

**FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2014**

**Haines Watts**  
Bridge House  
Ashley Road  
Hale  
Altrincham  
Cheshire  
WA14 2UT

FRIDAY



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19/12/2014

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COMPANIES HOUSE

# **FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

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***FOR THE YEAR ENDED 31 AUGUST 2014***

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# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

**FOR THE YEAR ENDED 31 AUGUST 2014**

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### Trustees

Bernie Jones (Chair of trustees) (Resigned 6.10.14) \*  
James Robinson (Chair of trustees) \*  
Tony Field (Vice chair) \*  
Julie Hazeldine (Headteacher) \*  
Sophia Barrett  
Calvin Bates  
Eamon Jundi  
Heidi Lockett  
Richard Martin  
Leo Pyrah (Appointed 24.4.14)  
June Reilly  
Dave Richardson  
Liz Steel  
Rosemary Tyrer  
Kate Woods

\* members of the Business and Finance Committee

### Members

Bernie Jones  
Julie Hazeldine  
Rosemary Tyrer

### Senior management team

- Headteacher
- Associate headteacher
- Director of business and finance
- Director of learner services
- Director of progress & achievement
- Assistant head teaching & learning
- Assistant head curriculum

Julie Hazeldine  
Lisa Fathers  
Ruth Bancroft  
Dorothy Trussell  
Sonia Schofield  
Danni Tedford  
Lee Searle

### Company secretary

Ruth Bancroft

### Company registration number

07691820 (England and Wales)

### Registered office

Flixton Road  
Urmston  
Manchester  
M41 5DR

### Independent auditor

Haines Watts  
Bridge House  
Ashley Road  
Hale  
Altrincham WA14 2UT

### Bankers

Lloyds TSB Bank Plc  
Lloyds TSB Commercial Centre  
223 Finney Lane  
Heald Green  
Cheshire SK8 3PY

### Solicitors

Browne Jacobson LLP  
44 Castle Gate  
Nottingham  
NG1 7BG

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 AUGUST 2014*

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The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2013 to 31 August 2014. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 16 serving a catchment area in North Trafford. It has a pupil capacity of 900 and had a roll of 774 in the school census on 2 October 2014.

#### **Structure, governance and management**

##### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust.

The trustees of Flixton Girls School Academy Trust are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served during the year are included in the reference and administrative details on page 1.

##### Members' liability

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

##### Trustees' indemnities

In accordance with normal commercial practice, the academy has purchased trustees' indemnity insurance through Chartis Insurance UK to protect from claims arising from negligence, errors or omissions occurring whilst on academy business.

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

Trustees are recruited in a number of ways. For community trustees this is often through recommendation or through existing business links. Parent and staff trustees are elected through a balloting process with the relevant groups. Appointments are ratified by the full board of trustees.

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

Newly appointed trustees meet initially with the headteacher who introduces them to the school and explains the responsibilities. An induction pack is provided and new trustees are directed to Trafford Council Trustee Services for support and training information. The academy has an annual service level agreement with Trafford Council to provide training for trustees. A varied range of training activities are on offer and attendance is monitored at each meeting of the full board of trustees. Additional bespoke training may be provided in house and through subcommittee meetings. Trustees receive internal information and specific presentations from senior leaders and key staff. FGS has also recently registered with the National Trustees Association.

##### Organisational structure

The governance of the trust is defined in the Memorandum and Articles of Association together with the funding agreement with the Department for Education.

All trustees are members of the full board of trustees. In addition, trustees are members of sub-committees which report to the full board of trustees.

The board of trustees meet each school term to receive reports from the headteacher, its sub-committees and manage its strategic objectives.

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2014**

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There are three sub committees:

- Business and Finance, which meets at least termly to consider the academy's budget and financial performance, internal controls and risk management. This committee also considers the strategic development plan, building and estates, health and safety and staffing and service provision.
- Curriculum and Teaching and Learning, which meets at least termly to consider the academy's curriculum matters and teaching and learning strategies and performance. This committee also considers continued professional development, specialism and parental engagement.
- Inclusion and Attainment, which meets at least termly to consider the academy's target setting, data and performance. This committee also considers special education needs and behaviour.

The day to day management is delegated to the headteacher who has appointed a strategic leadership team, which meets weekly to advise the headteacher on her day to day responsibilities.

The academy has a total of 110 staff. There are 50 teaching staff and 60 support staff including teaching assistants and catering staff. There are a number heads of department and subject leaders with additional TLR responsibilities. The staff structure is shown at the end of the trustees' report.

### Connected organisations including related party relationships

The Flixton Well Woman Trust:

The trust was originally created in order to take over the governance of the school as a trust and Foundation School in 2010. As the school became an academy in 2011 and was required to set up an academy trust there was no longer a need to maintain the FWWT. Therefore it was dissolved on 25 November 2014. However, the school and trustees are keen to maintain the principles and aims of the trust in seeking to support the school in removing barriers and facilitate achievement of all.

The Sixth Form partnership with Trafford College:

The school works in partnership with Trafford College in delivering 6<sup>th</sup> form provision on site. Trafford College is technically the provider but the courses are delivered by staff from both institutions. The day to day leadership and management is provided by the school.

The 6<sup>th</sup> form provides A Level courses and also a Level 2 'Transition' course including GCSE English and Maths. In September 2014 there were no NEET students from the y11 leavers in 2014 proving the success of this provision in securing good outcomes for students.

### **Objects and activities**

The principal object and activity of the charitable company is the operation of Flixton Girls' School Academy Trust to provide education for girls of all abilities between the ages of 11 – 16.

FGS are specialists in girls' education providing a nurturing, supportive and challenging environment where girls excel. Exceptional opportunities allow girls to develop their individual characters and talents and to fulfil their dreams and aspirations. FGS welcomes girls of all abilities, interests and aptitudes.

### Objects and aims

#### Our founding principles

At FGS we inspire girls to discover their talents and fulfil their potential through our founding principles of aspiration, empowerment and excellence. These principles are at the heart of life at FGS, ensuring that each individual is able to achieve her personal best.

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2014**

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### Our values

All in our school:

- Nurture ambition and recognise talent.
- Develop abilities.
- Respect and value each other.
- Celebrate diversity and achievement.
- Promote self-belief, confidence and a 'can-do' attitude.
- Promote healthy lifestyles and participation in physical activity.
- Provide stretch, challenge and support.
- Encourage reflection.
- Pursue and achieve excellence.

### Objectives, strategies and activities

Aspiration, the first of our founding principles is vital in instilling in each girl the desire to be successful in her chosen field and to have high ambition for the future. Our highly qualified and dedicated staff team deliver rich experiences and opportunities that enable each girl to find and develop her talents. We work hard to ensure that she is aware of the opportunities available to her and that she is fully supported to achieve her goals. Our curriculum together with our wide and varied enrichment programme introduces girls to many new activities and is underpinned by a commitment to the development of self-confidence, self-worth and a love of learning.

Empowerment, the second of our founding principles, ensures that each girl is equipped with the skills and abilities she needs in order to achieve success. At FGS we believe that the empowerment of a young woman is the key to her future happiness and success, as well as to the future of our community and our society. We empower our girls through:

- a sporting ethos encouraging leadership, teamwork, coaching, perseverance and reflection;
- a creative approach to teaching and learning;
- an innovative curriculum that embraces learning beyond the classroom, providing challenge and adventure;
- the development of their own voice through active citizenship and leadership;
- access to inspirational role models;
- a wonderfully supportive house system that nurtures the girls through a family approach; and
- a truly robust and contemporary approach to all aspects of safeguarding. The happiness, health and well-being of our girls drive all that we do.

