
Member

Fairfield High School for Girls

Independent Auditor's Report on the Financial Statements to the members of Fairfield High School for Girls

We have audited the financial statements of Fairfield High School for Girls for the year ended 31 August 2015, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 12), the trustees (who are also the directors of the charitable company 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 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 the Annual Accounts Direction issued by the Education Funding Agency; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

Fairfield High School for Girls

Independent Auditor's Report on the Financial Statements to the members of Fairfield High School for Girls (continued)

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

Beever and Struthers

Andrew McLaren (Senior Statutory Auditor)
For and on behalf of Beever and Struthers, Statutory Auditor

Chartered Accountants and Statutory Auditors
215 - 219 Chester Road
Manchester
M15 4JE

Date: *16/12/15*

Fairfield High School for Girls

Independent Reporting Accountant's Report on Regularity to Fairfield High School for Girls and the Education Funding Agency

In accordance with the terms of our engagement letter dated and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Fairfield High School for Girls during the period 1 September 2014 to 31 August 2015 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 Governing Body and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to the Governing Body and the EFA 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 Governing Body and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated and the Academies Financial Handbook extant from 1 September 2012, 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 2014. 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 from 1 September 2014 to 31 August 2015 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 Annual Accounts Direction issued by the Education Funding Agency. 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:

- Review and testing of financial systems of control
- Sample testing of transactions
- Discussions with management

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 from 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Fairfield High School for Girls

**Independent Reporting Accountant's Report on Regularity to Fairfield High School for
Girls and the Education Funding Agency (continued)**

Beever and Struthers

Andrew McLaren

For and on behalf of Beever and Struthers, Chartered Accountants

Chartered Accountants and Statutory Auditors

215 - 219 Chester Road

Manchester

M15 4JE

Date: *16/12/15*

Fairfield High School for Girls

Statement of Financial Activities for the Year Ended 31 August 2015 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2015 £ 000	Total 2014 £ 000
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Activities for generating funds	2	152	-	-	152	423
Investment income	3	3	-	-	3	-
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	4	-	5,287	20	5,307	5,339
Total incoming resources		155	5,287	20	5,462	5,762
Resources expended						
<i>Cost of generating funds:</i>						
Cost of generating funds		165	-	-	165	366
<i>Charitable activities:</i>						
Academy's educational operations		-	5,266	551	5,817	5,129
Governance costs	7	-	32	-	32	20
Total resources expended	5	165	5,298	551	6,014	5,515
Net (outgoing)/incoming resources before transfers		(10)	(11)	(531)	(552)	247
Gross transfers between funds		-	(289)	289	-	-
Net (expenditure)/income for the year		(10)	(300)	(242)	(552)	247
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	24	-	300	-	300	(494)
Net movement in deficit		(10)	-	(242)	(252)	(247)
Reconciliation of funds						
Funds brought forward at 1 September 2014		277	324	16,623	17,224	17,471

Fairfield High School for Girls

Statement of Financial Activities for the Year Ended 31 August 2015 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) (continued)

Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2015 £ 000	Total 2014 £ 000
Funds carried forward at 31 August 2015	<u>267</u>	<u>324</u>	<u>16,381</u>	<u>16,972</u>	<u>17,224</u>


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

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Fairfield High School for Girls
(Registration number: 07511610)
Balance Sheet as at 31 August 2015

	Note	2015 £ 000	2014 £ 000
Fixed assets			
Tangible assets	11	16,380	16,624
Current assets			
Investments		7	6
Debtors	13	38	40
Cash at bank and in hand		1,323	1,587
		1,368	1,633
Creditors: Amounts falling due within one year	14	(81)	(165)
Net current assets		1,287	1,468
Total assets less current liabilities		17,667	18,092
Net assets excluding pension liability		17,667	18,092
Pension scheme liability	24	(695)	(868)
Net assets including pension liability		16,972	17,224
Funds of the Academy:			
Restricted funds			
Restricted general fund		1,021	1,191
Restricted fixed asset fund		16,380	16,624
Restricted pension fund		(695)	(868)
		16,706	16,947
Unrestricted funds			
Unrestricted general fund		266	277
Total funds		16,972	17,224

The financial statements on pages 17 to 38 were approved by the Trustees, and authorised for issue on 8.12.15 and signed on their behalf by:



 Mr R Lingard
 Member

Fairfield High School for Girls

Cash Flow Statement for the Year Ended 31 August 2015

	Note	2015 £ 000	2014 £ 000
Net cash inflow from operating activities	19	27	1,020
Returns on investments and servicing of finance	20	3	-
Capital expenditure and financial investment	21	<u>(294)</u>	<u>(1,053)</u>
Decrease in cash in the year	22	<u><u>(264)</u></u>	<u><u>(33)</u></u>
Reconciliation of net cash flow to movement in net funds			
Decrease in cash in the year		(264)	(33)
Net funds at 1 September 2014		<u>1,587</u>	<u>1,620</u>
Net funds at 31 August 2015		<u><u>1,323</u></u>	<u><u>1,587</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Annual Accounts Direction issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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 is certainty of receipt.

