

ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

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ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Members

Mark Hughes
Wayne Jacobs
One In A Million (Sports) (as one member)

Governors

Jez Stockill (resigned 31 December 2016)
Mark Hughes, Chair
Mark Pilling, Vice Chair
Nicholas Aldridge
Rachel Jacobs, Vice Chair
Chris Schofield
David Baldwin
Lyndsey Brown (resigned 15 February 2017)
Susan Daniells
Sharron Mikkelsen
Stephen Hawthorn-Emmett
Robert Moon
Philip Grant
Richard White (appointed 30 January 2017)

Company registered number

08008193

Company name

One In A Million Free School

Principal and registered office

One In A Million Free School, Cliffe Terrace, Bradford, West Yorkshire, BD8 7DX

Company secretary

Wayne Jacobs

Principal

Phillip Grant

Senior management team

Phillip Grant, Principal and Accounting Officer
Jaz Qadri, Vice Principal of student experience
Andy Haughey, Vice Principal of student performance
Susan Daniells, Business manager

Independent auditor

BHP LLP, New Chartford House, Centurion Way, Cleckheaton, BD19 3QB

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2017**

Advisers (continued)

Bankers

Barclays Bank plc, 10 Market Street, Bradford, BD1 1NR

Solicitors

Schofield Sweeney, Church Bank House, Church Bank, Bradford, BD1 4DY

ONE IN A MILLION FREE SCHOOL
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The governors present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2016 to 31 August 2017. The Annual report serves the purposes of both a Governors' report, and a Directors' report under company law.

The trust operates a secondary free school in Bradford.

Structure, governance and management

- **Constitution**

The academy trust is a charitable company limited by guarantee and an exempt charity with the registered number 08008193. The charitable company's memorandum and articles of association, dated 27 March 2012, are the primary governing documents of the trust. It has a two-tier structure consisting of members and directors (governors). Members include two individuals and the third is the charitable trustees of One In A Million (Sports) who make up one corporate member. The governors are also the directors of the charitable company for the purposes of company law. The charitable company is known as One In A Million Free School.

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

- **Members' liability**

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

- **Governors' indemnities**

Through its articles of association, One In A Million Free School has indemnified its Board of Governors to the fullest extent permissible by law. During the period One In A Million Free School also purchased and maintained liability insurance for the Board of Governors.

- **Method of recruitment and appointment or election of Governors**

Governors are appointed under the rules contained within its Memorandum and Articles of Association.

The Members' appoint responsible and appropriately skilled people as governors who are actively interested in the Academy Trust; have a passion for the city of Bradford; and can give the necessary time commitment and contribution to ensuring the future success of the Trust.

The members may appoint up to 15 governors. The members may also appoint staff governors through such process as they may determine, provided that the total number of governors (including the Principal) who are employees of the academy trust does not exceed one third of the total number of governors. The Principal shall be treated for all purposes as being an ex officio governor.

There must be a minimum of two parent governors, who shall be elected by parents of registered students at One In A Million Free School. A parent governor must be a parent of a student at the school at the time the parent governor is elected. The term of office for any governor shall be 4 years. Subject to remaining eligible to be a particular type of governor, any governor may be re-appointed or re-elected.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Except for Staff Governors, no Governors receive remuneration for their services other than reasonable out of pocket expenses.

● **Policies and procedures adopted for the induction and training of Governors**

New Governors are inducted into the working of the Trust including policies and procedures at scheduled meetings with the Chair of Governors and Principal and Business Manager. All new governors meet with the Academy Trust, Chair of Governors and Principal. They are invited to the school for a formal introduction. Successful candidates meet will meet staff and students.

The training and induction provided will depend on the individual Governors' skillset and experience. Where appropriate induction will include training on education, charity, legal and financial matters (with copies of policies, procedures, minutes, budget plans, management accounts and other appropriate documentation). They are:

- Provided with an induction pack and links to supporting websites
- Required to complete online Safeguarding training courses
- Invited to attend The Role Of A Governor training course delivered by Bradford Schools Governor Services. Twice a year, the Clerk issues a training schedule to all governors promoting training courses that can be accessed through Bradford Schools Governor Services.

● **Organisational structure**

The role of the Board is to ensure One In A Million Free School is governed and managed so as to comply with requirements set out by the DfE, relevant companies and charities legislation as well as its own governing documents.

The Academy Trust (AT) retains ownership of the vision of the school and ensures it is upheld. The Trust delegate's responsibility to the governing body for ensuring that the vision and ethos is adhered to, that all key strategic and financial decisions are correctly aligned with the Trust's vision.

The Academy Trust delegates the quality assurance of the educational vision to the Director of Education who provides termly reports to the Trust.

Governors hold at least five meetings every school year. They determine the general policy of the school. The day to day running of the school is delegated to the Principal who is supported by a senior leadership team. The Principal's key leadership duties include overseeing educational, pastoral, financial and administrative functions of the school in collaboration with his senior staff.

The Principal implements the policies laid down by the Governors and reports back to them regularly. They are responsible for the authorisation of spending within the agreed budgets in accordance with the Scheme of Delegation.

The Senior Leadership Team consists of Principal/Accounting Officer, 2x Vice Principal's (Student Experience/Performance) and Senior Business Manager.

● **Pay policy for key management personnel**

The Principal and other educational senior leaders are paid in reference to the national leadership pay scales. Remuneration is awarded by the Principal's Performance Management Panel and Staff Pay Award Panel who meets annually to review salaries.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

● **Related parties and other Connected Charities and Organisations**

One In A Million has three registered legal entities: One In A Million (Sports) - is a charitable company limited by guarantee; One In A Million (Enterprises) Limited - is a wholly owned subsidiary company of One In A Million (Sports); and One In A Million Free School - is a company limited by guarantee. All three entities exist to support the charitable aims and objectives of extending the life chances of Bradford's children and young people through the Hub and Spoke model.