Excellence, our third founding principle, permeates our actions and drives ambition; the unlimited ability to do ordinary things extraordinarily well. Flixton girls are proud of their school and benefit from our deep commitment to traditional standards, courtesy and respect, leading to outstanding achievements and academic success.

At FGS we believe that each girl deserves the very best education and has limitless potential. We consider it our duty to help her to discover and fulfil that potential. We are privileged to guide each girl as we share with her most enjoyable, challenging and exciting journey of her life; from girl to woman.

### **Strategic report**

Flixton Girls' School is a high achieving and well-respected school both in our local community and nationally. Over the last eight years the school has made tremendous gains in academic examination results; developed a high national and local profile in a number of key areas and has succeeded in attracting record numbers of pupils even through a period of demographic decline.

The school has worked in partnership to create a Sixth Form enabling this 11 to 16 all ability school to provide bespoke post-16 provision. The school has been extremely successful in reducing the number of students not in education, employment or training to zero in September 2014, following a four year strategic approach.

Year on year record examination results have ensured that achievement and attainment is now well above the national average when the ability profile is only just in line with national. This shows that the school adds great value to the girls from their achievements at the point of entry to the school.

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2014

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The success of the school lies in the clear ethos, vision and values stated in this report and the exceptional quality of staff successfully recruited to deliver an extremely rich and varied curriculum.

The school works hard with partners to provide additional resources and opportunities for the girls. This includes, for example, The Outward Bound Trust who provides a 40% bursary to enable all girls to attend the Outward Bound programme in years 7, 8 and 10.

The school has maintained productive relationships with Trafford Local Authority and plays an active role in the educational networks across Trafford and Greater Manchester.

An Ofsted inspection was carried out in March 2014 and the school received the official rating of 'GOOD WITH OUTSTANDING FEATURES'. The school has employed a consultant to monitor the progress towards the Ofsted targets and this is reported 3 times a year to trustees. This work demonstrates clear progress towards those targets.

#### Public benefit

The trust has a commitment to the community. Flixton girls are proud of their school and benefit from our deep commitment to traditional standards, courtesy and respect. Supporting the local community is part of the ethos at Flixton Girls' School. FGS want to play our part in helping the lives of others.

As a Specialist Sports College, excellence in community work to support community cohesion, family learning and extended schools is at the heart of our specialist community action plan.

Our vision recognises and celebrates the diversity within our catchment area and welcomes the contributions which different groups and individuals make to the community. Through our specialism we have funding to set up, support and sustain activity where none currently exists.

Every term our students take part in a variety of charity events to help raise money for the local, national and international charities.

The school is also a local and national leader in two main areas: safeguarding and using sport to drive achievement. The headteacher and other key staff sit on a variety of committees and groups in order to share their expertise in these areas and as a result the school has a well-established national reputation for good practice and is regularly approached for advice and support from a variety of organisations including the Office of the Children's Commissioner and Greater Manchester Police.

In addition to this national work the school is also a strategic partner in the Teaching Schools Alliance with Altrincham Girls Grammar School. This work enables our staff to share their expertise with teachers from a wide area across Greater Manchester.

#### **Achievements and performance**

***The school has sustained a seven year increase in GCSE & BTEC results defying a national climate of decline and plateau in examination results.***

The headline measure for 5A\*-C inc English and Maths is 73.2% in 2014 against a national figure of 59%. The ability profile of the year group in 2014 was broadly in line with national but with a smaller proportion of high ability learners.

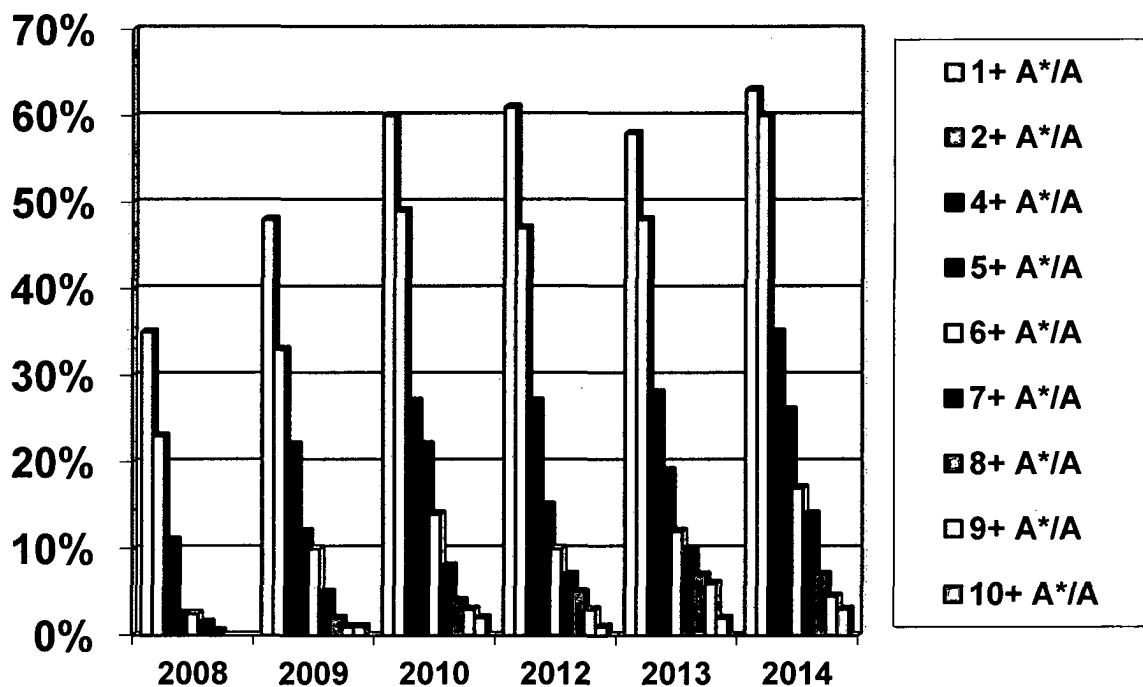
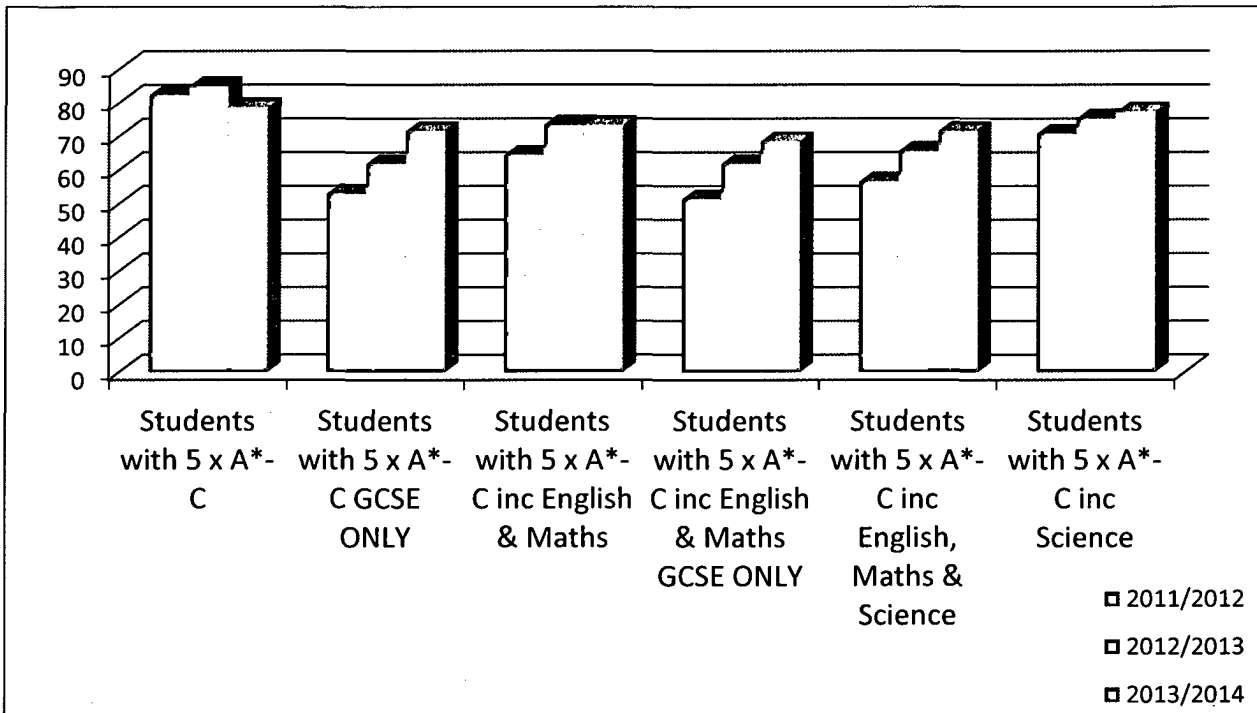
The school has achieved a significant increase in the number of girls achieving A\*/A grades in the summer examinations. The graph below shows the increase over time and specifically the increase since last year which clearly shows the progress made following Ofsted comments and areas for development.

