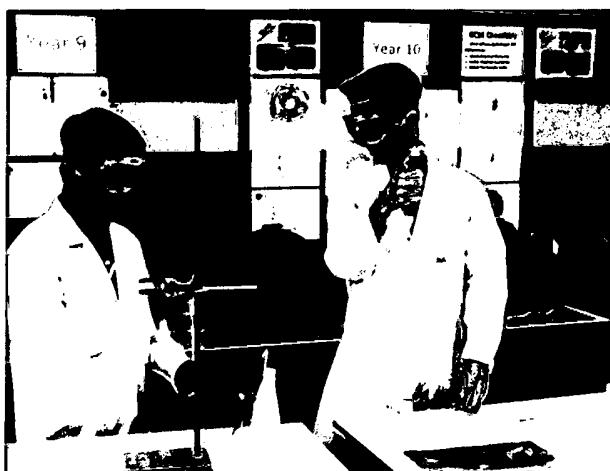


Tapton SCHOOL ACADEMY TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017



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Registered company number: 07697171

TAPTON SCHOOL ACADEMY TRUST

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Welcome

We are delighted to present our Annual Report, Strategic Report and Audited Financial Statements for the year ending 31 August 2017.

Tapton School Academy Trust is made up of 6174 students, five primary and three secondary schools within Sheffield. The students joining the Trust have a broad range of abilities and social backgrounds. We recognise and celebrate different abilities, aptitudes and interests and believe that everyone can develop through dedication and hard work and leave our schools fully prepared for successful lives.

Our schools work in close partnership with the aim of being an outstanding Trust which transforms all our learners. At the heart of all our endeavours is outstanding teaching, high quality learning and effective support for individual needs.

The report sets out how we have delivered against our strategy. A key strategic aim being to improve outcomes and our vision is to realise the life chances and dreams of every child.

During the year we have changed our governance structure to bring new skills to the Trust Board and have developed our new Strategic Plan for 2017 – 2022. We thank the outgoing Trustees for their commitment and contribution to the Trust.

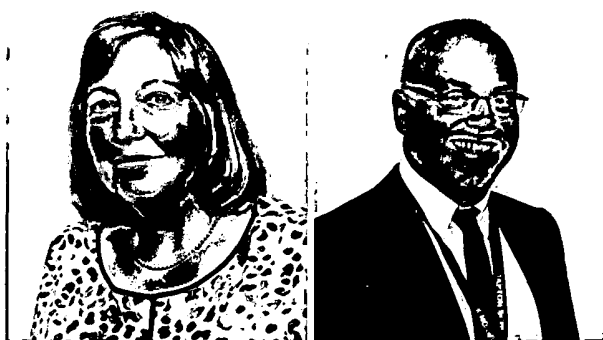
Everything we have achieved this year has only been possible because of the skills and commitment of all our staff and Trustees, families and students.



Caroline Bagley
Chair of Trustees



David Dennis
Chief Executive Officer



Our vision

To realise the life chances and dreams of every child.

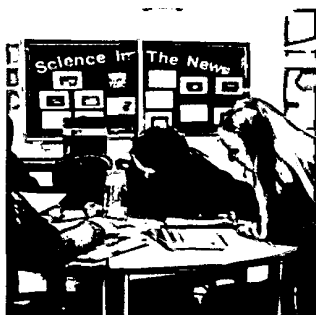
Our mission is to

Provide a safe place to be

Provide great teaching and learning

Create an environment where all opportunities are within reach

We are a cross phase multi academy trust with five primary and three secondary schools providing education to students aged 2 to 18 across Sheffield.



Our Objectives for 2016/17

Trust Governance and Executive Leadership

David Bowes' retirement as Chief Executive Officer was a significant event at the end of 2016. David had led Tapton School through conversion to an academy and led Tapton School Academy Trust since its creation in 2012. It was also clear that the performance of the Trust was coming under increasing scrutiny from the Regional Schools Commissioner Office and the receipt of the Pre termination warning notice for Chaucer School further confirmed our challenging context.

In 2017 the Trust has set about the task of re founding the Trust with a new mission, values and vision and a more professionalised and systematised approach to all aspects of our organisation.

The following steps have been undertaken and completed

- New articles of association
- Clear delineation of membership of Members, Trustees and Local governors
- New Mission, Vision and Values
- New Governance structures with effective and functioning sub committees of Trust Board each with clear terms of reference
- The creation of a Chairs of Local Governing Bodies Advisory Council to act as a middle tier between local governance and Trust governance.

TAPTON SCHOOL ACADEMY TRUST STRATEGIC TRUSTEES REPORT

- A new Strategic Business Plan
- A new Scheme of Delegation that sets out delegated responsibilities across the whole organisation from Head teacher and local governing bodies to those of Members
- Recruitment of new Trustees and Members with appropriate skills, knowledge and experience to drive strategy and hold the executive team to account
- Recruitment and creation of a core executive team from September 2017:
 - Angela Lant as Director of Primary Education/Executive Headteacher Hillsborough
 - David Dennis as Director of Secondary Education/ Executive Headteacher Tapton
 - Julia Delaney as Chief Operations and Finance Officer
 - Adrian May as Director of Standards

In addition two of the Trust Business managers (John Dean and Debra Kirkham) have been seconded on a part time basis to support the leadership of Facilities and Catering and that of HR.

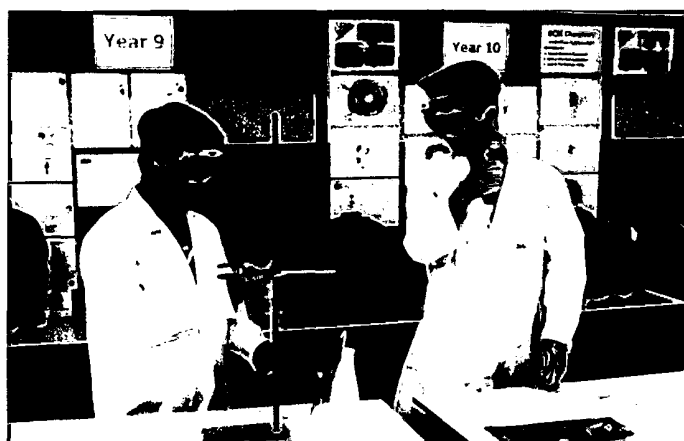
- David Dennis has been appointed as Chief Executive Officer of TSAT
- Creation of a collaborative Headteacher Board chaired by the Directors of Education

We believe that these changes have strengthened the Trust and prepare much more secure foundations as we move forwards. The ongoing challenge in 2017-18 is to embed the new structures and to develop strong working relationships built upon mutual respect and trust.

Secondary Schools

Each school in the secondary phase has its own distinctive improvement plan. This is essential due to the diverse positions of each school in its own improvement journey.

- Chaucer School although improving continues to be in a position of stabilisation and repair
- Forge Valley is an improving school with some significant areas requiring further repair
- Tapton school continues to be high performing and needs to be sustained with the additional expectation that leaders and teachers within Tapton have a greater Trust wide impact



TAPTON SCHOOL ACADEMY TRUST STRATEGIC TRUSTEES REPORT

With the above distinctive school specific features in mind we set the following Trust wide foci for improvement:

- to create a common approach to assessment and tracking with consistently challenging individual student targets, for all subjects and all years, with Trust wide moderation and checks on progress.
- to align curricula to ensure staff are able to work collaboratively across the Trust in common subject areas.
- to develop a more challenging approach to Teaching and Learning with a focus on progress for every learner with accompanied Trust wide moderation of the quality and impact of teaching on learning
- to develop leadership capacity at all levels

Primary Schools

A primary phase action plan has been developed to support continued progress across the primary schools. The 5 priorities identified in the action plan are:

To ensure the effectiveness of Leadership and Management will impact on the progress of all children with an emphasis on the progress in the wider curriculum.

To raise the standards in teaching, learning and assessment across the Trust to ensure the very best outcomes for all children with an emphasis on producing quality individual plans for teachers.

To ensure schools in the Trust provide the best possible provision for personal development, behaviour and welfare with a focus on the delivery of SMSC.

To ensure all children in the Trust, no matter what their starting points, achieve the best possible outcomes with a focus on Trust tests with linked analysis and Year 6 conferences

To ensure effective Early Years provision promotes at least good progress for all children from their various starting points with a particular focus on ensuring the children are school ready including a focus on Reading, Writing and Maths.



Our achievements - Progress against our strategic objectives

Secondary

We now have a common approach to assessment, tracking and target setting across the Trust. The accuracy of this was confirmed in the 2017 outcomes. We have built into the model the new Progress 8 coefficients to ensure that the level of challenge continues to be high. We have undertaken cross Trust testing in core subjects in Y8 and Y10. Tapton has led the moderation across all Y10 subjects at Chaucer and of core subjects at Forge Valley in Y11.

Curriculum alignment in Key stage 4, in core and ebacc subjects across all three schools, has now been achieved. Additional subject support is being further developed to match the detailed support model developed in Science in 2016-17. The next stage is to align the development of Key Stage 3 so that all learners are ready for Key Stage 4 in each subject. In other subject areas we are now looking to consider whether alignment would further improve students experience and outcomes.



The Trust has supported each of the schools to develop a more robust approach to the development of consistently high quality teaching and learning. The impact of this in both Forge Valley and Chaucer is in the refocused emphasis as to what great learning looks like. The CEO, David Dennis, has been centrally involved in this reorientation and this will be a key area of activity of the Teaching School in deploying Specialist Leaders in Education.

Leadership in all 3 secondary schools has been redefined and redeveloped. In each school the character has been different- at Tapton it has been focussed on coaching the new Associate Headteachers and in further strengthening middle leadership across the school; at Forge Valley we have looked to supporting and coaching the Head and SLT and also to introducing new young leaders; at Chaucer we have supported the development of the Headteacher and the leaders of Teaching and Learning. We have also redefined leadership roles to always focus on impact on learners and progress.