Governors are required to make a declaration of interest at every meeting. Pecuniary forms and Register of Interests is posted annually on the school website.

The School has a community partnership with Bradford City AFC.

Objectives and Activities

● **Objectives, strategies and activities**

We aim to establish an outstanding secondary school for young adults that offers a unique learning experience that is themed across sport, the arts and enterprise and framed around a connected and creative approach to learning.

Our small classroom sizes ensure each student is well known to each other and the wider school community.

We are driven by our 4 core values: **compassion, honesty, integrity and excellence**. Preparing our young adults for the future is at the heart of what we do.

We believe children must be equipped for learning with enquiring minds, significant levels of independence, higher order thinking strategies and intrinsic motivation. Students in our school will problem-solve, collaborate, negotiate and constantly seek new avenues of learning and challenge. They will be taught strategic higher order thinking skills and will emerge as critical, creative thinkers who have much to offer their employer and community.

One In A Million Free School's main objectives are:

- Develop a curriculum that is broad and balanced, ensuring students acquire strong basic skills in literacy and numeracy, personal, social and emotional learning and create 'character'.
- Provide quality time for personal, instructional, conceptual and collaborative learning experiences. However, we will ensure that all skills developed are applied and are linked to purposeful learning episodes that are relevant to the children themselves.
- Sports, the Arts and Enterprise are embraced at the heart of learning.
- Secure the commitment of the whole school community to the vision and direction of the One In A Million Free School.
- Develop further the Free School's place within the Hub and Spoke model through its enrichment programme and extended community offer.
- Maintain a learning culture based on our core values: compassion, honesty integrity and excellence. These will define the behaviours of all staff and volunteers in our school.
- Maintain and extend an ethos and provide vision and direction that secures outstanding teaching, successful learning and achievement by all students.
- Contribute to the social, emotional and moral stability of the community, raising the aspirations and educational outcomes for families as well as students.
- Safeguard the wellbeing of our students at all times.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

- Think creatively and imaginatively about the school's development, to anticipate and resolve problems and to identify opportunities that will benefit students.
- Be responsible for the overall management of all school resourcing, developing and proposing the annual budget, ensuring it is consistent with the school's priorities.
- Provide value for money for the funds expended.
- Promote and maintain links with our school sponsors, ambassadors, business, the wider community, families and the local environment.

● **One In A Million Free School Policies and Procedures**

Governors can access the policies and procedures through the schools Google-Drive cloud based software. A paper record is available in a central office for staff and governors to access. The board of governors has approved all One In A Million Free School policies and procedures. Each policy is assigned a review date, some annually and others biennially (for example, the Safeguarding Policy is reviewed annually). When reviewing policies, the appropriate governor cohort is delegated a selection of policies in line with their expertise and are encouraged to keep a record of any and all amendments using a software tracker feature. Governors delegate the signature approval for policies to the Chair, Principal and a third governor.

As part of our summer staff induction and training days, new and existing staff were given 9 policies to read ahead of theme taking up their post, signing an annual agreement to confirm their understanding and acceptance of these policies. They included: Absence Management Policy; Anti-Corruption and Bribery Policy; Child Protection Policy; Declaration of Interests Policy and Completed Appendix; Dress Code Policy; Driving At Work Policy; Procurement and Tendering Policy; Safeguarding Policy and Whistleblowing Policy.

● **Public benefit**

When setting the objectives and planning our future activities, the governors have given careful consideration to the Charity Commission's guidance on public benefit.

Students are admitted from all areas within Bradford, West Yorkshire of a 'fair banding' policy.

The Trust and Governing Body consider that the charitable aims are demonstrably to the public benefit.

Strategic report

Achievements and performance

● **Strategic Report**

The achievements and performance of the school are summarised as follows:

For the period of reporting, One In A Million Free School recruited a brand new Principal. Following a rigorous recruitment programme that saw 24 applications received over two rounds of advertising, Mr Grant was the successful candidate.

One In A Million Free School opened in September 2013 with 60 students enrolled. For the academic school year of 2016/17, One In A Million Free School had 250 students enrolled from Yr7-10.

The first set of GCSE results are due in August 2018. Assessing progress in comparison to other schools is difficult as national data does not exist for the end of Key Stage 3. However internal student tracking suggests that progress is in line with that of other schools with a similar profile.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Following a root and branch restructure and with the addition of an additional year group (75 learners) 36% of the staff are brand new to the school in September 2017.

The school is evolving rapidly and there has been a significant amount of infrastructure and process put into place. A number of new robust actions to aid rapid school improvements have been initiated and have had significant impact to both student and staff experience. Many of these new initiatives have now been implemented ready for the start of this academic year. They are:-

- **New Staff Structure 2017-18:** The new staff structure includes two branches, one of student experience and one of student performance. Both branches are led by a Vice Principal who has strategic and operational responsibility. The staff teams below them have been extensively re-organised with a clear middle management and staff team established.
- **New School Timetable:** The school day has been enhanced to allow for three key elements. Small group meetings at the start of the day, five main learning episodes of main curriculum activities lasting one hour each and an additional period of intervention at the end of the day.
- **New Curriculum Design:** in line with Trust's Vision: The curriculum model has been re-established to come into line with the Trust's Vision. There are now three strands of curriculum, Sports, Arts and Enterprise that all curriculum activity sits within. Each Curriculum area is led by a Director that has strategic and operational responsibility for overall progress of students.
- **Raising expectations across the school:** Following consultations with students, teachers and parents the school expectations have been 'refreshed'. A sharp focus on preparing students for a successful place in the community. A uniform has been introduced, new behaviour protocols and new academic expectations have been agreed and established across the school.
- **Improvement in Behaviour and Attendance:** These changes have seen a positive impact on behaviour and attendance. A new student executive has been established with many opportunities for students to be treated as young adults and take responsibility for leadership of the school. A new Head Boy and Girl, student executive and house system has been established.
- **Meeting and Accountability Structures:** The meeting structure has been enhanced and there are regular SLT, ELT and pastoral meetings throughout the week diarised to support the quick and effective communications within the school.
- **Performance Management:** Staff performance is managed by using the web-based Bluesky performance programme. All targets are established from the School's Evaluation and Development Plan. Once targets are set by the governing body and Principal they are evaluated three times per year.
- **Leadership and Improvement of Teaching and Learning:** The new Vice Principal of student experiences (which covers Teaching and Learning) has, with teaching staff, developed a new framework for quality assurance. The teaching and observation cycle are linked to the performance management process.
- **Parental Engagement:** Parental engagement is a critical aspect to improving the school and extensive meetings from whole school parental forums, parental focus groups and questionnaires have resulted in a plethora of new initiatives, some already mentioned earlier in this report.
- **Student Performance:** Improvement in student performance can be evidenced as a direct result from all the new initiatives across the school in both key stages (3 and 4).