- Over 60% of girls achieved 1 or more A\*/A grade across curriculum subjects.
- Students gained more than triple the number of A\* grades at GCSE compared to 2013.
- Increase of nearly 100% for the top grades of A\* and A.
- 35% of all grades were at A\*/A.
- Some teaching groups achieved A\*/A grades between 60% and 100% (English Lit, Media, RE;).

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014



# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2014**

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The average grade for the following subjects was A\*, A or A- as follows:

- ICT GCSE
- ICT OCR National
- Media GCSE
- MFL GCSE Chinese
- Project GCSE
- BTEC Dance Extended Certificate
- BTEC Health and Social Care Extended Certificate
- BTEC Health and Social Care Diploma
- BTEC Music Diploma

The average grade for the following subjects was B+, B or B-:

- Additional Science GCSE
- Additional Further Science GCSE (equivalent to Biology, Chemistry, Physics)
- BTEC HSC Single Award
- BTEC Music Extended Certificate
- BTEC Science
- Business Studies GCSE
- English Language GCSE
- English Literature GCSE
- Geography GCSE
- ICT GCSE Short Course
- Music GCSE
- PE GCSE
- RE GCSE
- Statistics GCSE

We are proud to report OFSTED found that: **"The school's leadership is outstanding"**...that **"Attitudes to learning are good and students work hard. They are fiercely proud of their school, come well prepared for lessons, enjoy taking part"** and that they make **"excellent progress"** in both English and Mathematics. **"Parents are confident that the school provides a safe environment for their children."** These are just a few of the excellent outcomes and findings. Below is a selection of quotes from the 2014 report:

### Comments on students:

- Students are **fiercely proud** of their school.
- Students make **excellent** progress in English and Mathematics.
- Students' results are **well-above** national figures.
- Attitudes to learning are good and **students work hard**.
- They are **polite, friendly and respectful** towards adults and each other. They wear their uniform with pride.
- Students' spiritual, moral, social and cultural development is **outstanding**.
- Students have many **opportunities** to take on leadership roles in school, such as prefects, house captains, sports captains, librarians and membership of the school council. This helps develop their **self-confidence**.
- Students' safety is **outstanding**. The excellent care that students receive keeps them safe. The school's work to keep students safe and secure is **outstanding**.

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2014

#### Comments on teaching and how the school is run:

- Students were observed being inspired by teachers' skilled use of resources resulting in **outstanding** progress.
- The school's leadership is **outstanding**.
- The school is very strongly led by a committed and passionate headteacher. The headteacher, with the effective support of other leaders, is **highly effective** in driving the school forward and raising standards.
- Relationships between students and teachers are **warm and respectful**.
- Teachers set students **challenging** tasks.
- ...inspectors saw **innovative** use of learning technologies.
- The school's sports specialism is used well to **involve and inspire** students to reach their full potential both personally and academically.
- Governance of the school is **very effective**. Governors are ambitious to improve the school.

#### Key performance indicators

##### Academic results

73.2% of students gained 5 or more A\* to C grades including English and Maths. As already stated the academic results have increased significantly and dramatically over time. This increase goes hand in hand with improved standards of teaching, improved pupil behaviour and a very positive culture and ethos embedded within the school.

The academic results are well above national average which is significant in a school with below national average ability pupils up to and until 2013. The ability profile of the pupils is now above national average as a result of the improvements over time and public confidence in the school.

##### Pupil attendance figures

In 2013-2014 the full year attendance was over 95% and in line with national averages. Ofsted rated attendance as good.

September 2013 – July 2014 95.1%  
September 2012 – July 2013 95.01%  
September 2011 – July 2012 94.1%  
September 2010 – July 2011 93.1%  
September 2009 – July 2010 92.6%

##### Pupil recruitment, retention and profile of intake

This year we have seen roughly twice as many students join FGS as have left. The charts below outline the detail. In addition to this we have also had a very successful marketing and recruitment campaign ensuring high numbers for next year with 185 confirmed places for September 2014. This means 31 in a form with some subjects being provided with extra sets to facilitate smaller group sizes where necessary. Just a reminder that school budgets generally operate efficiently with groups sizes of approximately 30 and any smaller then begins to increase staffing costs.

##### Pupil numbers:

Year	June As at 25/6/14	Projected As at 25/6/14	Total As at 2/10/14 (Census Day)
Year 7	164	186	186
Year 8	143	164	169
Year 9	143	143	146
Year 10	168	143	143
Year 11	158	168	169
Totals			813

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2014

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Funding for 2014/15 is based on 774 so we have an additional 37 pupils who will not be funded until 1 September 2015 as we are subject to 'lagged' funding. Each student attracts £4,184.33 for the 2014/15 financial year so the under-funding is £154,820.21.

In previous years when the number on roll was falling, we benefitted from this, however, at that time our financial year ran April to March whereas we will have to wait a full year now for any additional funding with our financial year running September to August. This has made setting the budget even more difficult and support from the local authority has not been forthcoming.

#### Destinations of school leavers

The vast majority of girls leave FGS to go to further education and this has increased over time: 2010: 93% 2011: 92% 2012: 95%.

Numbers becoming NEET have conversely decreased over time: 2010: 4.5% to 2014: 0%.

The school has worked extremely hard to minimise the number of pupils becoming NEET. In 2012 the school entered into a partnership arrangement with Trafford College of Further Education offering a Sixth Form provision on the school site.

#### Recruitment and retention of staff

The academy places importance on staff recruitment, retention and development in order to maintain the highest standards of teaching and learning.

At the end of 2014 following a staffing re-structure, seven permanent support staffing posts were made redundant. Two members of staff were redeployed within the school.

Ensuring the recruitment and retention of high quality staff has been a strategic aim of the school and this has led to ever increasing standards. We are proud of our staff and students' achievements and we continue to make year on year improvements in every aspect of our work.

#### 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 note of the financial statements.

#### **Financial review**

The principal financial management policies adopted in the year are:

- regular financial reviews of income and expenditure versus planned budgets at finance committee meetings; and
- consideration as to whether income streams demonstrate a robust and stable position to continue to enable the provision of resources of sufficient quality to fulfil the academy's educational obligations.

The majority of the academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2014 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The academy also receives grants for fixed assets from the EFA, and from other government bodies. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the statement of financial activities as restricted income in the fixed asset fund.