Donations

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

Other income

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

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting policies (continued)

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy Trust's policies.

Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

Cost of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

These are costs incurred on the Academy Trust's educational operations.

Governance costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses.

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting policies (continued)

Asset class	Depreciation method and rate
Freehold Buildings	50 years
Fixtures, fittings and equipment	10 years
ICT equipment	4 years

Investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of financial activities in the year of disposal. Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

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.

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust. 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 quinquennial valuations using a prospective benefit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

1 Accounting policies (continued)

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education/sponsor/other funders 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 Funding Agency/Department for Education.

2 Activities for generating funds

	Unrestricted funds £ 000	Total 2015 £ 000	Total 2014 £ 000
Hire of facilities	5	5	7
Recharges and reimbursements	1	1	1
Other sales	146	146	415
	<u>152</u>	<u>152</u>	<u>423</u>

3 Investment income

	Unrestricted funds £ 000	Total 2015 £ 000
Interest Received	<u>3</u>	<u>3</u>

4 Funding for Academy's educational operations

	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2015 £ 000	Total 2014 £ 000
DfE/EFA capital grants				
Capital Grants	-	20	20	21
DfE/EFA revenue grants				
General Annual Grant (GAG)	5,036	-	5,036	5,084
Local Authority Grants	251	-	251	234
	<u>5,287</u>	<u>-</u>	<u>5,287</u>	<u>5,318</u>
Total grants	<u>5,287</u>	<u>20</u>	<u>5,307</u>	<u>5,339</u>

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

5 Resources expended

	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total 2015 £ 000	Total 2014 £ 000
Costs of activities for generating funds	-	-	165	165	366
Academy's educational operations					
Direct costs	3,491	537	580	4,608	4,082
Allocated support costs	<u>826</u>	<u>237</u>	<u>146</u>	<u>1,209</u>	<u>1,047</u>
	4,317	774	726	5,817	5,129
Governance costs including allocated support costs	<u>-</u>	<u>-</u>	<u>32</u>	<u>32</u>	<u>20</u>
	<u><u>4,317</u></u>	<u><u>774</u></u>	<u><u>923</u></u>	<u><u>6,014</u></u>	<u><u>5,515</u></u>

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

5 Resources expended (continued)

Net incoming/outgoing resources for the year include:

	2015 £ 000	2014 £ 000
Fees payable to auditor - audit	<u>7</u>	<u>6</u>

6 Charitable activities

	Total 2015 £ 000	Total 2014 £ 000
Direct costs - educational operations		
Teaching and educational support staff costs	3,491	3,317
Depreciation	537	458
Technology costs	14	22
Educational supplies	228	171
Examination fees	73	74
Staff development	30	30
Other direct costs	<u>235</u>	<u>10</u>
	<u>4,608</u>	<u>4,082</u>
Support costs - educational operations		
Support staff costs	826	649
Technology costs	12	16
Maintenance of premises and equipment	80	94
Cleaning	19	23
Rent, rates and utilities	112	106
Insurance	26	30
Recruitment and support	21	-
Security and transport	1	2
Catering	47	53
Professional fees	7	-
Other support costs	<u>58</u>	<u>74</u>
	<u>1,209</u>	<u>1,047</u>
	<u>5,817</u>	<u>5,129</u>

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

7 Governance costs

	Total 2015 £ 000	Total 2014 £ 000
Legal and professional fees	25	14
Auditors' remuneration		
Audit of financial statements	7	6
	<u>32</u>	<u>20</u>

8 Staff costs

	2015 £ 000	2014 £ 000
Staff costs during the year were:		
Wages and salaries	3,479	3,193
Social security costs	261	248
Pension costs	570	465
Supply teacher costs	7	60
	<u>4,317</u>	<u>3,966</u>

The average number of persons (including senior management team) employed by the Academy during the year expressed as full time equivalents was as follows:

	2015 No	2014 No
Charitable Activities		
Teachers	59	56
Administration and support	50	41
Management	6	6
	<u>115</u>	<u>103</u>

The number of employees whose emoluments fell within the following bands was:

	2015 No	2014 No
£60,001 - £70,000	1	-
£70,001 - £80,000	1	1

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

9 Trustees' remuneration and expenses

The Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the Academy in respect of their role as trustees. The value of trustees' remuneration was as follows:

Mr Hesketh (Headteacher): £75,000 - £80,000 (2014 - £75,000 - £80,000)

Mr Williams (Staff Governor): £35,000 - £40,000 (2014 - £35,000 - £40,000)

Mr A Eyre (Staff Governor): £30,000 - £35,000 (2014 - £30,000 - £35,000)

Ms K Chappell (Staff Governor): £35,000 - £40,000 (2014 - £35,000 - £40,000)

Ms A Mutter (Staff Governor): £15,000 - £20,000 (2014 - £Nil)

Ms R Rasul (Staff Governor): £45,000 - £50,000 (2014 - £Nil)

Related party transactions involving the trustees are set out in note 25.

10 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The cost of this insurance is included in the total insurance cost.

11 Tangible fixed assets

	Freehold land and buildings £ 000	Other equipment £ 000	Fixtures and fittings £ 000	Computer equipment £ 000	Land & Buildings under construction £ 000	Total £ 000
Cost						
At 1 September 2014	16,785	317	492	556	-	18,150
Additions	-	2	3	113	190	308
Disposals	-	(1)	(15)	(57)	-	(73)
Transfers	124	-	-	-	(124)	-
At 31 August 2015	16,909	318	480	612	66	18,385

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

11 Tangible fixed assets (continued)

	Freehold land and buildings £ 000	Other equipment £ 000	Fixtures and fittings £ 000	Computer equipment £ 000	Land & Buildings under construction £ 000	Total £ 000
Depreciation						
At 1 September 2014	844	98	164	420	-	1,526
Charge for the year	336	49	32	120	-	537
Eliminated on disposals	-	-	(5)	(53)	-	(58)
At 31 August 2015	<u>1,180</u>	<u>147</u>	<u>191</u>	<u>487</u>	<u>-</u>	<u>2,005</u>
Net book value						
At 31 August 2015	<u>15,729</u>	<u>171</u>	<u>289</u>	<u>125</u>	<u>66</u>	<u>16,380</u>
At 31 August 2014	<u>15,941</u>	<u>219</u>	<u>328</u>	<u>136</u>	<u>-</u>	<u>16,624</u>

12 Investments

	Investments £ 000
Cost	
At 1 September 2014	6
Additions	<u>1</u>
At 31 August 2015	7
Provision	
At 31 August 2015	<u>-</u>
Net book value	
At 31 August 2015	<u>7</u>
At 31 August 2014	<u>6</u>

13 Debtors

	2015 £ 000	2014 £ 000
Prepayments	6	27
VAT recoverable	<u>32</u>	<u>13</u>
	<u>38</u>	<u>40</u>

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

14 Creditors: amounts falling due within one year

	2015 £ 000	2014 £ 000
Trade creditors	67	38
Other creditors	2	79
Accruals	12	48
	<u>81</u>	<u>165</u>

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

15 Funds

	Balance at 1 September 2014 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2015 £ 000
Restricted general funds					
General Annual Grant	1,191	5,036	(4,918)	(288)	1,021
Other EFA / DfE grants	-	251	(251)	-	-
	<u>1,191</u>	<u>5,287</u>	<u>(5,169)</u>	<u>(288)</u>	<u>1,021</u>
Restricted fixed asset funds					
DfE / EFA grants	16,026	20	(552)	-	15,494
Capital Expenditure from GAG	598	-	-	288	886
	<u>16,624</u>	<u>20</u>	<u>(552)</u>	<u>288</u>	<u>16,380</u>
Restricted pension funds					
Pension Fund	(868)	-	(127)	300	(695)
Total restricted funds	<u>16,947</u>	<u>5,307</u>	<u>(5,848)</u>	<u>300</u>	<u>16,706</u>
Unrestricted funds					
Unrestricted general funds	277	155	(166)	-	266
Total funds	<u>17,224</u>	<u>5,462</u>	<u>(6,014)</u>	<u>300</u>	<u>16,972</u>

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 2015

16 Analysis of net assets between funds

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	16,380	16,380
Investments	-	7	-	7
Current assets	266	1,095	-	1,361
Current liabilities	-	(81)	-	(81)
Pension scheme liability	-	(695)	-	(695)
Total net assets	<u>266</u>	<u>326</u>	<u>16,380</u>	<u>16,972</u>

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

17 Capital commitments

	2015 £ 000	2014 £ 000
Contracted for, but not provided in the financial statements	<u>746</u>	<u>45</u>