Primary



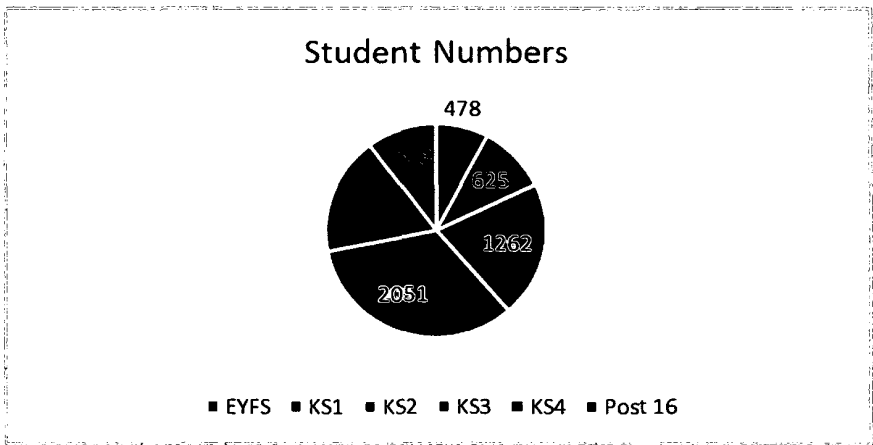
Progress towards our strategic objectives for 2016/17 continued to impact on the quality of primary schools across the Trust. Each of the schools have a stronger teaching profile by July 2017. This is due to the new style of staff development plans and targeted interventions, support and training that has taken place. Outcomes for most learners at different points in their education including Early Years, Year 1 phonics, Key Stage 1 and Key Stage 2 have improved again this year.

Provision for Early Years continues to improve across the Trust and the impact of the 2-year-old provisions can now be seen in the rest of the Early Years phase. The majority of the Early Years settings now have the “Charter for Quality in Early Years” and where they are not in place we have staff working towards this. There is a continued focus on the involvement of parents in their child’s education and over 40 workshops for parents have taken place across the Trust. Four out of the five schools have now achieved the Leading Parent Partnership Award with the fifth school is now working towards the award. Our pupil voice and school councils grow stronger and when asked in surveys our children say they feel safe in our schools.

Leaders ensure that staff and pupils benefit from opportunities provided through the Trust. Ofsted 2017

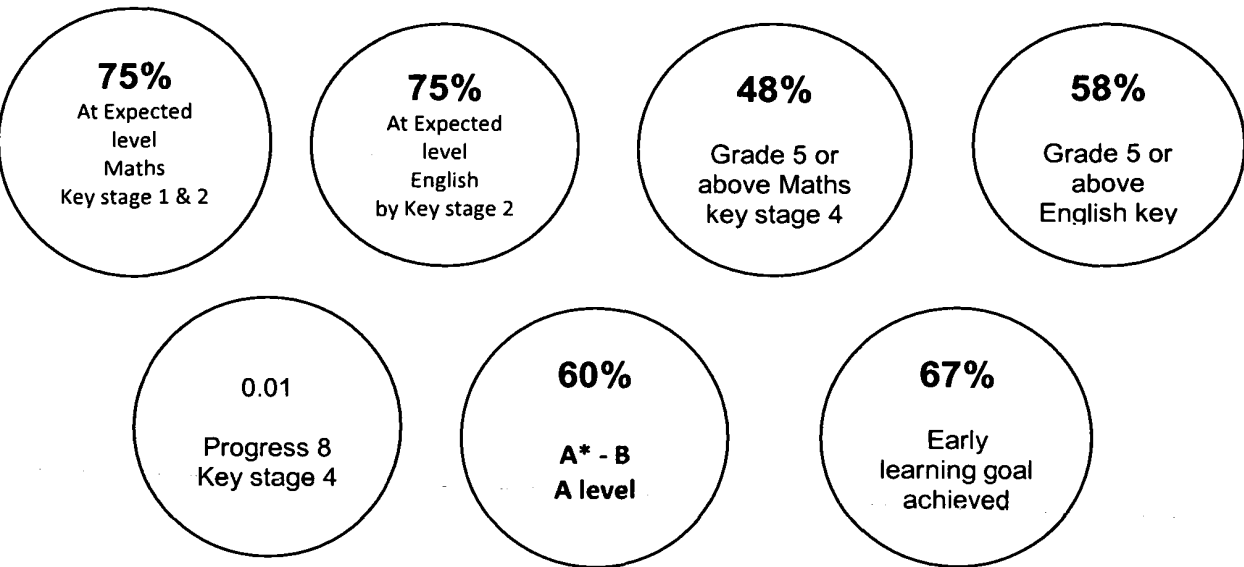
Our year in numbers

10% growth in student numbers to 6174



Our students’ achievements

Percentage of students achieving at or above the standard



**TAPTON SCHOOL ACADEMY TRUST
STRATEGIC TRUSTEES REPORT**

Our Ofsted Outcomes

| | Hallam | Hillsborough | Meynell | Southey Green | Wisewood |
|--|--------|--------------|----------------------|---------------|----------------------|
| Overall | Good | Good. | Requires Improvement | Good | Requires Improvement |
| Leadership and management | Good | Good. | Good | Good | Requires Improvement |
| Teaching, Learning & assessment | Good | Good. | Requires Improvement | Good | Requires Improvement |
| Outcomes | Good | Good. | Requires Improvement | Good | Requires Improvement |
| Personal development, welfare and behaviour | Good | Good. | Requires Improvement | Good | Requires Improvement |
| Early years | n/a | n/a | Good | n/a | Good |

| | Chaucer | Forge Valley | Tapton |
|--|------------|----------------------|-------------|
| Overall | Inadequate | Requires Improvement | Outstanding |
| Leadership and management | Inadequate | Requires Improvement | Outstanding |
| Teaching, Learning and assessment | Inadequate | Requires Improvement | Outstanding |
| Outcomes | Inadequate | Requires Improvement | Outstanding |
| Personal development, welfare and behaviour | Inadequate | Requires Improvement | Outstanding |
| Post 16 | n/a | Good | Outstanding |

Our Academies

Tapton

Tapton is an 11 - 19 school with 1670 students, situated in the south west of Sheffield. In 2013 an Ofsted inspection judged that the School was outstanding in all aspects. In 2014 Tapton School won the inaugural 'Sunday Times Comprehensive School of the Year', a Department for Education 'Character Award' and a 'Pupil Premium Award'.

The outcomes of students at KS4 and KS5 have continued to be consistently outstanding. In 2017 Progress 8 (the main measure for measuring schools progress) for the whole cohort is 0.67 (using current coefficients). This was remarkable given the very high percentage of boys within the cohort. We are particularly pleased that the Progress 8 for disadvantaged students is above 0.3 and for students in receipt of Free School Meals in Year 11 it is 0.54. This performance is exceptionally strong especially when we consider that the curriculum on offer is well balanced and strongly academic. This outcome will again place the school in the top 6% of all state schools nationally.

TAPTON SCHOOL ACADEMY TRUST STRATEGIC TRUSTEES REPORT

Post 16 Level 3 Value (L3VA) added, the main measure for measuring 6th form progress, is once again significantly positive. This is a very strong performance given that Tapton has a large cohort of 6th form students and is very inclusive in progression in the 6th form. We continue to offer a broad curriculum that supports over 90% of our students to achieve their desired destination. We are proud that our post 16 offer continues to make a real difference to life chances.

Tapton has many notable successes in addition to the strong outcomes in 2016-17



- The school was redesignated as a National Teaching School and has created the new Fields of Learning Teaching School Alliance that reaches across Sheffield and North Derbyshire with an ethos of “Clarity, Simplicity and Impact”
- Headteacher David Dennis became a National Leader in Education
- We became the Northern Hub for the Institute of Research in Schools (IRIS) and have received national and international coverage for the student led research into TIMPIX data, authentic biology research into cardiovascular disease and recently in the Whipworm project.
- We became a Swire Chinese Language Centre sponsored to develop Mandarin learning across the school and city of Sheffield by the John Swire Company
- We hosted and ran an Outstanding Teaching day for the SSAT attended by 25 Headteachers from across England
- We successfully took control of finances through a planned approach to financial planning built around the curriculum.
- We rolled out a very successful email protocol to help manage staff workload and email is now turned off in the early evening and over the weekend. This has had a positive impact on staff mental health.
- The school has become recognised as a centre of excellence for Mental Health and Wellbeing in its work led by Steve Rippin.

It has also been a year of transition in the school. Kat Rhodes and Adrian May have successfully taken on the central role of Associate Headteachers in Tapton. Kat also leads the teaching school with a new Director of Primary Education, Julie Cadman. Adrian continues to be Director of Standards for TSAT with a focus upon developing our data systems. Kat and Adrian stepping up to Associate Headteacher exemplifies a strong focus on talent development.

We have undertaken a self-evaluation process which has led to a new 3 year improvement plan- “2020 Vision- standing on the shoulders of giants”. This plan is using Theories of Change models around key themes of Learning, Learners and Developing staff. The real aim is to liberate innovation to ensure that the school stays ahead of the curve in terms of curriculum, pedagogy and professional development. The school is now firmly established as always building on and using evidence to inform our actions.

TAPTON SCHOOL ACADEMY TRUST STRATEGIC TRUSTEES REPORT

Chaucer

Chaucer School is a happy, improving school that has undergone considerable change in the last 3 years. Chaucer School's last Ofsted inspection was April 2016, which placed the school in special measures. Throughout this three year period, there have been significant changes in staffing including senior leadership, middle leadership, classroom and support staff. Most students come from a deprived area and enter with a level of attainment significantly below the national average.



Outcomes at Key Stage 4 in 2016 and in 2017 were well below national levels of both Attainment and Progress. The Progress 8 measure in both years is below the Floor Standard required for schools. In January 2017 we received a Coasting notice and a pre-termination warning notice due to the poor level of performance over a number of years. These coupled with the Ofsted judgement has meant that Chaucer's continued membership of Tapton School Academy Trust is under significant scrutiny and some threat. This has clearly been identified as a key liability and challenge for TSAT. It also confirms that in the Secondary Phase the rapid improvement of Chaucer school is the highest priority.

The regular Section 8 Monitoring visits by Her Majesty's Inspector (HMI) have confirmed that the School and Trust are taking effective action for the removal of the Special measures Ofsted rating.

The introduction of a Positive Discipline approach in the school has had a profound and positive impact on the learning experience in lessons. It has been significant in ensuring that every classroom has the right climate for learning to take place and enabled teachers to focus on higher order knowledge and skills.