The curriculum supports students in key stage 3 to develop skills in literacy, numeracy and to develop an enquiring mind.

Progress in KS3

The academic year 2016-17 saw the introduction of a new method of measuring and supporting their academic progress. This takes the form of the Monitor, Evaluation and Review Programme and directly informs the student's individual intervention programme. This has had a successful impact on student's learning.

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GOVERNORS' REPORT (continued)
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KS3 (including the current Year 10 students)

Over the last twelve months, students in key stage 3:

- The majority of students have made at least expected progress in Maths, English and Science achieving an average of 86%.
- On average Pupil Premium students have performed better than their peers with 88% making expected progress compared to 84% of their peers.
- 85% of SEN learners have made expected progress compared to 90% of their peers.
- EAL learners have made 2% better progress than non EAL with 87% making expected progress.
- It should be noted that within each of these cohorts making expected progress, the majority have made more, with them making more than a GCSE grade progress in 12 months. In this twelve months reading ages have also improved on average by 10%.

KS4 (Current Year 11 only)

Year 11 joined the school with prior attainment significantly below the national average.

- Despite this 79% are making at least expected progress, with a significant number of these students making more than a GCSE grade in progress this year in each of the three subjects.
- Pupil Premium are currently performing better than their peers by 3%, with 81% making expected progress.
- SEN learners are making similar rates of progress to non SEN learners with 80% making expected progress.
- 77% of EAL learners have made expected progress that is only 4% behind the progress achieved by Non EAL students.

EAL Students New to English

One In A Million Free School has had a significant influx of students new to English. All are making expected progress in language acquisition and improving daily.

School Literacy

School literacy is a challenge in the city of Bradford and this is replicated in the One In A Million Free School student cohort. During the academic year 50% of students were identified as having a reading age below yrs 11.

One In A Million Free School has worked closely with community partners, in particular with Leading Children (a local education organisation) and Provident Financial, who have financed the new Whole School Literacy Programme.

This has taken shape with bespoke training for staff and volunteers who then work with individual groups of students in reading groups. The building of a new library area that has allowed students access to high quality reading materials and the development of a reciprocal reading programme piloted at the school and now rolled out to over 20 primary schools and over 10 secondary schools in the city.

Interventions: At the end of the school day there is a compulsory intervention period lasting an hour each day. This session known as 'Stretch & Challenge', is a session to deliver non curricular activities that in some cases compliments the learning skills of students. Some of these sessions are also designed to act as specific intervention sessions linking to the needs of individual students.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Safeguarding: The single central record is regularly audited and the whole school safeguarding practices are regularly audited at the Education Scrutiny Committee and by externally contracted auditors. They have found the school on a number of occasions to be showing exemplary practice and fully compliant.

Staff and Governors regularly receive safeguarding training during the INSET and CPD days. This includes annual E-Safety training for staff and governors: Digital Safeguarding Responsibilities for Governors; Child Sexual Exploitation for all staff; Radicalisation Awareness Training; Social Media for Teachers & Staff; E-Safety for Teachers & Staff.

Preparing students for life after school is a key activity within the school and extensive plans have been put into place to support in particular year 11s. A number of enrichment days and career days have been arranged with colleges and employers in the local area including: careers days, college and university visits, developing partnerships with Bradford, Shipley and Craven College.

One Britain One Nation: One In A Million Free School participated in OBON One Britain One Nation, a campaign created by Kash Singh, an award winning, Bradford-based, retired West Yorkshire Police Inspector. It encourages children and young people to passionately love Britain and each other by showing unity and compassion to everyone. The whole school programme lead up to a drop-down-day which included students singing the National Anthem and union-flag waving.

Community Activities

One of the strengths of One In A Million Free School is the Enrichment Programme which consists of a varied and exciting mix of activities for students to experience and enjoy. Students can participate in our full Enrichment Programme as part of the extended school community programme, which is available to all students.

Enrichment:

As part of the school's extended school community programme, students can participate in the Enrichment Programme between 3:30pm and 4:45pm each school day. The sessions are delivered by the very best teachers and coaches from our community partners such as Bradford City Football Club. These activities are based on our three core areas of sports, arts and enterprise. During the year, the enrichment menu included football, cricket, rugby, street dance, lego club, British sign language, girls football, art, mixed martial arts, sports report writing, gardening, cooking and gym workout. During the year, 255 sessions were delivered in school totalling 4,616 contact hours with the school students.

In April, we became a Duke of Edinburgh Licenced Organisation. Duke of Edinburgh Awards are the world's leading youth achievement award, which open the door for young people to gain new skills, push personal boundaries and enhance their CV's and university applications. Below is a summary of just some of qualifications attained already or in process.