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2014**

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### Reserves policy

The trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure stream, the need to match income with commitments and the nature of reserves. Although the trustees have determined that the appropriate level of free reserves should be equivalent to 1 month of the GAG, approximately £296,000, this has been restricted by the deficit in previous years and the funding reductions due to the falling pupil numbers. The considered reserves would create sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

### **Principal risks and uncertainties**

The Flixton Girls' School Academy Trust is in process of adopting a risk management policy and creating a risk register and risk review process. The objectives will be to determine an approach and, where it is considered necessary, put in place measures of control and mitigation in order to manage risk.

The principal risks are seen as the loss of reputation through falling standards, falling student rolls and failure to safeguard our students.

Key controls in place are:

- an organisational structure with defined roles, responsibilities and authorisation levels;
- terms of reference for the committees of the board of trustees;
- financial planning, budgeting and regular management reporting highlighting areas of financial risk;
- formal written and published policies for employees; and
- vetting procedures as required by law for the protection of the vulnerable.

The academy has recognised its share of the local government pension scheme (LGPS) assets and liabilities in accordance with Financial Reporting Standard No. 17. A deficit has been recognised at 31 August 2014. Future contribution rates are adjusted so as to reduce this deficit.

### **Plans for future periods**

#### **PART ONE: Aspiration**

#### **Teaching & Learning Priorities (TLPs) For Faculties, Houses and SLT**

**TLP1: To secure consistently high quality teaching and learning, marking and feedback leading to:**

- a. aim for 100% pupils achieving target in every year group and **85 %5+A\* to C including English and Maths;**
- b. an increase in % A\* and A grades across the board through engagement with more intellectually challenging work;
- c. minimal gap in attainment of SA+ students; and
- d. progress of all vulnerable groups thereby 'closing the gap' and achievement for all.

**TLP2: To generate in the girls "...a thirst for knowledge, resilience and a love of learning..." through:**

- a. a mastery curriculum and enrichment programme promoting deep learning;
- b. effective assessment strategy in light of DfE changes to both the national curriculum and national examinations and assessment framework KS1 to KS5; and
- c. an 'achievement for all' strategy and outstanding climate for learning.

**TLP3: To develop numeracy, use of ICT, literacy;**

- a. improve spelling, punctuation and grammar (SPG);
- b. raise individual reading ages towards and beyond chronological age; and
- c. improve access to the new curriculum, examinations and assessment framework.

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2014**

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**TLP4: To develop the 6<sup>th</sup> form offer and increase participation through:**

- a. excellent Careers IAG;
- b. Talented Able & Gifted provision;
- c. development of effective transition route especially for SEN or vulnerable students;
- d. graduate programme; and
- e. in partnership with Trafford College and universities.

**TLP5: To develop a collaborative, research based approach to teaching and learning, self-evaluation and quality assurance leading to school improvement.**

### **PART TWO: EMPOWERMENT**

**Services development to facilitate the delivery of the teaching and learning priorities for SLT and support teams: administration, business development, finance, network and facilities, HR, learner services**

#### **S1: Business development: LF/JBR**

To further develop our strategic partnership with the AGGS teaching school alliance and school to school support:

- a. To develop partnerships which provide greater opportunities, generate resources and benefit students.
- b. To identify, protect and capitalise on our intellectual property.
- c. To further develop our intelligent approach to marketing and communications.
- d. To develop our Alumni to safeguard our heritage and invest in our future.
- e. To optimise the business operations of catering "ARTISAN" and lettings.

#### **S2: Curriculum development: LS**

- a. To review and develop the curriculum in light of national curriculum changes KS3 and KS4 and taking account of changes to KS1, 2 and 5.
- b. To sustain and extend specialism impact to include STEM and Arts.
- c. To provide curriculum and timetable structures which facilitate curriculum delivery and high achievement.

#### **S3: Environmental development: RB/TBR/HG**

- a. To deliver services through ethically, environmentally and socially responsible strategies.
- b. To provide a physical interior and exterior learning environment that is stimulating, dynamic, flexible and interactive.

#### **S4: Social development: DT**

- a. To develop a resilient emotional environment for all stakeholders where social, moral, spiritual and cultural understanding is optimised.
- b. To close gaps in achievement across all vulnerable groups, delivering social mobility through a robust and contemporary approach to safeguarding and intervention with impact.
- c. To develop projects and partnership work under the umbrella of the Flixton Well Woman Trust that remove barriers to learning.
- d. To develop our collective social conscience through extensive community and charity projects.
- e. To further embed enterprise and employability capabilities.
- f. To develop further, leadership at all levels of the school community including students.

#### **S5: Technological development: TBR**

- a. To provide a technological environment that develops independent learners via a research driven curriculum.
- b. To facilitate access to knowledge and learning communities, giving learners the opportunity to work spontaneously, independently, collaboratively, and creatively.
- c. To empower learners to achieve their individual potential, and facilitate a creative and flexible approach to teaching and learning, with the opportunity for curriculum development leading to success.
- d. To provide for the intelligent use of data by all for the purpose of improvement and delivering the Strategic School Priorities, Sustainability and Professional Standards.

# **FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2014***

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### **S6: Financial development: RBA**

- a. To optimise creative financial thinking, reduce fixed costs, maximise efficiencies and sweat the assets thereby releasing maximum funding for investment, research and development.
- b. To take a zero-based, needs-based approach to budgeting.
- c. To provide training for all budget holders which enables them to maximise their resources through creative solutions.
- d. To re-develop the catering provision through an effective, self-financing business plan.

### **S7: Professional development: LF**

- a. To facilitate personalised, professional development programmes.
- b. To ensure a high quality and robust new staff induction for ITTs NQTs RQTs and experienced new teaching and support staff.
- c. To provide opportunities for staff to deliver training for other staff both internal and external.
- d. To develop mutual professional respect and understanding through a programme of work shadowing.
- e. To develop leadership potential at all levels.

## **PART THREE: EXCELLENCE**

**Professional standards and ethos: For all staff at FGS**

**Quality assured and facilitated by the strategic leadership team**

**PS1: All staff deliver "The Flixton Way" professional standards to ensure a high quality experience.**

**PS2: All teachers deliver academic excellence and high quality teaching and learning through:**

- a. research both academic and action research;
- b. the delivery of, and engagement with high quality CPD; and
- c. the development of stimulating professional learning communities.

**PS3: To sustain well-informed, challenging and supportive governance.**

**PS4: To use performance related pay and appraisal as opportunities to secure and celebrate outstanding outcomes:**

**PS5: To utilise identified Quality Marks in the maintenance, pursuit and delivery of excellence:**

#### **a. Existing:**

- Youth Sport Trust Gold Partner
- National Enterprise Award
- Arts Mark Gold
- International Award

#### **b. For this year:**

- Inclusion Quality Mark
- NACE award (lapsed)  
(provision for TAG students)
- Equalities Award

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2014**

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**PS6: To ensure all activities successfully convey and embody the founding principles and provide brand loyalty including:**

- a. Conduct of staff and students.
- b. Curriculum and enrichment curriculum design and delivery.
- c. Promotional literature and published articles.
- d. All internal services and all school events.
- e. Partnership working.

**PS7: Secure FGS as a school of first choice for parents of all girls in the catchment and beyond by:**

- a. promoting the good work of the school;
- b. securing trust and inspiring confidence of all stakeholders through all that we do; and
- c. the FGS national and local profile and partnerships.