We have completely reconfigured the Leadership within the school with a focus upon areas for accountability

- Pedagogy for progress
- Support (pastoral) for progress

Redefinition of the roles within the Teaching and Learning team

- 'Progress of every learner'
- 'every lesson every student achieves'
- 'achievement of every learner'
- 'engagement of every leader for progress'
- 'aspiration, engagement, resilience'
- 'every classroom is an inclusive classroom for progress'

Appointment of Trust Director of Maths who also leads Chaucer mathematics.

Robust, rigorous and routine quality assurance of Subject Leadership of science

- Development of leadership of teaching, learning and assessment in maths and science
- Development of Teach First opportunity (TF)
- Development of Researchers in Schools opportunity (RIS)

TAPTON SCHOOL ACADEMY TRUST STRATEGIC TRUSTEES REPORT

Appointment of high calibre science graduates strongly supported by the new TSAT Director of Science based within Tapton School.

"Leaders are showing an improved understanding of how to check and evaluate the quality of teaching and learning across the school. They have moved away from a compliance-based model and are beginning to have more of a focus on reviewing pupils' progress." Ofsted 2017

We have fundamentally changed the approach to Teaching, Learning and Assessment. We have moved from a compliance model to one in which the focus is upon learning, assessment for learning and accelerated learning. These are codified as:

- Expectations in lessons
 - 'fast progress for every learner'
 - 'teaching to the top'
 - 'high impact feedback for progress'
 - 'student body language'
 - 'class interest, awe and wonder'
- Ensure accurate assessment data
- Trust-wide quality standardisation/moderation
- Ensure effective use of data for planning
- Differentiation for access and challenge
- Progress checking mechanisms established
- Oracy for written exposition

Student achievement is continuing to improve. The school has a strong community foundation and the Trust and local governors have a vision to raise aspirations within the community and to be at the heart of the community it serves

The Trust is now working more closely and effectively in providing the support and challenge required to ensure that Chaucer rapidly improves the quality and impact of its provision. The Core Improvement Groups for English, Mathematics and Science now include external specialists from Tapton School. The close working relationship in the Core and EBacc subjects has been embedded by the alignment of all Curricula and the sharing of resources. We have also introduced cross-trust training through the new Teaching School and developed joint practice development in Science and Mathematics. In October 2017 twenty staff from the Trust contributed to a Y10 pursuit and moderation of work to ensure that the school was delivering work which matched age related expectations.

"The Trust is continuing to provide high levels of support to the school in a number of ways. This includes regular accountability meetings with the headteacher and senior leaders, support for new middle leaders, sharing of good practice across the Trust and support with recruitment of staff." Ofsted 2017

TAPTON SCHOOL ACADEMY TRUST STRATEGIC TRUSTEES REPORT

Forge Valley

Forge Valley School is situated in the north west of Sheffield. We currently have just over 1200 pupils on roll, including 141 in our Sixth Form and around 30 in our Intergraded Resource provision for pupils with autism. The predecessor school, Forge Valley Community School, was placed in "Special Measures" in March 2013. The school converted to academy status in September 2014 sponsored by Tapton School Academy Trust. Since conversion the school has undergone rapid change and transformation.

The school has faced some tragedies this year with the untimely deaths of both a respected science teacher and a popular student. It is a testament to the strong community within Forge Valley in how well the school pulled together and also celebrated the lives of these two valued members of the community.

"The ambitious and effective headteacher is ably supported by other senior leaders and leaders within the Trust." Ofsted 2017

The school was inspected over three days in April and June 2017. We were disappointed to receive an Ofsted judgment of Requires Improvement. The inspectors recognised the many strengths of the school and that the Trust continues to offer strong support and that the school continues to improve. The main challenges arising from the report were located in a lack of consistency, learners being too passive and outcomes for disadvantaged learners being too variable. This judgement was confirmed in the summer 2017 outcomes for disadvantaged students and in too wide a variability across subjects especially in Mathematics by higher ability students.

We were delighted that the Sixth Form was judged to be Good. The Sixth Form is making a strong contribution to the ethos and level of aspiration within the younger students in the school. The judgement was further confirmed in the significantly positive L3VA measure in summer 2017.

"Leadership in 16 to 19 study programmes is strong and students make good progress." Ofsted 2017



The Trust is working closely with the school to ensure that all lessons include teaching to the top, high pace and challenge to engage all, highly effective and skilled use of questioning, high expectation of all learners and developing strong engagement and interest by learners.

The school has a rapidly increasing roll and its status within the local community continues to rise. This is evident in both Y6 and Y12 Open Evenings at which attendance was high and surveys indicated the very positive views of attendees.

Southey Green Primary and Infant



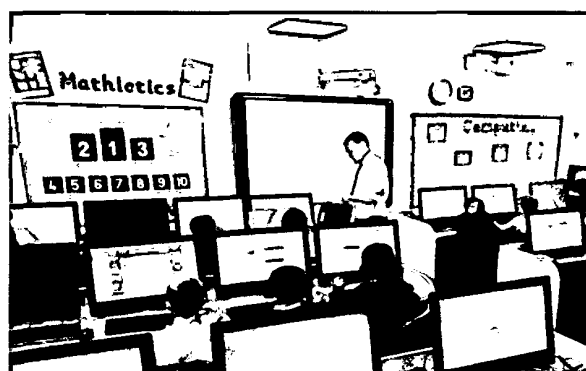
Southey Green is a larger than average sized primary school with a 3 form entry and a large 3 year old nursery of over 100 children at times and a 2 year old nursery with 40 children on roll.

Southey Green is rated a 'Good' school by Ofsted. This year it has gained the Bronze science mark and the Leading Parent Partnership Award. It has posted SAT scores, which are an improvement on last year, and the children continue to make good progress across all year groups. Children are actively encouraged to take part in the many afterschool clubs. The school currently provide 25 afterschool clubs in any one week.

Meynell Primary

Meynell is an averaged size primary school with both a three year old and two year old nursery. The majority of children are white British.

Meynell has had an Ofsted inspection this year where both Leadership and Management and Early Years were judged 'Good'. The overall effectiveness judgment was 'Requires Improvement' but with the recognition that the school is making good progress towards being good. The school has attained the Leading Parent Partnership Award and continues to work with families to ensure the children get the best possible start to school. The school also gained the Science Mark and the Charter for Quality in the Early Years.



Children achieve well and are prepared successfully for the challenge of Key stage 1. Ofsted 2017

Hillsborough Primary



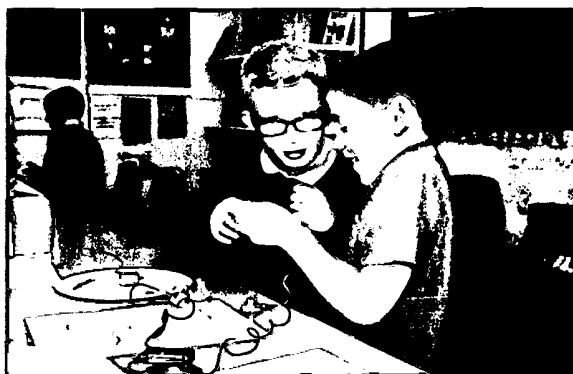
Hillsborough is an average size primary school with a 39 place three year old nursery. There is a breakfast club, which is school based and an independent afterschool provision on site. Children are from a wide range of cultural backgrounds with over 26 different languages spoken by our children.

Hillsborough has also gained the Leading Parent Partnership Award this year as well as the International Schools Award and the Basics Skills Award for the fourth time. The Early Years team have the Charter for Quality for the third year running. Hillsborough's Year 6 SATs results are particularly strong in 2017.

The executive headteacher and headteacher provide strong leadership. They have successfully led improvements in outcomes and provision for pupils. They provide high aspirations for all members of the school community. Ofsted 2017

Wisewood Primary

Wisewood is a small, one form entry primary school with no nursery. There is however an independent Pre School onsite who rent a space from the school. Not all children transfer from the Pre School into Wisewood Reception class. As a result of parent voice school runs a breakfast and afterschool club.



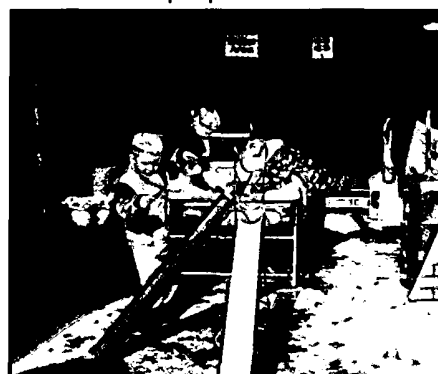
The school continues to work hard improving the quality of teaching and have some excellent examples of good practice. The school is awaiting an Ofsted visit and currently does not have an Ofsted grade. Again the school has placed an emphasis on working with parents and has also been awarded the Leading Parent Partnership Award. The school have attained very strong Key Stage 1 SATs results this year and there has been a significant improvement in the Key Stage 2 results.

Hallam Primary

Hallam Primary School is a large primary with 3 forms of entry. There is no nursery attached to the school and currently children arrive in the Reception class from around 20 different private nursery providers.

In September 2016 the Foundation Stage and Key Stage 1 moved into a new build which was completed over the summer. The younger children now have a learning environment that is fit for purpose.

The school has seen a large turnover of staff over the last year and there are currently a significant number of NQTs. The school has focused on ensuring new staff have a good induction and the team are working well. The school continues to have good outcomes at all key stages and in some areas there are outstanding results. The school have gained the silver Science Mark and are currently working towards the Leading Parent Partnership Award.



Our Strategy 2017 - 2022

We have reviewed and updated our strategy during the year to ensure we have a clear plan for the future development of the Trust. We listened to our head teachers, local governing bodies and staff to help define our strategy. Our mission and values remain the same with our focus always being to realise the life chances and dreams of every child.

Our strategy is structured around the four key visions.

Strategic Vision 1 - Effective schools

A great place to learn where every child enjoys and achieves and is prepared to succeed in the next stage of their journey towards further learning or meaningful work. Everyone feels safe within a learning community with a focus on values of care for and understanding of others - their wellbeing; physical, mental and emotional. The school is an integral part of the local community

Strategic Vision 2: Outstanding outcomes

Every child develops a love and enjoyment for learning achieved through an outstanding curriculum that balances knowledge and skill and develops self-awareness. Every individual has the ability to engage with and change the world around them.

Strategic Vision 3: Sustainable Trust

We will support every school and learner with the highest standard and most cost effective education and business support services to ensure that we liberate as much capacity and resources to add value and deliver the highest quality education experience.