18 Financial commitments

Operating leases

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

18 Financial commitments (continued)

Operating leases which expire:

	2015 £ 000	2014 £ 000
Other		
Within one year	-	13
Within two to five years	18	18
	<u>18</u>	<u>31</u>

19 Reconciliation of net (expenditure)/income to net cash inflow/(outflow) from operating activities

	2015 £ 000	2014 £ 000
Net (expenditure)/income	(552)	247
Depreciation	664	850
Interest receivable	(3)	-
Decrease in debtors	2	13
Decrease in creditors	(84)	(90)
Net cash inflow from operating activities	<u>27</u>	<u>1,020</u>

20 Returns on investments and servicing of finance

	2015 £ 000
Interest received	<u>3</u>
Net cash inflow from returns on investments and servicing of finance	<u>3</u>

21 Capital expenditure and financial investment

	2015 £ 000	2014 £ 000
Purchase of tangible fixed assets	(308)	(1,053)
Sale of tangible fixed assets	15	-
Purchase of investments	(1)	-
Net cash outflow from capital expenditure and financial investment	<u>(294)</u>	<u>(1,053)</u>

22 Analysis of changes in net funds

	At 1 September 2014 £ 000	Cash flows £ 000	At 31 August 2015 £ 000
Cash at bank and in hand	<u>1,587</u>	<u>(264)</u>	<u>1,323</u>

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

23 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.

24 Pension and similar obligations

The Academy'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 . Both are 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 2004 and of the LGPS 31 March 2013.

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.

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

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

Not less than every four years 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 (currently 14.1%))
- 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%.

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

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

Under the definitions set out in Financial Reporting Standard 17 (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy 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 contribution made for the year ended 31 August 2015 was £164,000 (2014 - £145,000, of which employer's contributions totalled £120,000 (2014 - £105,000) and employees' contributions totalled £44,000 (2014 - £40,000).

As described in the notes the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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.

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2015 %	At 31 August 2014 %
Rate of increase in salaries	3.90	3.80
Rate of increase for pensions in payment/inflation	2.70	3.50
Discount rate for scheme liabilities	<u>3.80</u>	<u>3.70</u>

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

	At 31 August 2015
Retiring today	
Males retiring today	21.00
Females retiring today	24.00
Retiring in 20 years	
Males retiring in 20 years	24.00
Females retiring in 20 years	<u>27.00</u>

The academy's share of the assets and liabilities in the scheme were:

	At 31 August 2015 £ 000	At 31 August 2014 £ 000
Equities	1,398	1,260
Corporate bonds	350	320
Property	117	106
Cash	<u>78</u>	<u>89</u>
Total market value of assets	1,943	1,775
Present value of scheme liabilities - funded	<u>(2,638)</u>	<u>(2,643)</u>
Deficit in the scheme	<u>(695)</u>	<u>(868)</u>

The expected rates of return were:

	At 31 August 2015 %	At 31 August 2014 %
Equities	4.00	6.00
Corporate bonds	4.00	3.00
Property	4.00	5.00
Cash	<u>4.00</u>	<u>3.00</u>

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was £42,000 (2014 - £158,000).

Amounts recognised in the statement of financial activities

	2015 £ 000	2014 £ 000
Current service cost	246	159
Total operating charge	246	159
Analysis of pension finance income/(costs)		
	2015 £ 000	2014 £ 000
Expected return on pension scheme assets	(101)	(93)
Interest on pension liabilities	102	89
Pension finance income/(costs)	1	(4)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is (£152,000) (2014 - (£452,000)).

Fairfield High School for Girls

Notes to the Financial Statements for the Year Ended 31 August 2015 (continued)

24 Pension and similar obligations (continued)

Movements in the present value of defined benefit obligation

	2015 £ 000	2014 £ 000
At 1 September	2,643	1,851
Current service cost	246	159
Interest cost	102	89
Employee contributions	44	40
Actuarial (gains)/losses	(359)	549
Benefits paid	(38)	(45)
At 31 August	<u>2,638</u>	<u>2,643</u>

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

	2015 £ 000	2014 £ 000
At 1 September	1,775	1,527
Expected return on assets	101	93
Actuarial (losses)/gains	(59)	55
Employer contributions	120	105
Employee contributions	44	40
Benefits paid	(38)	(45)
At 31 August	<u>1,943</u>	<u>1,775</u>

The estimated value of employer contributions for next period is £130,000 (2014 - £Nil).

Comparative figures have not been restated as permitted by FRS 17.

25 Related party transactions

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.