### **Auditor**

Insofar as the trustees are aware:

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

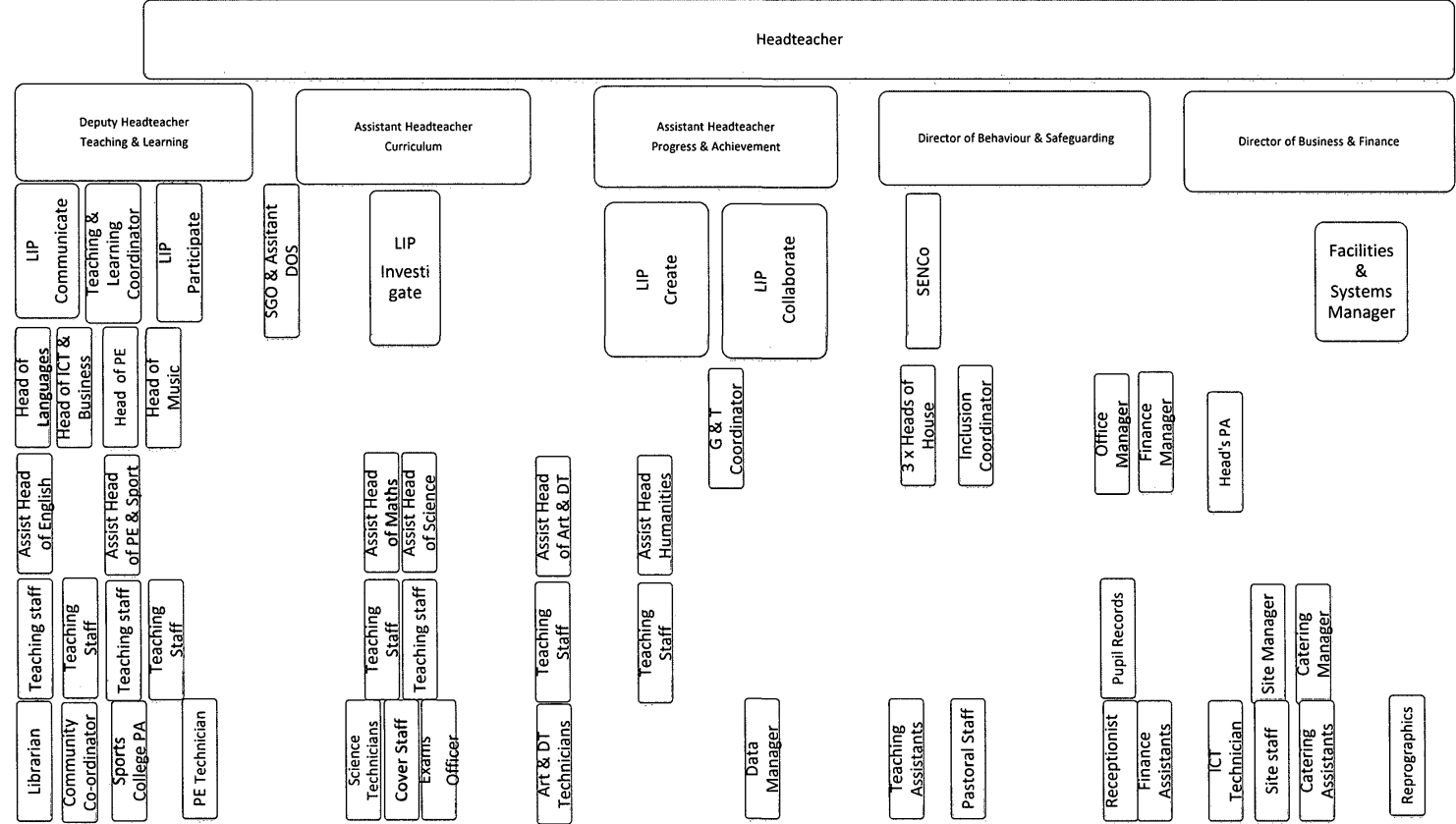
This trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 18/12/14 and signed on the board's behalf by:



**J Robinson**  
Chair of trustees

FLIXTON GIRLS' SCHOOL ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2014



# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2014**

### Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Flixton Girls' School 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 headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Flixton Girls School 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 trustees' report and in the statement of trustees' responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Bernie Jones	4	4
Rosemary Tyrer	2	4
Julie Hazeldine	4	4
Sophia Barrett	4	4
Calvin Bates	3	4
Tony Field	3	4
Eamonn Jundi	2	4
Heidi Lockett	4	4
Richard Martin	4	4
Leo Pyrah	1	1
June Reilly	2	4
David Richardson	2	4
James Robinson	4	4
Elizabeth Steel	3	4
Kate Woods	2	4

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Flixton Girls School Academy Trust for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

### Capacity to handle risk

The strategic leadership team is involved in the risk management process considering the falling pupil number rolls and other potential risks throughout the year. Staff are encouraged to manage risks in a way appropriate to their authority and duties.

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2014**

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### **The risk and control framework**

The academy takes a proactive and comprehensive approach to risk management and the headteacher reports termly to the board of trustees on all identified risks including pupil numbers, health and safety and site and buildings as well as rigorous financial reporting.

The academy has enlisted the support of AA Projects to procure maximum investment from the Academies Capital Fund. This has permitted a significant investment in the buildings to ensure a safe and functional working environment.

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

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

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

The internal auditor's 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 internal auditor reports to the board of trustees, through the Business and Finance Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

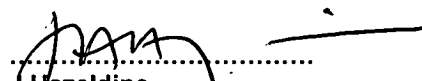
### **Review of effectiveness**

As accounting officer the headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the work of the director of business and finance
- the work of the leadership and management within the academy trust; and
- the work of the Business and Finance Committee

Approved by order of the members of the board of trustees on 18/12/14 and signed on its behalf by:

  
J Robinson  
Chair of trustees

  
J Hazeldine  
Accounting officer

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

**FOR THE YEAR ENDED 31 AUGUST 2014**

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As accounting officer of Flixton Girls' School Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with Education Funding Agency terms and conditions of funding, under the funding agreement in place between the academy trust and 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's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.

Approved on 18/12/14 and signed by:

**J Hazeldine**  
Accounting officer



# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2014**

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The trustees (who also act as governors for Flixton Girls' School Academy Trust and are also the directors of Flixton Girls' School Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts 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 accounts for each financial year. Under company law the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the trustees are required to:

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

The 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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of trustees on 18/12/14 and signed on its behalf by:



**J Robinson**  
Chair of trustees

# **FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLIXTON GIRLS' SCHOOL**

***FOR THE YEAR ENDED 31 AUGUST 2014***

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We have audited the accounts of Flixton Girls' School Academy Trust for the year ended 31 August 2014 which comprise the statement of financial activities, the balance sheet, the 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) and the Academies Accounts Direction 2013 to 2014 issued by the EFA.

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

### **Respective responsibilities of trustees and auditors**

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees, who are also the directors of Flixton Girls' School Academy Trust for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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 Ethical Standards for Auditors.

### **Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 accounts. In addition, we read all the financial and non-financial information in the trustees' annual report to identify material inconsistencies with the audited accounts 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 accounts**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2014 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 in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 issued by the EFA.

### **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 accounts are prepared is consistent with the accounts.

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLIXTON GIRLS' SCHOOL (CONTINUED)

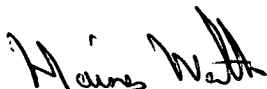
**FOR THE YEAR ENDED 31 AUGUST 2014**

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### **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:

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



**John Whittick (Senior Statutory Auditor)**

**Haines Watts**

**Chartered Accountants**

**Statutory Auditor**

Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Dated: 28/12/14

# **FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FLIXTON GIRLS' SCHOOL AND THE EDUCATION FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2014***

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In accordance with the terms of our engagement letter dated 7 August 2014 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 Flixton Girls' School Academy Trust during the period 1 September 2013 to 31 August 2014 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 Flixton Girls' School Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Flixton Girls' School Academy Trust 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 Flixton Girls' School Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Flixton Girls' School Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Flixton Girls' School Academy Trust's funding agreement with the Secretary of State for Education dated 29 July 2011 and the Academies Financial Handbook, extant from 1 September 2013, 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 period 1 September 2013 to 31 August 2014 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 2014 issued by the EFA. 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.