Strategic Vision 4: A great place to work

Where every colleague is valued and experiences high quality support and rich learning and development opportunities within a collaborative environment. Every contribution is valued and all receive a well matched professional development process with a deep focus on managing workload to ensure everyone has a healthy work life balance

TAPTON SCHOOL ACADEMY TRUST STRATEGIC TRUSTEES REPORT

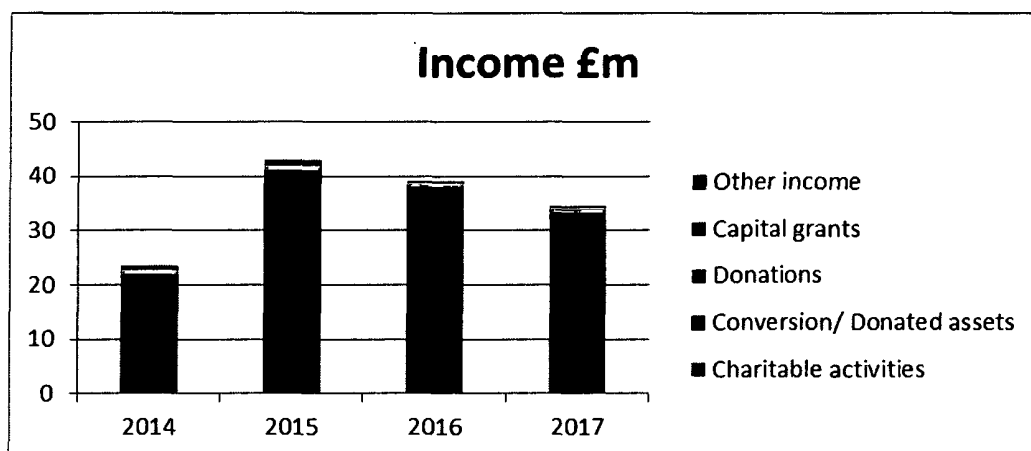
Financial Review

The majority of the Trust's £34.6m income is from government and local authority funding.

We have seen a 3.5% increase in our charitable income in the year but the financial situation remains challenging. Through tight financial control and ensuring value for money our net result (prior to the change in the pension gain / deficit, conversion of schools and restricted fixed asset movements) is £0.3m.

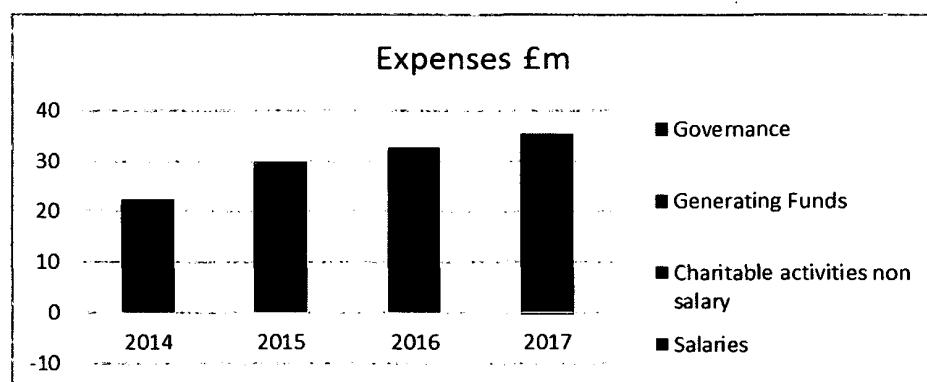
| | 2017 £m | 2016 £m |
|---|------------|------------|
| Net movement in funds | 2.8 | (0.3) |
| Less Academy conversion donation | | (4.9) |
| Academy improvement donation | (1.1) | |
| Movement on pension reserve (excluding conversion) | (1.7) | 6.8 |
| Movement on fixed asset reserve (excluding donations) | 0.3 | (1.4) |
| | <u>0.3</u> | <u>0.2</u> |

We continually aim to be more effective in how we operate whilst ensuring the excellence in our provision of education to the students.



Hallam Primary School opened 8 new classrooms and an improved play area in September 2016. The project was funded by Sheffield City Council and increased the value of the school land and building by £1.3m. This account is included within donations in the year. The prior year income includes the conversion income through the growth of the Trust with Hallam and Wisewood schools joining the Trust in 2016 and Forge Valley in September 2014.

TAPTON SCHOOL ACADEMY TRUST STRATEGIC TRUSTEES REPORT



Our staff costs represent 74% (2016: 73 %) of all expenditure. We have 828 staff supporting over 6000 pupils.

The costs of generating funds in prior years includes the legal costs during schools joining the Trust.

During the year our investment in schools includes a music room and air conditioning at Chaucer, playground equipment for Hillsborough, new toilets at Wisewood, 6th Form cafe at Tapton School and an extension and roofing at Southey Green. The Trust surrendered a part of its lease with Sheffield City Council for land at Chaucer school and received proceeds of £0.3m. These funds have been designated by the Trustees for future capital expenditure at Chaucer.

Financial performance is monitored by the Board, Finance and Resources sub committee, the Executive team and local school governors. Detailed budgets are approved by the Board and actual and forecast results are monitored.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Investment Policy

Investment decisions are approved by the Finance and Resources sub committee. We invest funds in bank deposit accounts.

Reserves policy

The Trustees have set out the minimum level of unrestricted reserves required for prudent financial management. The Trustees take into consideration the future plans of each Academy, the uncertainty over future income streams and other key risks identified during the risk review.

Unrestricted reserves support fluctuations in income, such as reduced student numbers or unexpected expenditure, such as urgent maintenance. Restricted reserves are in place to ensure grant and other restricted income spend in accordance with the fund requirements.

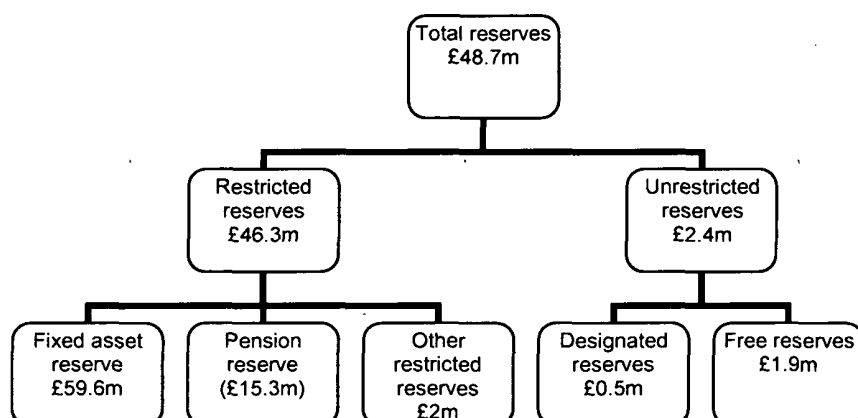
During the year the Board have designated two reserves; a £0.2m school improvement fund and £0.275m fund for Chaucer school assets. The Chaucer fund has been created by designating the proceeds from the

TAPTON SCHOOL ACADEMY TRUST STRATEGIC TRUSTEES REPORT

surrender of part of the leased land.

At 31 August 2017, the balance of the Trust's Unrestricted Funds was £2.4m (2016 £1.7m) and the balance of its Restricted General Funds was £2m (2016 £2.4m).

We currently have £1.9m (2016: £1.7m) of free reserves which provides us with 0.6 months (2016: 0.5 months) of cover for our running costs. This is in line with the reserves policy.



Risk management

The management of risk is part of all our strategic planning. We have a risk register to enable the identification, monitoring and establishment of controls to mitigate risks. We assess the likelihood and potential impacts of risks and ensure controls are in place to mitigate against those risks. The Trust sub committees consider risks on a quarterly basis. The most significant risks are:

1. Inadequate funding

We rely on continued government funding and this is currently subject to change. The funding is dependent upon pupil numbers and therefore dependent upon population trends as well as the demand for places. This risk is mitigated by our business plan, budgetary controls and compliance with our funding agreements. The risk of fluctuating numbers is mitigated by ensuring our schools and students have positive outcomes.

2. Cost pressures

Inflation has started to rise and there is pressure on increased staffing and pension costs (ongoing costs and deficit costs) with the continued debate around the current public sector pay. Other costs are also increasing and we need to be able to ensure our facilities, buildings and IT are fit for purpose. - Our funding has not kept pace with the cost increases so we strive to mitigate this risk by continually improving how we deliver education and ensure value for money in all aspects of our work.

3. Student outcomes and Ofsted

High standards in these areas is a prerequisite to maintaining student numbers and therefore funding, hence actions are in place to mitigate these risks. The outcomes at Chaucer school are a significant risk for the Trust and a pre termination notice has been received from the Regional Schools Commissioner.

TAPTON SCHOOL ACADEMY TRUST STRATEGIC TRUSTEES REPORT

4. Data Risk

We have procedures in place to ensure all our data is secure and we are currently reviewing our procedures to ensure we keep up to date with changes in Data compliance legislation

5. Health and Safety and Safeguarding

This is a priority for the Trust to ensure all our students and staff are safe and have a healthy environment. We have appropriate policies and procedures in place to ensure this risk is mitigated

6. Governance

It is essential for the Trust to have clear independent oversight from Trustees and Members. We have mitigated this risk through our review of governance during 2017 and the new structures we have put in place

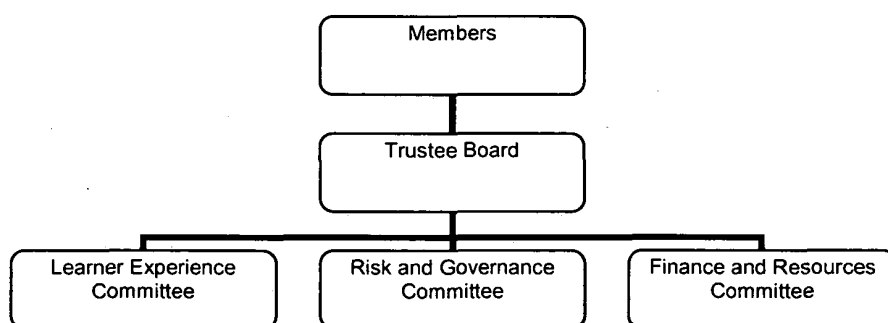
Our governance

Tapton School Academy Trust is a charitable company limited by guarantee and an exempt charity.