- Over 37 students have completed their Sports Leader Award: Young Leader Award (these courses include students from our school mixed with young people from our Charity community hubs).
- Over 67 students have completed their Lord Mayor Award (these courses include students from our school mixed with young people from our Charity Community Hubs).
- Over 60 students are working towards their Duke of Edinburgh bronze award for completion in 2018 (these courses include students from our school mixed with young people from our Charity Community Hubs).
- 10 students achieved their Local Youth Award.
- 2 students have completed their FA Coaching Level 1.
- 9 students have completed their St John's - First Aid At Work.

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GOVERNORS' REPORT (continued)
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Breakfast Club

During early 2017, the Free Schools' Parent Forum and teachers raised concerns about the amount of students arriving at school hungry, struggling to concentrate during lessons. To combat these concerns, the Breakfast Club was launched at the start of June 2017 where 13 students attended on the first day. By the end of term in July attendance figures rose to 170, showing the demand for the Breakfast Club. Now, a large and increasing proportion of students attend the club and start their day not hungry and ready to study. Teachers are already starting to notice the difference in some of the students, see them more alert in the morning sessions, concentrating for longer. Also, two of the parents now volunteer in the Breakfast Club each day.

Celebrate Community Magazine: Three times per year a new stylishly branded school publication titled 'Celebrate' is developed and a 1,000 copies are then distributed to: students and parents/carers of our school, key stakeholders for the city of Bradford; the One In A Million Free School Charity's 54 corporate partners; the Charity's 5 community hubs; and to primary schools across Bradford.

Active Bradford: As part of Active Bradford, the school arranged a city wide challenge where students had to run, collectively 1,000 mile's. This initiative has been shortlisted for a national award from Active Bradford.

Notable Visitors to School: Notable guest visitors in the school and attendance at our events include: Councillor Imran Khan - Bradford Education, Employment and Skills Portfolio holder; Councillor Abid Hussain - Lord Mayor of Bradford; Lord Kamlesh Patel of Bradford OBE; Jas Athwel - Deputy Lieutenant of West Yorkshire; Kersten England CEO of Bradford Metropolitan District Council (BMDC); Michael Jameson Director of BMDC Children's Services, Judith Kirk Deputy Director of BMDC Children's Services.

Student Success Case Studies

- Jack Johnson - First attended our Food Tech enrichment, which led to a placement with one of the Charity's corporate partners, the Midland Hotel. Subsequently, they offered him a Saturday job. He recently won the Bradford Rotary Club's Young Chef of the Year and will now represent the city at national Rotary Club finals.
- Hagie Damba - A sporting talent who was spotted during a school football competition. Now plays for BCFC under 15 team as first team goalkeeper.
- Josh Reynolds - A yr11 student who has attained Sports Leader Award, Lord Mayor Award and has progressed into volunteering at one of One In A Million's extended community Hub's in Windhill, Bradford. He also volunteers at our Friday night One In A Million Streetwise Football programme which carries themes such as 'show racism the red card', 'combat gun, knife and gang culture' and 'give drugs the boot'.
- One of our extended school Enrichment activities is the 'school choir' – this resulted in a public performance in front of 300+ distinguished guests at the prestigious Bradford Grammar School as part of the One In A Million 'Stars Awards' events. This positively impacted the self esteem and confidence of our students.

● **Going concern**

After making appropriate enquiries, the board of governors 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. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

- **Key performance indicators**

One In A Million Free School prepares monthly management accounts and monitors its cash position closely. The KPI's are considered during the in-year budget variance and the level of reserves after applying the contingency defined in the reserves policy.

Financial review

- **Reserves policy**

Governors review the reserves levels as a Trust annually and adjust the reserves policy accordingly. This considers the strategic requirements for school improvement and consequent investment requirements. The purpose of the reserve policy is to ensure the stability of the school's organisational operations, to protect it so that it has the ability to adjust quickly to financial circumstances, such as large unbudgeted expenditure, cyclical maintenance and working capital. The level of reserves are determined by governors annually. As a growing School, these can fluctuate depending on operational needs. The Trustees have determined that the appropriate level of free reserves should be equivalent to at least one month's average payroll costs, currently £134,000 for year 2017-18. The intention is to grow the reserves as budgets allow. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. All reserves are reported and reviewed regularly at Finance Committee meetings with any expenditure from reserves approved by the Board of Governors.

- **Principal risks and uncertainties**

As a new and growing school, presently in year 5 of our growth cycle towards a fully populated school, the governors have examined the major risks that the school faces each financial year when preparing and updating its plan.

In the present economic climate there are a significant number of uncertainties many of which are very subjective in nature and difficult to quantify. During this years annual review the following key risks have been identified:

- Sustainable Public Funding. As a new, growing school with a small budget we are significantly dependent on continued government funding. In excess of 89.4% of the Trust's total income are government funded via grants from the DFE, ESFA and Local Authority.

In order to mitigate the public funding risk the Trust is:

- Constantly seeking to achieve value for money and deliver efficiencies in all its operations to limit impact on the school's success in the future.
- Recruitment and retention of staff.
- Continuing to operate at a surplus level, implement effective performance management and CPD programmes to ensure that maximum resources are available to recruit and retain excellent teachers to improve the learning progress of our students.

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GOVERNORS' REPORT (continued)
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● **Financial review**

Financial Report For The Year

89.4% of One In A Million Free School's income is received from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA). This is in the form of an general annual grant (GAG - restricted funds) and is paid monthly to the school. One In A Million Free School also received grants for fixed assets from the ESFA.

An additional 3% was income-generated through service level agreements; Local Council Grant (SEN funding) 1.4%; Catering – school lunches 1.8%; Provident Donation 0.8%, Capital Grant 0.9%; Absence Protection Claims 0.7%; Venue Hire 0.1%; Bradford City match day café 0.1%; other unrestricted activities 1.8%.