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FLIXTON GIRLS' SCHOOL AND THE EDUCATION FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2014**

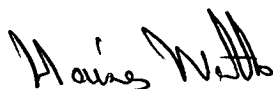
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The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

### Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**Haines Watts**  
Reporting Accountant

Dated: 18/11/16.....

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	Unrestricted funds £(000)	Restricted funds £(000)	Fixed asset fund £(000)	Total 2014 £(000)	Total 2013 £(000)
<b>Incoming resources</b>						
<i>Resources from generated funds</i>						
- Voluntary income	3	6	24	-	30	69
- Activities for generating funds	4	255	-	-	255	169
- Investment income	5	1	-	-	1	-
<i>Resources from charitable activities</i>						
- Funding for educational operations	6	-	4,299	79	4,378	4,860
<b>Total incoming resources</b>		<b>262</b>	<b>4,323</b>	<b>79</b>	<b>4,664</b>	<b>5,098</b>
<b>Resources expended</b>						
<i>Costs of generating funds</i>						
- Relating to voluntary income	7	136	-	-	136	84
<i>Charitable activities</i>						
- Educational operations	8	79	4,430	140	4,549	5,228
Governance costs	9	-	12	-	12	14
<b>Total resources expended</b>	<b>7</b>	<b>215</b>	<b>4,342</b>	<b>140</b>	<b>4,697</b>	<b>5,326</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>47</b>	<b>(19)</b>	<b>(61)</b>	<b>(33)</b>	<b>(228)</b>
Gross transfers between funds		-	17	(17)	-	-
<b>Net income/(expenditure) for the year</b>		<b>47</b>	<b>(2)</b>	<b>(78)</b>	<b>(33)</b>	<b>(228)</b>
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension scheme	19	-	(476)	-	(476)	119
<b>Net movement in funds</b>		<b>47</b>	<b>(478)</b>	<b>(78)</b>	<b>(509)</b>	<b>(109)</b>
Fund balances at 1 September 2013		41	(547)	7,308	6,802	6,858
<b>Fund balances at 31 August 2014</b>		<b>88</b>	<b>(1,025)</b>	<b>7,230</b>	<b>6,293</b>	<b>6,749</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

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

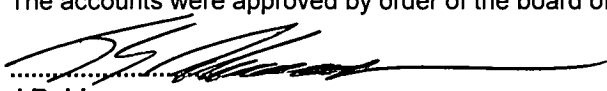
# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2014

	Notes	2014 £(000)	2013 £(000)
<b>Fixed assets</b>			
Tangible assets	12	7,230	7,308
<b>Current assets</b>			
Debtors	13	114	173
Cash at bank and in hand		472	245
		586	418
Creditors: amounts falling due within one year	14	(488)	(316)
<b>Net current assets</b>		98	102
<b>Total assets less current liabilities</b>		7,328	7,410
Creditors: amounts falling due after more than one year	15	-	(41)
<b>Net assets excluding pension liability</b>		7,328	7,369
Defined benefit pension liability	19	(1,035)	(620)
<b>Net assets</b>		6,293	6,749
<b>Funds of the academy trust:</b>			
<b>Restricted income funds</b>	17		
- Fixed asset funds		7,230	7,308
- General funds		(10)	20
- Pension reserve		(1,035)	(620)
<b>Total restricted funds</b>		6,205	6,708
<b>Unrestricted funds</b>	17	88	41
<b>Total funds</b>		6,293	6,749

The accounts were approved by order of the board of trustees and authorised for issue on 18/12/14

  
J Robinson  
Chair of trustees

Company Number 07691820

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	2014 £(000)	2013 £(000)
Net cash inflow/(outflow) from operating activities	20	209	(523)
<b>Returns on investments and servicing of finance</b>			
Investment income	1	-	-
<b>Net cash inflow/(outflow) from returns on investments and servicing of finance</b>		1	-
		210	(523)
<b>Capital expenditure and financial investments</b>			
Capital grants received	79	383	
Payments to acquire tangible fixed assets	(62)	-	
<b>Net cash flow from capital activities</b>		17	383
<b>Increase/(decrease) in cash</b>	21	227	(140)

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 AUGUST 2014**

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### **1 Accounting policies**

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

The accounts 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 Academies 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.

#### **1.2 Going concern**

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 accounts.

#### **1.3 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 and the value of the donation is measurable.

#### **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.

#### **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 the academy trust's policies.

**FLIXTON GIRLS' SCHOOL ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**1 Accounting policies**

**1.4 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.

**Costs 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 trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

**1.5 Tangible fixed assets and depreciation**

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 on a straight-line basis over its expected useful life, as follows:

Land and buildings	50 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	7 years straight line

**1.6 Leasing and hire purchase commitments**

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

# **FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2014**

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#### **1 Accounting policies**

##### **1.7 Taxation**

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

##### **1.8 Pensions benefits**

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

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 Note 19, 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 are 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.

##### **1.9 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.

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2014

#### 2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the academy trust was subject to limits at 31 August 2014 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2014.

#### 3 Voluntary income

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2014 £(000)	Total 2013 £(000)
Other grants	-	24	24	41
Other donations	6	-	6	28
	<u>6</u>	<u>24</u>	<u>30</u>	<u>69</u>

#### 4 Activities for generating funds

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2014 £(000)	Total 2013 £(000)
Hire of facilities	22	-	22	22
Catering income	52	-	52	-
Trips and visits	83	-	83	47
Other income	98	-	98	100
	<u>255</u>	<u>-</u>	<u>255</u>	<u>169</u>

#### 5 Investment income

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2014 £(000)	Total 2013 £(000)
Short term deposits	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>

**FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2014**

**6 Funding for the academy trust's educational operations**

	<b>Unrestricted funds £(000)</b>	<b>Restricted funds £(000)</b>	<b>Total 2014 £(000)</b>	<b>Total 2013 £(000)</b>
<b>DfE / EFA grants</b>				
General annual grant (GAG)	-	3,900	3,900	4,139
Capital grants	-	79	79	383
Other DfE / EFA grants	-	183	183	153
	<u>-</u>	<u>4,162</u>	<u>4,162</u>	<u>4,675</u>
<b>Other government grants</b>				
Local authority grants	-	192	192	118
Special educational projects	-	24	24	67
	<u>-</u>	<u>216</u>	<u>216</u>	<u>185</u>
<b>Total funding</b>	<u>-</u>	<u>4,378</u>	<u>4,378</u>	<u>4,860</u>

**7 Resources expended**

	<b>Staff costs £(000)</b>	<b>Premises &amp; equipment £(000)</b>	<b>Other costs £(000)</b>	<b>Total 2014 £(000)</b>	<b>Total 2013 £(000)</b>
<b>Academy's educational operations</b>					
- Direct costs	2,825	125	417	3,367	3,468
- Allocated support costs	613	120	449	1,182	1,760
	<u>3,438</u>	<u>245</u>	<u>866</u>	<u>4,549</u>	<u>5,228</u>
<b>Other expenditure</b>					
Costs of generating voluntary income	-	-	136	136	84
Governance costs	-	-	12	12	14
	<u>-</u>	<u>-</u>	<u>148</u>	<u>148</u>	<u>98</u>
<b>Total expenditure</b>	<u>3,438</u>	<u>245</u>	<u>1,014</u>	<u>4,697</u>	<u>5,326</u>