The memorandum and articles of association are the primary governing documents and we updated these during the year to update our change in governance structure. We introduced three key layers of governance as detailed below. The chairs of Local Governing Boards are now part of an advisory council and no longer Trustees or Members of the Trust. The independence of the Board and Members from the local academies is in line with new practice for multi academy Trusts. To ensure we do not lose the connection with the schools, students, families and communities we have created the Advisory Council.

This change meant that a significant number of our Board and Members have changed in the year and in appointing new Board and Members we ensured we had the right mix of skills and experience to ensure our governance and oversight was effective.

The Board has reviewed the sub committees terms of reference and the new committees are detailed below.



Details of the Members, Trustees and Executive team are included on page 23.

A new executive team structure has been established from September 2017 giving clear lines of accountability and responsibility in the areas of Primary education, Secondary education, Operations & Finance.

TAPTON SCHOOL ACADEMY TRUST STRATEGIC TRUSTEES REPORT

Members

Each Member undertakes to contribute up to £10 in the event of the Trust being wound up while they are a member, or within one year after they cease to be a member, for any liabilities of the Trust.

Trustees

The Trustees are also the directors of the charitable company for the purpose of company law.

The number of directors shall not be less than 3 but is not be subject to any maximum. Trustees are appointed by the Members of the Trust. Up to 5 Trustees may be appointed by an ordinary resolution and up to 2 parent Trustees if there are no parent representatives on the local governing bodies. Trustees may also be co-opted. The number of Trustees who are employees shall not exceed one third of the total Trustees.

Training an induction is provided, for new Members and Trustees, which is tailored to their previous experience. This includes an induction meeting and ongoing training as required.

The Trustees are responsible for the strategic direction of the Trust.

Executive team

The Trust is led by the Executive team consisting of the Chief Executive, Director of Secondary Education, Director of Primary Education, Chief Operations & Finance Officer and Director of Standards. The Trustees delegate the operational and strategic management of the Trust to the Executive team. The key management personnel are defined on page 23.

Remuneration policy

Pay and benefits are set at a level to recognise the value of the role and the level of responsibility. Teachers' remuneration is in line with national teachers' pay and conditions. Support staff remuneration is benchmarked to similar roles in the education sector and the level set based on the experience and skills required for the roles. In normal circumstances, where affordable, annual cost of living rises are awarded.

The remuneration policy applies to the executive team, who are the key management personnel.

Our performance framework for teachers links pay to performance against objectives which are aligned to strategy. Our HR policies set out where employees are consulted on matters affecting them and also the employment of disabled persons.



Public benefit

The main public benefit delivered by the Trust is the provision of a high quality education to its students which is evidenced through the results achieved and feedback from external assessments. This public benefit is directly related to our charitable objectives. We confirm that we follow the Charity Commission's public benefit guidance.

Related party relationships

The Trust does not operate any formal federation relationships with other education establishments but its staff, across the curriculum, work collaboratively with many other schools and organisations.

Disclosure of information to auditor

In so far as the Trustees are aware:

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



C Bagley
Chair of Trustees

11 December 2017

TAPTON SCHOOL ACADEMY TRUST

ADMINISTRATIVE DETAILS

| | |
|----------------------------|--|
| Members | <p>C Bagley A Pettifer – from 13 September 2017 J Scott – from 13 September 2017 F Woodruff – to 13 September 2017 C Senior – to 14 September 2017</p> |
| Trustees | <p>C Bagley (Chair) K Platts (Vice Chair) R Dunlop – from 13 June 2017 T Ashford – from 13 June 2017 C Beardmore – from 13 June 2017 D Beaumont – from 13 June 2017 S Conway – from 13 September 2017 D Thorpe – from 13 September 2017 D Tidmarsh – from 13 June 2017 to 13 September 2017 D Bowes – to 12 December 2016 J Burkinshaw – to 3 July 2017 K Matthews – to 1 September 2016 G Rodrigo – to 12 December 2016 D Dennis – from 1 March 2017 to 3 July 2017 J Crawshaw – to 3 July 2017 J Crossley Holland – to 3 July 2017 R Bustani – to 3 July 2017 S Draper from 14 November 2016 to 3 July 2017</p> |
| Executive team | <p>D Dennis – Chief Executive Office and Accounting Officer, Director of Secondary and Executive Headteacher Secondary A Lant – Director of Primary and Executive Headteacher Primary J Delaney – Chief Operating and Finance Officer</p> |
| Registered office | <p>Tapton School, Darwin Lane, Sheffield, S10 5RG</p> |
| Company secretary | <p>J Delaney – from 3 July 2017 D Kirkham – 11 January 2017 to 3 July 2017 C Anthony – to 11 January 2017</p> |
| Independent auditor | <p>BHP LLP, Chartered Accountants, 2 Rutland Park, Sheffield, S10 2PD</p> |
| Bankers | <p>Royal Bank of Scotland, 747 Attercliffe Branch, Sheffield, S9 3RF Lloyds Bank, Church Street, Sheffield, S1 1HP</p> |
| Solicitors | <p>Browne Jacobson, Mowbray House, Castle Meadow Road, Nottingham, NG2 1BJ</p> |

TAPTON SCHOOL ACADEMY TRUST GOVERNANCE STATEMENT

Scope of Responsibility

As Trustees, we have overall responsibility for ensuring the Trust has effective and appropriate systems of control. This is designed to manage the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Trustees have delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform to the requirements of propriety and good financial management and in accordance with the requirements of the funding agreement with the Secretary of State for Education. The Chief Executive is responsible for reporting to the Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Strategic report and in the Statement of Trustees' responsibilities. The Trustee Board has formally met 6 times during the year. The Risk and Governance sub committee assists the Board in fulfilling its oversight responsibilities for internal control and for addressing issues identified through the internal audit process. Attendance during the year at meetings of the Board was as follows:

| Trustee | Board | | Risk & Governance | | Finance & Resources | | Lerner Experience | |
|--------------|----------|-------------------|-------------------|-------------------|---------------------|-------------------|-------------------|-------------------|
| | Attended | Out of a possible | Attended | Out of a possible | Attended | Out of a possible | Attended | Out of a possible |
| C Bagley | 6 | 6 | 2 | 2 | 2 | 2 | 2 | 2 |
| K Platts | 6 | 6 | 2 | 2 | 2 | 2 | | |
| R Dunlop | 1 | 1 | - | - | - | - | - | - |
| T Ashford | 1 | 1 | - | - | - | - | - | - |
| C Beardmore | 1 | 1 | - | - | - | - | - | - |
| D Tidmarsh | 1 | 1 | - | - | - | - | - | - |
| D Beaumont | 1 | 1 | - | - | - | - | - | - |
| D Bowes | 1 | 3 | - | - | - | - | - | - |
| G Rodrigo | 0 | 3 | - | - | | | | |
| D Dennis | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| S Draper | 5 | 5 | - | - | - | - | 2 | 2 |
| J Burkinshaw | 6 | 6 | - | - | - | - | 2 | 2 |
| J Crawshaw | 6 | 6 | - | - | - | - | - | - |
| R Bustani | 6 | 6 | - | - | - | - | - | - |
| J Crossley | 6 | 6 | - | - | 2 | 2 | 2 | 2 |
| Holland | | | | | | | | |

The Board met to discuss all issues of relevance to the operation of the Trust, to include agreeing policies in relation to finance/staffing, agreeing individual schools budgets and reviewing risk in each of the schools.

The strategic report on pages 4-22 details the changes to the Board of Trustees and changes to the sub committees.

The role of the Risk & Governance Committee is to maintain an oversight of the governance, risk management and internal control.

TAPTON SCHOOL ACADEMY TRUST GOVERNANCE STATEMENT

The Finance & Resources Committee is authorised to consider, advise on or determine, the strategies and policies for the effective and efficient use of financial, physical and human resources and be responsible for ensuring the solvency of the Trust and the safeguarding of its assets.

The role of the Learning Experience Committee is to maintain excellent standards in each of the schools, including any due diligence of new schools wishing to join. It scrutinises Quality Assurance documents, data reports and school reviews.

Review of Value for money

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

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

The Accounting Officer for the Trust has delivered improved value for money during the year by:

- A review of the curriculum and it's delivery
- Negotiation and contract reviews for services including insurance and energy
- The appointment of a Chief Operations and Finance Officer to ensure value for money throughout the Trust through cost savings, standardisation and centralisation.

The Purpose of Internal Controls

Internal controls are designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 Tapton School Academy Trust for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board has reviewed the key risks together with the operating, financial and compliance controls that have been implemented to mitigate those risks. There is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Risk & Governance sub committee of the Board.

The Risk and Control Framework

The 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:

TAPTON SCHOOL ACADEMY TRUST GOVERNANCE STATEMENT

- regular reviews by the Finance & Resources committee of financial performance and budgets;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks
- the appointment of a firm of accountants to act as internal auditor and perform a programme of work to check controls are adequate and operating effectively.

The internal audit checks in the year were in the following areas:

- Disclosure Barring System
- Parental contributions for trips and school meals
- Fixed assets
- Opening balances
- Credit card purchases

The internal audit report detailing the work performed, results and recommendations is reviewed by the Risk & Governance committee and shared with the local schools. No material control issues have been raised by internal audit during the period being reported.

Review of Effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the Trust managers who have responsibility for the internal control framework.

The Accounting Officer has been advised of the implications of the result of the Boards review of the internal controls and plans to ensure continuous improvement of the system is in place.

Approved by the Board on 11 December 2017 and signed on their behalf, by:



C Bagley
Chair of Trustees



D Dennis
Accounting Officer

TAPTON SCHOOL ACADEMY TRUST
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Tapton School Academy Trust, I have considered my responsibility to notify the academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2016.

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



D Dennis
Accounting Officer

Date: 11 December 2017

TAPTON SCHOOL ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2016 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by the Board of Trustees on 11 December 2017 and signed on its behalf by:



C Bagley
Chair

Opinion

I have audited the financial statements of Tapton School Academy Trust for the Year ended 31 August 2017 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In my opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the Year then ended 31 August 2017.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis of opinion

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

Conclusions relating to going concern

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and my Auditors' report thereon. My opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

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

I have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

I have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires me to report to you if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by me; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remunerations specified by law not made; or
- I have not received all the information and explanations I require for my audit.