During the year ended 31st August 2017, total resources expended were £2,059,512 versus income from the ESFA and other incoming resources of £1,894,988. The Net deficit shows £164,524 however when non cash expenses are deducted which comprise depreciation costs of £172,339, the net profit is £7,815.

Depreciation is an accounting book entry and whilst the school cannot ignore it, for the purpose of reporting it is a non-cash movement. As a growing school, we will review the Depreciation Policy to improve future financial planning.

Also included in the net deficit are £66,000 (£63,000 + £3,000) of costs relating to the defined benefit (pension) scheme. These are costs which fluctuate year on year. They are subject to the number of members in the scheme as well as how the scheme has performed during the year of reporting.

In previous years, we had reported on the escalating teaching agency costs, which led us to invest in absence protection insurance and better planning, the teaching agency cover has reduced this year to £25,309 which is a significant reduction of £59,127.

Staffing costs (including salary, NIC & pensions)

The overall split between teaching and non-teaching staff is 78/22%. By 2019/2020, it is forecast that staffing ratio's will level out to approximately 88/12% split between teaching and non-teaching.

At 31st August 2017 the net book value of fixed assets was £4,051,275 (most of this related to land and buildings).

On 31st August 2017, One In A Million Free School cash-flow position was £252,274.

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Plans for future periods

As a Trust we have a highly ambitious vision for the benefit of the students who attend our current school. Our growth plan is expansive. The school's key plans for the future are:

- To ensure that we secure at least a 'Good' judgment by Ofsted during our next inspection.
- For all students to live out the values of One In A Million Free School, which will be reflected in their effective behaviour choices and thirst for learning.
- Improve teaching and whole school literacy which leads to outstanding outcomes and achievements for all students.
- To develop further the Free School's place within the Trust's Hub and Spoke model delivering seamless pathways in the school, the wider One In A Million Free School learning community to ensure that students are prepared for life in modern Britain.
- To ensure the first cohort of students who will sit their exams in the summer of 2018 are well-equipped to succeed.
- To build our long awaited new Sports Hub which will include a 3G sports pitch, cricket pitch, two classrooms and multi changing room facilities.

Basis of preparation of financial statements and accounting policies and practices

The financial statements have been prepared in accordance with the accounting policies to comply with the charitable company's memorandum and articles of association and applicable laws.

Disclosure of information to auditor

Insofar as the governors are aware:

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

The Governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 6 December 2017 and signed on its behalf by:



Mark Hughes
Chair of Governors

ONE IN A MILLION FREE SCHOOL
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GOVERNANCE STATEMENT

Scope of Responsibility

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

The board of governors has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between One In A Million Free School and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

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

Governor	Meetings attended	Out of a possible
Jez Stockill	2	2
Mark Hughes, Chair	6	6
Mark Pilling, Vice Chair	2	6
Nicholas Aldridge	5	6
Rachel Jacobs, Vice Chair	6	6
Chris Schofield (responsible officer)	3	6
David Baldwin	4	6
Lyndsey Brown	2	3
Susan Daniells (staff governor)	6	6
Sharron Mikkelsen (parent governor)	5	6
Stephen Hawthorn-Emmett (parent governor)	5	6
Robert Moon	5	6
Philip Grant (Principal/Accounting Officer)	4	4
Richard White	4	4

Additional attendees to Governing Body meetings include observers: Mrs L A Brooking (Director of Education), Mr J Qadri (Vice Principal) and Mr A Haughey (Director of Achievement), Mr W Jacobs (Trust Member). All individuals are exempt from voting rights:

The board of governors consists of a highly skilled group of individuals which includes: an education consultant, former Ofsted Inspector, Barclays Bank Director, Chartered Building Managing Director, CEO of Burnley FC, European Sales Director of Siemens PLC, CEO of one the region's leading solicitors, and marketing consultants, among others.

"Governance has always been and remains a considerable strength to this school". (Department for Education Inspector, visiting on behalf of the Regional Schools Commissioner, June 2017).

ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The board of governors also attend sub working groups (task & finish) and committees:

	Meetings	Attendance
Policies & procedures review and signatory working group	2	100%
Finance Committee	5	100%
Staff Pay Award Panel	2	100%
Principal's Performance Management Panel	1	100%
Education Scrutiny Committee	3	100%
Facilities (inc. Sports Facilities)	11	100%

Governors are highly visible and active members of our School. The Chair of Governors is present in the school every day through office space in the school that is leased by the Charity, One In A Million (Sports). Governors also attend: the Public Forum For Education; Student recruitment admissions evenings; participated on all staff recruitment panels in the school; regular walks of the school; and Governor Training workshops accessed through Bradford Governor Services. When the new Principal joined the One In A Million Free School, Governors attended a Collaborative School Improvement Priorities Day with the senior leadership team (90% governor attended) to design a 3-year strategic plan.

Governors Skills Audit

During the reporting period, the Board conducted a Governing Body Skills Audit utilising two frameworks, one which included the National Governors' Association Toolkit. The audit provided a means to assess skills, knowledge and experience of the Board whilst ensure that we are promoting high standards in our school and improving the overall effectiveness of the Governing Body.

Review of Value for Money

As Accounting Officer, the Principal 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 of governors 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:

- Eradicating the escalation of teacher-agency costs, which had previously had a negative impact on budgeting and planning. We have invested in absence protection insurance and controlled planning. The teaching agency cover has reduced this year to £25,309 which is a significant reduction of £59,127. This has reduced our agency fees with the claims we can make, which covers the fees. Overall it has yielded an income of £2,234.
- During the reporting period, One In A Million Free School commenced to procure a new audit firm who specialises within the Educational sector. We went out to tender with several companies. Three companies were requested to submit their proposals. The criteria included quality, expertise and experience of academics and value for money. Annually, this has saved us on the standard audit by £4,000 per year.
- During the course of the year several maintenance and service contracts have been reviewed with the primary focus fixed on improved contracts terms and better service. This has shown an overall saving of £8,000.