**Incoming/outgoing resources for the year include:**

	<b>2014 £(000)</b>	<b>2013 £(000)</b>
<b>Operating leases</b>		
- Plant and machinery	16	13
<b>Fees payable to auditor</b>		
- Audit	6	6

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

### 8 Charitable activities

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2014 £(000)	Total 2013 £(000)
<b>Direct costs</b>				
Teaching and educational support staff costs	-	2,799	2,799	2,824
Depreciation	-	125	125	126
Technology costs	-	106	106	125
Educational supplies and services	57	158	215	240
Examination fees	-	64	64	77
Staff development	-	26	26	31
Educational consultancy	-	31	31	45
Other direct costs	-	1	1	-
	<u>57</u>	<u>3,310</u>	<u>3,367</u>	<u>3,468</u>
<b>Allocated support costs</b>				
Support staff costs	-	621	621	629
Depreciation	-	15	15	14
Technology costs	-	52	52	-
Maintenance of premises and equipment	-	105	105	520
Cleaning	-	78	78	102
Energy costs	-	68	68	79
Rent and rates	-	25	25	35
Insurance	-	34	34	39
Security and transport	-	20	20	26
Catering	22	-	22	31
Additional Pension costs	-	(8)	(8)	130
Other support costs	-	150	150	155
	<u>22</u>	<u>1,160</u>	<u>1,182</u>	<u>1,760</u>
<b>Total costs</b>	<u>79</u>	<u>4,470</u>	<u>4,549</u>	<u>5,228</u>

### 9 Governance costs

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2014 £(000)	Total 2013 £(000)
Legal and professional fees	-	3	3	-
Auditor's remuneration	-	7	7	6
- Audit of financial statements	-	2	2	8
Other governance costs	-	12	12	14
	<u>-</u>	<u>12</u>	<u>12</u>	<u>14</u>

**FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2014**

**10 Staff costs**

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

	<b>2014 Number</b>	<b>2013 Number</b>
Teachers	49	48
Administration and support	31	31
Management	6	8
	<u>86</u>	<u>87</u>

<b>Costs included within the accounts:</b>	<b>2014 £(000)</b>	<b>2013 £(000)</b>
Wages and salaries	2,664	2,715
Social security costs	196	204
Other pension costs	387	552
	<u>3,247</u>	<u>3,471</u>
Supply teacher and support staff costs	126	127
Compensation payments	39	-
Staff development and other staff costs	26	31
	<u>3,438</u>	<u>3,629</u>
Total staff costs	<u>3,438</u>	<u>3,629</u>

The number of employees whose annual remuneration was £60,000 or more was:

	<b>2014 Number</b>	<b>2013 Number</b>
£90,001 - £100,000	1	1
£60,001 - £65,000	2	-
	<u>3</u>	<u>1</u>

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2014

#### 10 Staff costs

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows:

		2014	2013
Teachers' Pension Scheme	Numbers	1	1
	£(000)	14	13
Local Government Pension Scheme	Numbers	2	-
	£(000)	20	-

Included in staff costs are non-statutory/non-contractual severance payments totalling £38,899 (2013: £nil). Four of the non-statutory/non-contractual payments exceeded £5,000 individually, and these were for £9,066, £8,945, £7,569 and £7,503.

#### 11 Trustees' remuneration and expenses

The principal and other 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 trust in respect of their role as trustees. During the year, travel and subsistence payments totalling £ nil (2013: £ nil were reimbursed).

The value of trustees' remuneration was as follows:

J Hazeldine (Principal)	£95,000 - £100,000	(2013: £90,000-£95,000)
R Martin (staff trustee)	£45,000 - £50,000	(2013: £45,000-£50,000)
H Lockett (staff trustee)	£25,000 - £30,000	(2013: £20,000-£25,000)

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

#### Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2014 was included in the total insurance cost.

**FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2014**

**12 Tangible fixed assets**

	Land and buildings	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Total
	£(000)	£(000)	£(000)	£(000)	£(000)
<b>Cost</b>					
At 1 September 2013	7,500	-	30	70	7,600
Additions	-	33	4	25	62
At 31 August 2014	7,500	33	34	95	7,662
<b>Depreciation</b>					
At 1 September 2013	250	-	21	21	292
Charge for the year	120	-	10	10	140
At 31 August 2014	370	-	31	31	432
<b>Net book value</b>					
At 31 August 2014	7,130	33	3	64	7,230
At 31 August 2013	7,250	-	9	49	7,308

**13 Debtors**

	2014 £(000)	2013 £(000)
Trade debtors	7	47
VAT recoverable	23	38
Prepayments and accrued income	84	88
	114	173

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

	2014 £(000)	2013 £(000)
Trade creditors	90	120
Taxes and social security costs	139	-
Other creditors	-	21
Accruals	51	101
Deferred income	208	74
	488	316

**FLIXTON GIRLS' SCHOOL ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

<b>15</b>	<b>Creditors: amounts falling due after more than one year</b>	<b>2014 £(000)</b>	<b>2013 £(000)</b>
	Other creditors	-	41
	Other creditors relate to additional LGPS contributions required. This is repayable over 3 years		
<b>16</b>	<b>Deferred income</b>	<b>2014 £(000)</b>	<b>2013 £(000)</b>
	Deferred income is included within:		
	Creditors due within one year	208	74
	Total deferred income at 1 September 2013	74	135
	Amounts credited to the statement of financial activities	(74)	(135)
	Amounts deferred in the year	208	74
	<b>Total deferred income at 31 August 2014</b>	<b>208</b>	<b>74</b>

**FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2014**

**17 Funds**

	Balance at 1 September 2013 £(000)	Incoming resources £(000)	Resources expended £(000)	Gains, losses and transfers £(000)	Balance at 31 August 2014 £(000)
<b>Restricted general funds</b>					
General Annual Grant	(55)	3,900	(3,852)	17	(10)
Other DfE / EFA grants	75	183	(258)	-	-
Other government grants	-	216	(216)	-	-
Other restricted funds	-	24	(24)	-	-
	<u>20</u>	<u>4,323</u>	<u>(4,350)</u>	<u>17</u>	<u>(10)</u>
Funds excluding pensions	(567)	-	8	(476)	(1,035)
	<u>(547)</u>	<u>4,323</u>	<u>(4,342)</u>	<u>(459)</u>	<u>(1,025)</u>
<b>Restricted fixed asset funds</b>					
DfE / EFA capital grants	-	79	(1)	(17)	61
Inherited fixed asset fund	7,308	-	(139)	-	7,169
	<u>7,308</u>	<u>79</u>	<u>(140)</u>	<u>(17)</u>	<u>7,230</u>
<b>Total restricted funds</b>	<u>6,761</u>	<u>4,402</u>	<u>(4,482)</u>	<u>(476)</u>	<u>6,205</u>
<b>Unrestricted funds</b>					
General funds	41	262	(215)	-	88
	<u>41</u>	<u>262</u>	<u>(215)</u>	<u>-</u>	<u>88</u>
<b>Total funds</b>	<u>6,802</u>	<u>4,664</u>	<u>(4,697)</u>	<u>(476)</u>	<u>6,293</u>

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

Restricted general funds are those that have been designated restricted by the grant provider in meeting the objects of the academy and are restricted to both the day to day running of the academy and capital expenditure.

Unrestricted funds are those which the board of trustees may use in the pursuance of the academy's objectives and are expendable at the discretion of the trustees.

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

Note 2 discloses whether the limit was exceeded.

**FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2014**

**18 Analysis of net assets between funds**

	Unrestricted funds £(000)	Restricted funds £(000)	Fixed asset funds £(000)	Total funds £(000)
<b>Fund balances at 31 August 2014 are represented by:</b>				
Tangible fixed assets	-	-	7,230	7,230
Current assets	88	498	-	586
Creditors: amounts falling due within one year	-	(488)	-	(488)
Defined benefit pension liability	-	(1,035)	-	(1,035)
	<u>88</u>	<u>(1,025)</u>	<u>7,230</u>	<u>6,293</u>

**19 Pensions and similar obligations**

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hyman Robertson. 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 2014 and of the LGPS 31 March 2013.

At the balance sheet date £21,320 was outstanding in contributions to the LGPS.

**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 pension's 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.

**FLIXTON GIRLS' SCHOOL ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

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**19 Pensions and similar obligations**

**Valuation of the Teachers' Pension Scheme**

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 for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

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

**Teachers' Pension Scheme changes**

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in since April 2012 on a 40:80:100 percent basis.

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2014

### 19 Pensions and similar obligations

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy trust 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 trust has set out above the information available on the scheme.

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.5 per cent for employers and 5 to 12 per cent for employees. The estimated value of employer contributions for the forthcoming year is £180.

	2014 £(000)	2013 £(000)
Employer's contributions	59	154
Employees' contributions	231	69
	<hr/>	<hr/>
Total contributions	290	223
	<hr/>	<hr/>

#### Principal actuarial assumptions

	2014 %	2013 %
Rate of increase in salaries	3.8	2.8
Rate of increase for pensions in payment	2.7	4.6
Discount rate for scheme liabilities	3.7	5.9
Expected return on assets	5.5	4.6
	<hr/>	<hr/>

#### Sensitivity analysis

Changes in assumptions at 31 August 2014:

	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	14%	523
1 year increase in member life expectancy	3%	115
0.5% increase in the Salary Increase Rate	7%	274
0.5% increase in the Pension Increase Rate	6%	232

# FLIXTON GIRLS' SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2014

#### 19 Pensions and similar obligations

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

	2014 Years	2013 Years
Retiring today		
- Males	21.4	20.1
- Females	24.0	22.9
Retiring in 20 years		
- Males	24.0	22.5
- Females	26.6	25

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

	2014 Expected return %	2014 Fair value £(000)	2013 Expected return %	2013 Fair value £(000)
Equities	6.3	1,959	6.6	1,523
Bonds	3.5	496	3.9	381
Property	4.5	165	4.7	127
Other assets	3.3	138	3.6	85
Total market value of assets		2,758		2,116
Present value of scheme liabilities - funded		(3,793)		(2,736)
Net pension asset / (liability)		(1,035)		(620)

The rates of return have been determined using the Hymans Robertson Asset Model which is a type of model known as an economic scenario generator and uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variables. Some of the parameters of the model are dependent on the current state of financial markets and are updated each month (for example, the current level of equity market volatility) while other more subjective parameters do not change with different calibrations of the model. The expected returns have been calculated using 5,000 simulations of the Hymans Robertson Asset Model, calibrated using market data as at a recent date.

The actual return on scheme assets was £225,000.

**FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2014**

**19 Pensions and similar obligations**

**Operating costs and income recognised in the statement of financial activities**

	<b>2014 £(000)</b>	<b>2013 £(000)</b>
<b>Financial expenditure/(income)</b>		
Expected return on pension scheme assets	(133)	(83)
Interest on pension liabilities	132	100
	<u>(1)</u>	<u>17</u>
<b>Other expenditure/(income)</b>		
Current service cost	224	203
Past service cost	-	-
	<u>224</u>	<u>203</u>
<b>Total operating charge/(income)</b>	<u>223</u>	<u>220</u>

**Actuarial gains and losses recognised in the statement of financial activities**

	<b>2014 £(000)</b>	<b>2013 £(000)</b>
Actuarial (gains)/losses on assets: actual return less expected	(235)	(187)
Experience (gains)/losses on liabilities	711	68
(Gains)/losses arising from changes in assumptions	-	-
	<u>476</u>	<u>(119)</u>
<b>Total (gains)/losses</b>	<u>476</u>	<u>(119)</u>
<b>Cumulative (gains)/losses to date</b>	<u>476</u>	<u>-</u>

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

	<b>2014 £(000)</b>	<b>2013 £(000)</b>
Opening defined benefit obligations	(2,683)	(2,296)
Current service cost	(224)	(203)
Interest cost	(132)	(100)
Contributions by employees	(59)	(69)
Actuarial gains/(losses)	(711)	(68)
Benefits paid	16	-
	<u>(3,793)</u>	<u>(2,736)</u>

**FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2014**

**19 Pensions and similar obligations**

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

	<b>2014 £(000)</b>	<b>2013 £(000)</b>
Opening fair value of scheme assets	2,116	1,623
Expected return on assets	133	83
Actuarial gains/(losses)	235	187
Contributions by employers	59	154
Contributions by employees	231	69
Benefits paid	(16)	-
	<u>2,758</u>	<u>2,116</u>

**History of experience gains and losses:**

	<b>2014 £(000)</b>	<b>2013 £(000)</b>	<b>2012 £(000)</b>
Present value of defined benefit obligations	(3,793)	(2,736)	(2,296)
Fair value of share of scheme assets	<u>2,758</u>	<u>2,116</u>	<u>1,623</u>
Surplus / (deficit)	<u>(1,035)</u>	<u>(620)</u>	<u>(673)</u>
Experience adjustment on scheme liabilities	(711)	(68)	(57)
Experience adjustment on scheme assets	<u>235</u>	<u>187</u>	<u>-</u>

**20 Reconciliation of net income to net cash inflow/(outflow) from operating activities**

	<b>2014 £(000)</b>	<b>2013 £(000)</b>
Net income	(33)	(228)
Capital grants and similar income	(79)	(383)
Investment income	(1)	-
FRS17 pension costs less contributions payable	(7)	49
FRS17 pension finance income	(1)	17
Depreciation of tangible fixed assets	140	140
(Increase)/decrease in debtors	59	(40)
Increase/(decrease) in creditors	131	(78)
Net cash inflow/(outflow) from operating activities	<u>209</u>	<u>(523)</u>

**FLIXTON GIRLS' SCHOOL ACADEMY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2014**

<b>21</b>	<b>Reconciliation of net cash flow to movement in net funds</b>	<b>2014 £(000)</b>	<b>2013 £(000)</b>
	Increase/(decrease) in cash	227	(140)
	Net funds at 1 September 2013	245	385
		<hr/>	<hr/>
	<b>Net funds at 31 August 2014</b>	<b>472</b>	<b>245</b>
		<hr/>	<hr/>

<b>22</b>	<b>Analysis of net funds</b>	<b>At 1 September 2013 £(000)</b>	<b>Cash flows £(000)</b>	<b>Non-cash changes £(000)</b>	<b>At 31 August 2014 £(000)</b>
	Cash at bank and in hand	245	227	-	472
		<hr/>	<hr/>	<hr/>	<hr/>

**23** **Commitments under operating leases**

At 31 August 2014 the academy trust had annual commitments under non-cancellable operating leases as follows:

	<b>2014 £(000)</b>	<b>2013 £(000)</b>
Expiry date:		
- Between two and five years	16	13
	<hr/>	<hr/>

**24** **Capital commitments**

	<b>2014 £(000)</b>	<b>2013 £(000)</b>
At 31 August 2014 the company had capital commitments as follows:		
Expenditure contracted for but not provided in the accounts	499	-
	<hr/>	<hr/>

The academy has entered into commitments to replace a modular building and to install new fire safety doors and windows. Funding is in place to cover this expenditure.

**25** **Related parties**

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

No related party transactions took place in the period of accounts.

**FLIXTON GIRLS' SCHOOL ACADEMY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
***FOR THE YEAR ENDED 31 AUGUST 2014***

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**26 Members' liability**

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