Responsibilities of trustees

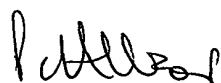
As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal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

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

Auditors' responsibilities for the audit of the financial statements

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

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of my Auditors' report.



Philip Allsop (Senior statutory auditor)

BHP LLP

Chartered Accountants

Statutory Auditor

2 Rutland Park, Sheffield, S10 2PD

Date 18 December 2017

INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO TAPTON SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 23 October 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, I have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Tapton School Academy Trust during the Year 1 September 2016 to 31 August 2017 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 Tapton School Academy Trust and the ESFA in accordance with the terms of our engagement letter. My work has been undertaken so that I might state to Tapton School Academy Trust and the ESFA those matters I am required to state in a report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than Tapton School Academy Trust and the ESFA, for my work, for this report, or for the conclusion I have formed.

Respective responsibilities of Tapton School Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Tapton School Academy Trust's funding agreement with the Secretary of State for Education dated 30 March 2012, and the Academies Financial Handbook extant from 1 September 2016, 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.

My responsibilities for this engagement are established in the United Kingdom by my 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 2016 to 2017. I report to you whether anything has come to my attention in carrying out my work which suggests that in all material respects, expenditure disbursed and income received during the Year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

I conducted my engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide me 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 me to obtain assurance that I would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, I do not express a positive opinion.

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

The work undertaken to draw our conclusions includes:

- Detailed testing on a sample basis to assess the nature of expenditure and whether funds have been used appropriately;
- Review of the academy's internal financial procedures to ensure that controls are in place to prevent or identify regularity issues;
- Ensure that EFA approval has been obtained for relevant transactions;
- Discussions with Trustees, Senior Leadership Team and the Accounting Officer throughout the audit process to ensure that all regularity threats have been addressed

INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY
TO TAPTON SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

Conclusion

In the course of my work, nothing has come to my attention which suggests that in all material respects the expenditure disbursed and income received during the Year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Philip Allsop (Senior statutory auditor)

BHP LLP

Chartered Accountants
Statutory Auditor

2 Rutland Park, Sheffield, S10 2PD

Date 18 December 2017

TAPTON SCHOOL ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating income and expenditure account)
FOR THE YEAR ENDED 31 AUGUST 2017

| | | Unrestricted funds | Restricted funds | Total funds | Unrestricted funds | Restricted funds | Total funds |
|---|------|-----------------------|---------------------|-----------------|-----------------------|---------------------|-----------------|
| | Note | 2017 £'000 | 2017 £'000 | 2017 £'000 | 2016 £'000 | 2016 £'000 | 2016 £'000 |
| Income | | | | | | | |
| Donations & capital grants | 2 | 129 | 2,033 | 2,152 | 310 | 7,598 | 7,908 |
| Charitable activities | 3 | 1,447 | 30,490 | 31,967 | 843 | 30,015 | 30,858 |
| Other trading activities | 4 | 293 | - | 293 | 319 | 3 | 322 |
| Teaching school | | - | 215 | 215 | - | 221 | 221 |
| Investments | | 12 | - | 12 | 15 | - | 15 |
| | | 1,881 | 32,728 | 34,609 | 1,487 | 37,837 | 39,324 |
| Expenditure | | | | | | | |
| Charitable activities | | (1,115) | (33,236) | (34,351) | (984) | (32,155) | (33,139) |
| Raising funds | | (26) | - | (26) | (47) | - | (47) |
| | 5 | (1,141) | (33,236) | (34,377) | (1,031) | (32,155) | (33,186) |
| Net income / (expenditure) | 5 | 740 | (508) | 232 | 456 | 5,682 | 6,138 |
| Transfers | 15 | (41) | 41 | - | (207) | 207 | - |
| | | 699 | (467) | 232 | 249 | 5,889 | 6,138 |
| Actuarial gain/(loss) on defined benefit pension scheme | 19 | - | 2,544 | 2,544 | - | (6,527) | (6,527) |
| Net movement in funds | | 699 | 2,077 | 2,776 | 249 | (638) | (389) |
| Reconciliation of funds: | | | | | | | |
| Total funds brought forward | | 1,718 | 44,206 | 45,924 | 1,469 | 44,844 | 46,313 |
| Total funds carried forward | | 2,417 | 46,283 | 48,700 | 1,718 | 44,206 | 45,924 |

All amounts relate to continuing activities.

The movement on restricted funds are disclosed in note 15.

All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 36 to 50 form part of these financial statements.


TAPTON SCHOOL ACADEMY TRUST

**NET ASSET STATEMENT
AS AT 31 AUGUST 2017**


Registered company number: 07697171

| | Note | £'000 | 2017 £000 | 2016 £000 |
|---|------|-----------------|----------------------|----------------------|
| Fixed assets | | | | |
| Tangible assets | 10 | | 59,308 | 58,803 |
| Current assets | | | | |
| Debtors | 11 | 1,141 | | 1,132 |
| Cash at bank and in hand | | <u>6,310</u> | <u>5,533</u> | |
| | | 7,451 | 6,665 | |
| Creditors: amounts falling due within one year | 12 | <u>(2,613)</u> | <u>(2,392)</u> | |
| Net current assets | | | <u>4,838</u> | <u>4,273</u> |
| Total assets less current liabilities | | | 64,146 | 63,076 |
| Creditors: amounts falling due after one year | 13 | | <u>(113)</u> | <u>(116)</u> |
| Net assets excluding pension scheme liability | | | 64,033 | 62,960 |
| Defined benefit pension scheme liability | 19 | | <u>(15,333)</u> | <u>(17,036)</u> |
| Net assets | | | <u>48,700</u> | <u>45,924</u> |
| Funds | 15 | | | |
| Restricted funds | | | | |
| Restricted income funds | | 2,009 | | 2,395 |
| Restricted fixed asset funds | | 59,607 | | 58,847 |
| Pension reserve | | <u>(15,333)</u> | <u>(17,036)</u> | |
| | | | 46,283 | 44,206 |
| Unrestricted funds | | | | |
| Designated reserves | | 475 | | - |
| Unrestricted funds | | <u>1,943</u> | <u>1,718</u> | |
| | | | <u>2,417</u> | <u>1,718</u> |
| | | | <u>48,700</u> | <u>45,924</u> |

The financial statements were approved by the Trustees on 11 December 2017 and are signed on their behalf, by:


C Bagley
Trustee

Trustee


DAVID BEAUMONT.

The notes on pages 36 to 50 form part of these financial statements.

TAPTON SCHOOL ACADEMY TRUST**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017**

| | Note | 2017 £000 | 2016 £000 |
|--|-------------|----------------------|----------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 16 | 1,673 | 3,873 |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | | 12 | (16) |
| Proceeds from the sale of fixed assets | | 300 | |
| Purchase of tangible fixed assets | | (1,204) | (3,157) |
| Net cash used in investing activities | | (892) | (3,172) |
| Cash flows from financing activities: | | (4) | (3) |
| Change in cash in the year | | 777 | 697 |
| Cash at 1 September | | 5,533 | 4,836 |
| Cash at 31 August | | 6,310 | 5,533 |

TAPTON SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1. Accounting Policies

The principal accounting policies (which have been applied consistently), judgements and key sources of estimation uncertainty, are set out below.

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Tapton School Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes. Restricted general funds comprise all other funds received with restrictions imposed by the funder and include grants from the Department for Education.

1.3 Income

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

Grants are accounted for 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.

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

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

Assets received on the transfer in of an academy are measured at fair value and recognised on the date of the transfer agreement. An equal amount of income is recognised for the transfer within donations.

1.4 Expenditure

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

The costs are classified by activity. Support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

The financial statements are prepared on a going concern basis. We have assessed that this is appropriate in respect of a period of at least one year from the date of the approval of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the ability to continue as a going concern.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are accounted for at cost (or fair value) and depreciated over their expected useful economic life. Depreciation is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Asset additions or improvements funded by the Local Authority are accounted for at fair value (when it can be measured reliably). The increase in value or value of the item donated is accounted for as a donation.

Depreciation is accounted for on a straight line basis as follows:

| | |
|------------------------------|-----------|
| Freehold land | 0% |
| Long-term Leasehold Property | 2 - 10% |
| Motor vehicles | 20% |
| Fixtures and fittings | 10% |
| Artificial pitch | 10% |
| Computer equipment | 20% - 33% |

1.7 Taxation

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation to the extent that such income or gains are applied exclusively to charitable purposes.

1.8 Debtors

Debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation (as a result of a past event) resulting in a transfer of funds and the amount can be measured reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.10 Financial instruments

The academy only basic financial instruments which are initially recognised at transaction value and subsequently measured at their settlement value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1.11 Pensions

Retirement benefits 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 Trust.

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

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

1.12 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment are as follows.