ONE IN A MILLION FREE SCHOOL
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GOVERNANCE STATEMENT (continued)

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 One In A Million Free School for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of governors has reviewed the key risks to which the trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the trust's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

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:

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

The board of governors has considered the need for a specific internal audit function led by Chris Schofield (Legal governor) operating as a responsible officer (RO) with external support from Naylor Wintersgill Accountants.

The school's finance department undertook a significant number of changes in personnel during the first half of the financial year due to the maternity leave of the Finance Manager. Her return in the second half of the financial year gave the School the opportunity to review and affirm our financial controls and processes. The Finance Committee has invested significant time and resource to satisfy itself through a range of internal checks that for example, all recommended items noted in the management letter and previous internal audits had not only been addressed but were fully incorporated into robust everyday practices. Furthermore, the School has purchased a brand new financial operating system. Subsequently, Governors made the decision to defer the summer 2017 internal audit until the autumn 2017 term with a new programme of work scheduled.

On a quarterly basis, the internal auditor, Naylor Wintersgill Accountants will report to the board of governors through the audit committee on the operation of the systems of control and on the discharge of the board of governors' financial responsibilities.

ONE IN A MILLION FREE SCHOOL
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GOVERNANCE STATEMENT (continued)

Review of Effectiveness

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

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

Approved by order of the members of the board of governors on 6 December 2017 and signed on their behalf, by:



Mark Hughes, Chair
Chair of Governors



Philip Grant
Accounting Officer

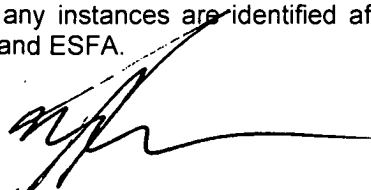
ONE IN A MILLION FREE SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of One In A Million Free School I have considered my responsibility to notify the academy trust board of governors 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 governors 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 governors and ESFA.



Philip Grant
Accounting Officer

Date: 6 December 2017

ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

The governors (who act as trustees of One In A Million Free School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in business.

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the trust's transactions and disclose with reasonable accuracy at any time the financial position of the trust 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 trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the board of governors on 6 December 2017 and signed on its behalf by:



Mark Hughes, Chair
Chair of Governors

ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ONE IN A MILLION FREE SCHOOL

Opinion

We have audited the financial statements of One In A Million Free School 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 trust's governors, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the governors those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the governors for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the trust'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;
- 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

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

Conclusions relating to going concern

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

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

ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ONE IN A MILLION FREE SCHOOL

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ONE IN A MILLION FREE SCHOOL

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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



Lesley Kendrew (Senior statutory auditor)

for and on behalf of

BHP LLP

Chartered Accountants
Statutory Auditor

New Chartford House
Centurion Way
Cleckheaton
BD19 3QB
8 December 2017

ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ONE IN A
MILLION FREE SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 19 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by One In A Million Free School 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 One In A Million Free School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to One In A Million Free School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than One In A Million Free School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of One In A Million Free School's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of One In A Million Free School's funding agreement with the Secretary of State for Education dated 22 January 2013, 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.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 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

We conducted our 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 us with sufficient appropriate evidence to express a negative conclusion on regularity.

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

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

ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ONE IN A
MILLION FREE SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 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.



Lesley Kendrew

BHP LLP

Chartered Accountants
Statutory Auditor

New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

7 December 2017

ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from:						
Donations and capital grants	2	69	6,230	(5,529)	770	74,401
Charitable activities	3	-	1,759,812	-	1,759,812	1,464,424
Other trading activities	4	134,253	-	-	134,253	43,337
Investments	5	153	-	-	153	-
Total income		134,475	1,766,042	(5,529)	1,894,988	1,582,162
Expenditure on:						
Raising funds		209	-	-	209	3,214
Charitable activities		-	1,886,964	172,339	2,059,303	1,758,989
Total expenditure	6	209	1,886,964	172,339	2,059,512	1,762,203
Net income / (expenditure) before transfers		134,266	(120,922)	(177,868)	(164,524)	(180,041)
Transfers between Funds	17	-	(54,877)	54,877	-	-
Net income / (expenditure) before other recognised gains and losses		134,266	(175,799)	(122,991)	(164,524)	(180,041)
Actuarial gains/(losses) on defined benefit pension schemes	22	-	120,000	-	120,000	(99,000)
Net movement in funds		134,266	(55,799)	(122,991)	(44,524)	(279,041)
Reconciliation of funds:						
Total funds brought forward		(8,437)	757	4,181,235	4,173,555	4,452,596
Total funds carried forward		125,829	(55,042)	4,058,244	4,129,031	4,173,555

ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 08008193

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	13		4,051,275		4,169,560
Current assets					
Stocks	14	4,100		10,651	
Debtors	15	70,111		168,233	
Cash at bank and in hand		252,274		97,144	
		<u>326,485</u>		<u>276,028</u>	
Creditors: amounts falling due within one year	16	<u>(129,729)</u>		<u>(99,033)</u>	
Net current assets			196,756		176,995
Total assets less current liabilities			4,248,031		4,346,555
Defined benefit pension scheme liability	22		<u>(119,000)</u>		<u>(173,000)</u>
Net assets including pension scheme liabilities			<u>4,129,031</u>		<u>4,173,555</u>
Funds of the academy					
Restricted income funds:					
Restricted income funds	17	63,958		173,757	
Restricted fixed asset funds	17	4,058,244		4,181,235	
Restricted income funds excluding pension liability		4,122,202		4,354,992	
Pension reserve		<u>(119,000)</u>		<u>(173,000)</u>	
Total restricted income funds			4,003,202		4,181,992
Unrestricted income funds	17		<u>125,829</u>		<u>(8,437)</u>
Total funds			<u>4,129,031</u>		<u>4,173,555</u>