Pension

The value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, will impact the value of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. Donations and capital grants

| | Unrestricted funds 2017 £'000 | Restricted funds 2017 £'000 | Total funds 2017 £'000 | Unrestricted funds 2016 £'000 | Restricted funds 2016 £'000 | Total funds 2016 £'000 |
|-----------------------------------|--|--------------------------------------|---------------------------------|--|--------------------------------------|---------------------------------|
| Transfers on conversion (Note 17) | - | - | - | 229 | 4,663 | 4,892 |
| Donations | 129 | 1,096 | 1,225 | 81 | 2,136 | 2,217 |
| Capital Grants | - | 927 | 927 | - | 799 | 799 |
| | 129 | 2,023 | 2,152 | 310 | 7,598 | 7,908 |

TAPTON SCHOOL ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

3. Charitable activities - educational operations

| | Unrestricted funds 2017 £'000 | Restricted funds 2017 £'000 | Total funds 2017 £'000 | Unrestricted funds 2016 £'000 | Restricted funds 2016 £'000 | Total funds 2016 £'000 |
|------------------------|--|--------------------------------------|---------------------------------|--|--------------------------------------|---------------------------------|
| General Annual Grant | - | 26,411 | 26,411 | - | 26,125 | 26,125 |
| Other DfES/EsFA grants | - | 2,645 | 2,645 | - | 2,566 | 2,566 |
| Local authority grants | - | 1,132 | 1,132 | - | 1,027 | 1,027 |
| Other funding | 1,447 | 302 | 1,749 | 843 | 295 | 1,138 |
| | 1,447 | 30,490 | 31,937 | 843 | 30,015 | 30,858 |

4. Other trading activities

| | Unrestricted funds 2017 £'000 | Restricted funds 2017 £'000 | Total funds 2016 £'000 | Unrestricted funds 2016 £'000 | Restricted funds 2016 £'000 | Total funds 2016 £'000 |
|-------------------|--|--------------------------------------|---------------------------------|--|--------------------------------------|---------------------------------|
| Lettings | 176 | - | 176 | 127 | - | 127 |
| External Catering | 38 | - | 38 | 51 | - | 51 |
| Other | 79 | - | 79 | 141 | 3 | 144 |
| | 293 | - | 293 | 319 | 3 | 322 |

5. Expenditure

| | Staff costs 2017 £'000 | Premises Costs 2017 £'000 | Other costs 2017 £'000 | Total 2017 £'000 | Staff costs 2016 £'000 | Premises Costs 2016 £'000 | Other costs 2016 £'000 | Total 2016 £'000 |
|-----------------|---------------------------------|------------------------------------|---------------------------------|------------------------|---------------------------------|------------------------------------|---------------------------------|------------------------|
| Education: | | | | | | | | |
| Direct costs | 22,280 | 2,945 | 4,671 | 29,896 | 21,748 | 3,188 | 5,272 | 30,208 |
| Support costs | 3,025 | 131 | 1,076 | 4,232 | 2,037 | 130 | 764 | 2,931 |
| Teaching school | 122 | - | 101 | 223 | - | - | - | - |
| | 25,427 | 3,076 | 5,848 | 34,351 | 23,785 | 3,318 | 6,036 | 33,139 |
| Raising funds | - | - | 26 | 26 | - | - | 47 | 257 |
| | 25,427 | 3,076 | 5,874 | 34,377 | 23,785 | 3,318 | 6,083 | 33,186 |

TAPTON SCHOOL ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

| Expenditure by school | Teaching staff costs 2017 £'000 | Other staff costs 2017 £'000 | Educational supplies 2017 £'000 | Other 2017 £'000 | Total 2017 £'000 | Total 2016 £'000 |
|-----------------------|--|---------------------------------------|--|------------------------|------------------------|------------------------|
| Chaucer | 2,962 | 1,283 | 312 | 1,295 | 5,852 | 5,651 |
| Forge Valley | 3,923 | 1,188 | 451 | 1,523 | 7,084 | 6,906 |
| Hallam | 1,257 | 568 | 145 | 522 | 2,491 | 2,085 |
| Hillsborough | 1,137 | 427 | 94 | 428 | 2,086 | 1,912 |
| Meynell | 1,448 | 518 | 134 | 520 | 2,620 | 2,490 |
| Southey Green | 1,891 | 681 | 94 | 933 | 3,599 | 3,699 |
| Tapton | 5,784 | 868 | 741 | 2,139 | 9,534 | 9,339 |
| Trust | 445 | 173 | 11 | (625) | 4 | 82 |
| Wisewood | 587 | 240 | 64 | 215 | 1,107 | 1,022 |
| | 19,434 | 5,946 | 2,046 | 6,950 | 34,377 | 33,186 |

6. Net income / expenditure includes

| | 2017 £'000 | 2016 £'000 |
|--|---------------|---------------|
| Operating leases | 78 | 69 |
| Depreciation | 1,796 | 1,913 |
| (Gain)/Loss on sale of fixed assets | (300) | - |
| Audit fees | 29 | 20 |
| Auditor other services | 9 | 6 |
| Other finance income | | |
| Interest income on pension scheme assets | 184 | 236 |
| Interest on pension scheme liabilities | (533) | (642) |
| | (350) | (406) |
| Trust charge | | |
| Tapton | 212 | 79 |
| Chaucer | 138 | 64 |
| Forge | 173 | 78 |
| Southey Green | 94 | 42 |
| Meynell | 62 | 27 |
| Hillsborough | 52 | 21 |
| Hallam | 62 | 26 |
| Wisewood | 17 | 12 |
| | 810 | 349 |

Included within the gain on sale of fixed assets is £275,000 proceeds from the surrender of a portion of the land lease at Chaucer School. The proportion of the lease sold was estimated to have a nil net book value.

The Trust charge includes include School improvement, Facilities, Catering, Management, Human resources, IT, Finance and administration. The charge is allocated to schools on the basis of direct time costs or as a proportion of the General annual grant. In 2016 this recharge only included management, finance and administration.

TAPTON SCHOOL ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

7. Staff costs

| | 2017 £'000 | 2016 £'000 |
|--|-----------------------|-----------------------|
| Wages and salaries | 18,876 | 18,389 |
| Social security costs | 3,696 | 1,440 |
| Operating costs of defined benefit pension schemes | 2,666 | 2,988 |
| Apprentice levy | 29 | - |
| | 24,313 | 22,817 |
| Supply teacher costs | 1,067 | 865 |
| | 25,379 | 23,682 |
| Staff restructuring costs - redundancy | - | 44 |
| Staff restructuring costs - severance | 45 | 55 |
| Staff restructuring costs - other | 2 | 3 |
| | 25,427 | 23,785 |
| | 2017 No. | 2016 No. |
| Average number of employees | | |
| Teachers | 339 | 329 |
| Educational support & administration | 471 | 502 |
| Management | 18 | 23 |
| | 828 | 854 |
| Average employees full time equivalent | | |
| Teachers | 305 | 287 |
| Educational support & administration | 303 | 311 |
| Management | 12 | 21 |
| | 620 | 619 |

Number of employees with (excluding pension and national insurance) exceeding £60,000

| | | |
|---------------------------------|----------|---|
| In the band £60,001 - £70,000 | 6 | 1 |
| In the band £70,001 - £80,000 | - | 1 |
| In the band £80,001 - £90,000 | 3 | 2 |
| In the band £90,001 - £100,000 | - | 2 |
| In the band £100,001 - £120,000 | 1 | 1 |

The key management personnel comprise the Trustees and the executive team as listed on page 23. The total amount of employee benefits received by key management personnel for their services to the academy was £297,000 (2016:£333,000) and the total employers pension and national insurance for key management personnel was £73,000 (2016: £77,000).

8. Trustees' remuneration and expenses

The Staff Trustees (D Bowes and D Dennis) only received remuneration, in the banding £100,001-£120,000, in respect of their staff roles and not for their services as Trustees. Other Trustees did not receive any remuneration. During the year Trustees expenses were £nil (2016: £373).

9. Trustees' and Officers' Insurance

Trustees' insurance cost £4,950 (2016: 8,554), against claims arising from negligence up to £1m per claim.

TAPTON SCHOOL ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

10. Tangible fixed assets

| | Land & Buildings £'000 | Vehicles £'000 | Fixtures & computers £'000 | Total £'000 |
|----------------------------|------------------------------|-------------------|----------------------------------|----------------|
| Cost | | | | |
| At 1 September 2016 | 62,074 | 49 | 2,030 | 64,153 |
| Additions | 927 | | 277 | 1,204 |
| Donate additions (Note 17) | 1,096 | | | 1,096 |
| Disposals | | | (20) | (20) |
| At 31 August 2017 | 64,097 | 49 | 2,287 | 66,433 |
| Depreciation | | | | |
| At 1 September 2016 | 4,054 | 37 | 1,258 | 5,349 |
| Charge for the Year | 1,449 | 10 | 337 | 1,796 |
| Disposals | - | - | (20) | (20) |
| At 31 August 2017 | 5,503 | 47 | 1,575 | 7,125 |
| Net book value | | | | |
| At 31 August 2017 | 58,594 | 2 | 712 | 59,308 |
| At 31 August 2016 | 58,019 | 12 | 772 | 58,803 |

11. Debtors

| | 2017 £'000 | 2016 £'000 |
|----------------|---------------|---------------|
| Trade debtors | 105 | 43 |
| Prepayments | 322 | 291 |
| Accrued income | 380 | 467 |
| VAT | 329 | 325 |
| Other debtors | 6 | 6 |
| | 1,141 | 1,132 |

12. Creditors: Amounts falling due within one year

| | 2017 £'000 | 2016 £'000 |
|------------------------------------|---------------|---------------|
| Trade creditors | 618 | 759 |
| Other taxation and social security | 423 | 415 |
| Other creditors | 298 | 166 |
| Accruals | 721 | 539 |
| Deferred income | 549 | 510 |
| Other loans | 3 | 3 |
| | 2,613 | 2,392 |

TAPTON SCHOOL ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

| | 2017 | 2016 |
|--------------------------------------|--------------|--------------|
| | £'000 | £'000 |
| <i>Deferred income</i> | | |
| Deferred income at 1 September 2016 | 510 | 332 |
| Resources deferred during the year | 549 | 510 |
| Amounts released from previous years | (510) | (332) |
| | 549 | 510 |

Deferred income includes Growth, Rates, High needs, Trips and Universal free school meals funding.