The financial statements on pages 25 to 48 were approved by the governors, and authorised for issue, on 6 December 2017 and are signed on their behalf, by:


Mark Hughes, Chair
Chair of Governors

ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	<u>215,252</u>	<u>(62,544)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(54,593)	(40,140)
Capital grants from DfE/ESFA		<u>(5,529)</u>	<u>34,185</u>
Net cash used in investing activities		<u>(60,122)</u>	<u>(5,955)</u>
Change in cash and cash equivalents in the year		155,130	(68,499)
Cash and cash equivalents brought forward		<u>97,144</u>	<u>165,643</u>
Cash and cash equivalents carried forward	20	<u><u>252,274</u></u>	<u><u>97,144</u></u>

ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)

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

1. Accounting Policies

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

1.1 Basis of preparation of financial statements

The financial statements of the trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

One In A Million Free School constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

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

ONE IN A MILLION FREE SCHOOL
(A company limited by guarantee)

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

1. Accounting Policies (continued)

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

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

Capital grants are recognised 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.

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

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

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

1.4 Expenditure

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

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

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

All expenditure is inclusive of irrecoverable VAT.

ONE IN A MILLION FREE SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. Accounting Policies (continued)

1.5 Tangible fixed assets and depreciation

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

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

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

Freehold property	-	2% straight line
AV and sound equipment	-	20% straight line
Fixtures and fittings	-	20% straight line
Office equipment	-	12.5% straight line
Computer equipment	-	20% straight line
School furniture	-	20% straight line

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

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at Bank and in hand

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

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1. Accounting Policies (continued)

1.9 Liabilities and provisions

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

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.11 Taxation

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

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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1. Accounting Policies (continued)

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

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

1.13 Fund accounting

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

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

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

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

1. Accounting Policies (continued)

1.14 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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. Income from donations and capital grants

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	69	6,230	-	6,299	40,216
Capital Grants	-	-	(5,529)	(5,529)	34,185
	<u>69</u>	<u>6,230</u>	<u>(5,529)</u>	<u>770</u>	<u>74,401</u>
<i>Total 2016</i>	<u>14,030</u>	<u>26,186</u>	<u>34,185</u>	<u>74,401</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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3. Funding for Trust's educational operations

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant	-	1,582,261	1,582,261	1,307,649
Other DfE/ESFA grants	-	150,258	150,258	118,594
	-	1,732,519	1,732,519	1,426,243
Other government grants				
SEN/AP Commissioner Top Up	-	27,293	27,293	36,181
Apprenticeship funding	-	-	-	2,000
	-	27,293	27,293	38,181
Other funding				
	-	-	-	-
Total 2017	-	1,759,812	1,759,812	1,464,424
Total 2016	-	1,464,424	1,464,424	

4. Other trading activities

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Hire of facilities	2,000	-	2,000	12,072
Catering income	35,619	-	35,619	24,104
Other sales	94,435	-	94,435	4,697
External services income	2,199	-	2,199	2,464
	134,253	-	134,253	43,337
Total 2016	43,337	-	43,337	

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

5. Investment income

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	153	-	153	-

6. Expenditure

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on fundraising trading	-	-	209	209	3,214
Education:					
Direct costs	1,090,999	97,975	190,002	1,378,976	1,128,974
Support costs	337,476	130,957	211,894	680,327	630,015
	<u>1,428,475</u>	<u>228,932</u>	<u>402,105</u>	<u>2,059,512</u>	<u>1,762,203</u>
Total 2016	<u>1,202,747</u>	<u>304,452</u>	<u>255,004</u>	<u>1,762,203</u>	

7. Analysis of expenditure by activities

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
Education	1,378,976	680,327	2,059,303	1,758,989
Total 2016	<u>1,128,974</u>	<u>630,015</u>	<u>1,758,989</u>	

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7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Education £	Total 2017 £	Total 2016 £
Staff costs	337,476	337,476	326,991
Depreciation	74,364	74,364	82,352
Examination fees	232	232	-
Staff development	7,026	7,026	-
Other costs	25,074	25,074	26,594
Recruitment and other staff costs	16,249	16,249	11,004
Maintenance of premises and equipment	22,822	22,822	22,901
Cleaning	24,084	24,084	25,651
Rent and rates	80,551	80,551	76,453
Auditors remuneration- audit of financial statements	6,250	6,250	8,900
Auditors remuneration- other audit services	1,350	1,350	3,230
Security and transport	16,731	16,731	1,624
Technology costs	47,226	47,226	11,993
Legal and professional	20,892	20,892	32,322
	<u>680,327</u>	<u>680,327</u>	<u>630,015</u>
<i>At 31 August 2016</i>	<u>630,015</u>	<u>630,015</u>	

8. Net income/(expenditure)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charity	172,339	179,447
Operating leases - other	21,332	9,588
Fees payable to auditor - audit	6,250	8,900
Fees payable to auditor - other	1,350	3,230
	<u>199,271</u>	<u>199,165</u>

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9. Staff costs

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	1,114,072	906,677
Social security costs	79,657	65,756
Operating costs of defined benefit pension schemes	197,867	145,878
	<u>1,391,596</u>	<u>1,118,311</u>
Supply teacher costs	25,309	84,436
Termination costs	11,570	-
	<u><u>1,428,475</u></u>	<u><u>1,202,747</u></u>

Included above is a termination benefit totalling £11,570. This was paid to one individual.

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

	2017 No.	2016 No.
Teachers	20	17
Administration and support	13	12
Senior management team	4	3
	<u>37</u>	<u>32</u>

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	0	1

The key management personnel of the trust comprise the Principal, both Vice Principals and the Business Manager. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the trust was £254,232 (2016: £213,677).