13. Creditors: Amounts falling due after more than one year

| | 2017 | 2016 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Other creditors not repayable within 5 years | 113 | 116 |

14. Analysis of net assets between funds

| | Unrestricted | Restricted | Restricted | Restricted | Total | Total |
|-------------------------------|---------------------|-------------------|-------------------|-------------------|---------------|---------------|
| | funds | funds | pension | fixed | funds | funds |
| | 2017 | 2017 | fund | asset fund | 2017 | 2016 |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | - | - | - | 59,308 | 59,308 | 58,803 |
| Current assets | 2,417 | 4,711 | - | 323 | 7,451 | 6,665 |
| Creditors due within one year | - | (2,589) | - | (24) | (2,613) | (2,392) |
| Creditors due after one year | - | (113) | - | - | (113) | (116) |
| Pension scheme liability | - | - | (15,333) | - | (15,333) | (17,036) |
| | 2,417 | 2,009 | (15,333) | 59,607 | 48,700 | 45,924 |

TAPTON SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

15. Statement of funds

| | Brought Forward £'000 | Income £'000 | Expenditure £'000 | Transfers in/out £'000 | Gains/ (Losses) £'000 | Carried Forward £'000 |
|--|-----------------------------|-----------------|----------------------|------------------------------|-----------------------------|-----------------------------|
| Unrestricted funds | | | | | | |
| General funds | 1,718 | 1,881 | (1,141) | (516) | - | 1,942 |
| Designated funds | | | - | 475 | - | 475 |
| | 1,718 | 1,881 | (1,141) | (41) | - | 2,417 |
| Restricted funds | | | | | | |
| General annual Grant, DfES and Local Authority | 1,933 | 28,085 | (27,607) | (492) | - | 1,919 |
| Pupil premium | 271 | 2,141 | (2,412) | - | - | - |
| Teaching school | 34 | 215 | (223) | - | - | 26 |
| School funds | 129 | 264 | (329) | - | - | 64 |
| Other | 28 | - | (28) | - | - | - |
| | 2,395 | 30,705 | (30,599) | (492) | - | 2,009 |
| Pension fund | (17,036) | - | (841) | | 2,544 | (15,333) |
| Fixed asset fund | 58,847 | 2,023 | (1,796) | 533 | - | 59,607 |
| | 44,206 | 32,728 | (33,236) | 41 | 2,544 | 46,283 |
| | 45,924 | 34,609 | (34,377) | - | 2,544 | 48,700 |

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

- **Unrestricted funds** - available to the Trustees to apply for the general purposes.
- **Designated funds** - for school improvement £0.2m and funds for Chaucer capital expenditure £0.275m.
- **General Annual Grant, DfES and Local Authority funding** - for the costs of running the Trust for existing students.
- **Pupil Premium** - funding from the ESFA to support their disadvantaged pupils and close the attainment gap
- **Teaching School** – Escafeld Teaching School Alliance.
- **School funds** - money raised for specific purposes including school trips.
- **Other** - a range of grants provided to the Trust for specific purposes.
- **Pension reserve** - the deficit on the Local Government Pension Scheme
- **Restricted fixed asset fund** - the amount of restricted funding received for fixed assets.
- **Transfers** - represent the investment of revenue funds in capital expenditure

| Statement of funds by School | 2017 £'000 | 2016 £'000 |
|------------------------------|---------------|---------------|
| Chaucer | 641 | 410 |
| Forge Valley | 152 | 191 |
| Hallam | 273 | 269 |
| Hillsborough | 455 | 400 |
| Meynell | 555 | 515 |
| Southey Green | 1,113 | 856 |
| Tapton | 1,041 | 1,305 |
| Trust | 165 | 154 |
| Wisewood | 31 | 13 |
| | 4,426 | 4,112 |
| Fixed asset reserve | 59,607 | 58,847 |
| Pension reserve | (15,333) | (17,036) |
| | 48,700 | 45,924 |

TAPTON SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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

| | 2017 £'000 | 2016 £'000 |
|--|---------------|---------------|
| Net funds for the year | 232 | 6,138 |
| Adjustment for: | | |
| Depreciation charges | 1,796 | 1,913 |
| Dividends, interest and rents from investments | (12) | 15 |
| (Gain) on the sale of fixed assets | (300) | - |
| Decrease/(increase) in debtors | (9) | 143 |
| Increase in creditors | 105 | 106 |
| Defined benefit pension scheme obligation inherited | - | 692 |
| Defined benefit pension scheme cost less contributions payable | 474 | (185) |
| Defined benefit pension scheme finance cost | 367 | 406 |
| Fixed assets donated (Note 17) | (1,096) | (5,355) |
| Net cash flow from operating activities | 1,557 | 3,872 |

17. Conversion to academy trust status

During the year ended August 2016, Sheffield City Council built new classrooms and improved the playground at Hallam School. The increase in value of £1.1m of the land and buildings has been accounted for as a gift on 1 September 2016 when a reliable measure of the fair value was available.

On 1 September 2015 Hallam Primary School and Wisewood Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Tapton School Academy Trust from Sheffield City Councils Local Authority ("LA") for £nil consideration. The transfer was accounted for in the prior year as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Net asset statement with a corresponding net amount recognised as a net gain in the Statement of financial activities. The fair values of the identifiable assets and liabilities transferred.

| | Unrestricted funds £'000 | Restricted funds £'000 | Restricted fixed asset funds £'000 | Total funds £'000 |
|---|--------------------------------|------------------------------|---|-------------------------|
| Tangible fixed assets | | | | |
| Leasehold land and buildings - Hallam | - | - | 3,762 | 3,762 |
| Leasehold land and buildings - Wisewood | - | - | 1,592 | 1,592 |
| Budget surplus on LA funds - Hallam | 224 | - | - | 224 |
| Budget surplus on LA funds - Wisewood | 5 | - | - | 5 |
| LGPS pension (deficit) - Hallam | - | (337) | - | (337) |
| LGPS pension (deficit) - Wisewood | - | (355) | - | (355) |
| | 229 | (692) | 5,355 | 4,892 |

The above net assets include £229,060 that were transferred as cash.

18. Capital commitments

The Trust has capital commitments of £nil (2016: £264,000).

TAPTON SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

19. Pension commitments and liability

The Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by South Yorkshire Pension Fund.

The latest actuarial valuation of the TPS was the period ended 31 March 2012 and of the LGPS 31 March 2013. The net outstanding contributions at 31 August was £157,000 (2016:159,000) and were paid by the due date.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The agreed contribution rates for future years are 12.8% for employers and 5.5% to 12.5% for employees.

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

| Movements in the present value of the defined benefit obligation | 2017 £'000 | 2016 £'000 |
|--|---------------|---------------|
| At 1 September | 24,855 | 14,726 |
| Current service cost | 1,872 | 1,159 |
| Interest cost | 533 | 621 |
| Contributions by employees | 337 | 326 |
| Actuarial (gain)/losses | (2,090) | 7,460 |
| Liabilities assumed in a business combination | - | 692 |
| Benefits paid | (122) | (129) |
| | 25,385 | 24,855 |

Movements in the fair value of the share of scheme assets:

| | | |
|--|---------------|--------------|
| At 1 September | 7,819 | 5,130 |
| Return on plan assets (excluding net interest) | 184 | 215 |
| Actuarial gains and (losses) | 436 | 933 |
| Contributions by employer | 1,398 | 1,344 |
| Contributions by employees | 337 | 326 |
| Benefits paid | (122) | (129) |
| | 10,052 | 7,819 |

| | | |
|--------------------------|-----------------|-----------------|
| Pension scheme liability | (15,333) | (17,036) |
|--------------------------|-----------------|-----------------|

| | 2017 % | 2016 % |
|--|-----------|-----------|
| Principal actuarial assumptions: | | |
| Discount rate for scheme liabilities | 2.4-2.5 | 2.2 |
| Rate of increase in salaries | 3.45 | 3.65 |
| Rate of increase for pensions in payment / inflation | 2.2 | 2 |
| Inflation assumption (CPI) | 2.2 | 1.9 |

TAPTON SCHOOL ACADEMY TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

| | 2017 | 2016 |
|---|---------------|--------------|
| Actuarial assumptions - Life expectations on retirement age 65 | | |
| Retiring today | | |
| Males | 22.9 | 23.0 |
| Females | 25.7 | 25.7 |
| Retiring in 20 years | | |
| Males | 25.1 | 25.4 |
| Females | 28.0 | 28.5 |
| Trust's share of the market value of LGPS assets | | |
| | 2017 | 2016 |
| | £'000 | £'000 |
| Equities | 6,107 | 4,566 |
| Government bonds | 1,388 | 1,173 |
| Property | 685 | 484 |
| Other bonds | 916 | 860 |
| Cash/liquidity | 201 | 133 |
| Other - user input | 755 | 603 |
| | 10,052 | 7,819 |

The actual return on scheme assets was £1m (2016 - £1m).

| | | |
|--|----------------|----------------|
| Amounts recognised in the Statement of financial activities | 2017 | 2016 |
| | £'000 | £'000 |
| Current service cost (net of employee contributions) | (1,872) | (1,159) |
| Net interest cost | (367) | (406) |
| | (2,239) | (1,565) |

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for part time teachers following appointment or a change of contract, although they are able to opt out. The TPS is an unfunded scheme. Employers and members contributions are credited to the Exchequer and pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS as at 31 March 2012 and published 9 June 2014 in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. The key elements are:

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- employer contribution of 16.48% of pensionable pay, including a 0.08% employer administration charge
- total scheme liabilities of £191,500 million, notional assets of £176,600 million and a deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The next valuation will be as at March 2016 and the employer contribution rate will be reassessed with any change effective from 1 April 2019. The employer's pension costs paid to TPS was £1.3m (2016 - £1.8m).

20. Operating lease commitments

| | 2017 £ | 2016 £ |
|-------------------------|------------|------------|
| Amounts payable: | | |
| Within 1 year | 87 | 69 |
| Between 1 and 5 years | 113 | 100 |
| | 200 | 169 |

21. Finance commitments under PFI arrangements

The Tapton School building is subject to a PFI contract with the local authority which covers the facilities management costs and the provision and renewal of fixtures & fittings. The same agreement also includes energy costs which are charged by the local authority. The commitment is to pay PFI annual costs of £1m until the contract expires in 2026. The outstanding commitment is £9.7m (2016: £10.7m)

22. Related party transactions

Owing to the nature of the 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 Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account:

D Bowes, CEO and Trustee during the year was a Director of SWFC Community Fund and Learn Sheffield.

The Escafeld Teaching School Alliance is a joint venture between Tapton School and King Egbert School which is part of Mercia Learning Trust. The executive head of the latter, Mrs L Bowes, is wife of Mr D Bowes, Trustee during the year. Under the Alliance arrangement, the Trust paid net funds to Mercia Learning Trust

| | Mercia / Escafeld | | SWFC Community Fund | | Learn Sheffield | |
|--------------|-------------------|-----------|---------------------|-----------|-----------------|-----------|
| | 2017 £ | 2016 £ | 2017 £ | 2016 £ | 2017 £ | 2016 £ |
| Sales | - | - | - | 1,790 | - | - |
| Purchases | - | - | 650 | 31,105 | - | 2660 |
| Net payments | 49,854 | 44,022 | - | - | - | - |
| Balance | 25,000 | - | - | - | - | 60 |

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23. Agency Arrangements

The Trust distributes 16-19 bursary funds to students as an agent for ESFA.

| | 2017 | 2016 |
|---|-------------|-------------|
| | £000 | £000 |
| Balance at 1 September | - | 12 |
| Income | 38 | 33 |
| Disbursed | (38) | (45) |
| Undistributed funds repayable to the ESFA | | - |