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Governors' remuneration and expenses

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

		2017 £	2016 £
Jez Stockill	Remuneration	25,000-30,000	65,000-70,000
	Pension contributions paid	0-5,000	10,000-15,000
Susan Daniells	Remuneration	40,000-45,000	35,000-40,000
	Pension contributions paid	5,000-10,000	0-5,000
Philip Grant	Remuneration	55,000-60,000	
	Pension contributions paid	5,000-10,000	

During the year ended 31 August 2017, no governors received any reimbursement of expenses (2016 - £86 to 2 governors).

11. Governors' and Officers' Insurance

In accordance with normal commercial practice the trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2017 was £450 (2016 - £450).

12. Other finance income

	2017 £	2016 £
Interest income on pension scheme assets	5,000	6,000
Interest on pension scheme liabilities	(8,000)	(7,000)
	<u>(3,000)</u>	<u>(1,000)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets

	Freehold land and buildings £	School furniture £	Fixtures and fittings £	Office furniture and equipment £	Computer equipment £	AV and Sound equipment £
Cost						
At 1 September 2016	4,147,048	146,689	60,078	27,467	278,139	23,273
Additions	23,803	4,750	1,710	1,019	20,856	2,455
Disposals	-	-	-	(539)	-	-
At 31 August 2017	<u>4,170,851</u>	<u>151,439</u>	<u>61,788</u>	<u>27,947</u>	<u>298,995</u>	<u>25,728</u>
Depreciation						
At 1 September 2016	229,868	85,071	40,630	9,053	135,967	12,545
Charge for the year	68,522	29,453	8,822	3,427	57,297	4,818
At 31 August 2017	<u>298,390</u>	<u>114,524</u>	<u>49,452</u>	<u>12,480</u>	<u>193,264</u>	<u>17,363</u>
Net book value						
At 31 August 2017	<u>3,872,461</u>	<u>36,915</u>	<u>12,336</u>	<u>15,467</u>	<u>105,731</u>	<u>8,365</u>
At 31 August 2016	<u>3,917,180</u>	<u>61,618</u>	<u>19,448</u>	<u>18,414</u>	<u>142,172</u>	<u>10,728</u>

	Total £
Cost	
At 1 September 2016	4,682,694
Additions	54,593
Disposals	(539)
At 31 August 2017	<u>4,736,748</u>
Depreciation	
At 1 September 2016	513,134
Charge for the year	172,339
At 31 August 2017	<u>685,473</u>
Net book value	
At 31 August 2017	<u>4,051,275</u>
At 31 August 2016	<u>4,169,560</u>

Included within freehold land and buildings is non depreciable land of £725,120 (2016 - £725,120).

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14. Stocks

	2017 £	2016 £
Stock	4,100	10,651

15. Debtors

	2017 £	2016 £
Trade debtors	6,633	3,267
VAT recoverable	6,561	69,878
Other debtors	1,997	63,586
Prepayments and accrued income	54,920	31,502
	<u>70,111</u>	<u>168,233</u>

16. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	53,600	58,173
Other taxation and social security	3,394	919
Other creditors	1,371	12,696
Accruals and deferred income	71,364	27,245
	<u>129,729</u>	<u>99,033</u>

	2017 £	2016 £
Deferred income		
Deferred income at 1 September 2016	7,651	7,054
Resources deferred during the year	14,438	7,651
Amounts released from previous years	(7,651)	(7,054)
Deferred income at 31 August 2017	<u>14,438</u>	<u>7,651</u>

At the balance sheet date the academy trust were holding funds received in advance for rates rebate and DFC income for the next academic year.

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

17. Statement of funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
Unrestricted general funds	(8,437)	134,475	(209)	-	-	125,829
Restricted funds						
General Annual Grant (GAG)	171,646	1,582,261	(1,639,413)	(54,877)	-	59,617
Donations	2,111	6,230	(4,000)	-	-	4,341
Pupil premium	-	124,169	(124,169)	-	-	-
Other grants	-	53,382	(53,382)	-	-	-
Pension reserve	(173,000)	-	(66,000)	-	120,000	(119,000)
	<u>757</u>	<u>1,766,042</u>	<u>(1,886,964)</u>	<u>(54,877)</u>	<u>120,000</u>	<u>(55,042)</u>
Restricted fixed asset funds						
Fixed assets purchased from GAG and other restricted funds	-	-	-	54,877	-	54,877
DfE/ESFA Capital grants	4,181,235	(5,529)	(172,339)	-	-	4,003,367
	<u>4,181,235</u>	<u>(5,529)</u>	<u>(172,339)</u>	<u>54,877</u>	<u>-</u>	<u>4,058,244</u>
Total restricted funds	<u>4,181,992</u>	<u>1,760,513</u>	<u>(2,059,303)</u>	<u>-</u>	<u>120,000</u>	<u>4,003,202</u>
Total of funds	<u>4,173,555</u>	<u>1,894,988</u>	<u>(2,059,512)</u>	<u>-</u>	<u>120,000</u>	<u>4,129,031</u>

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

Restricted funds

GAG must be used for the normal running costs of the trust. Under the funding agreement with the Secretary of State, the trust was not subject to a limit on the amount of GAG that could be carried forward at 31 August 2017.

Other DfE/ESFA and government grants are used specifically for the purpose for which they are intended.

Restricted fixed asset funds

DfE/ESFA capital grants relate to expenditure incurred on furniture and equipment.

Other capital grants brought forward relate to the expenditure on the Youth Cafe.

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17. Statement of funds (continued)

Unrestricted funds

Unrestricted funds relate to hire of facilities and match day income and expenditure and may be used towards meeting any of the charitable objects of the academy trust at the discretion of the governors.

18. Analysis of net assets between funds

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	4,051,275	4,051,275
Current assets	255,558	63,958	6,969	326,485
Creditors due within one year	(129,729)	-	-	(129,729)
Provisions for liabilities and charges	-	(119,000)	-	(119,000)
	<u>125,829</u>	<u>(55,042)</u>	<u>4,058,244</u>	<u>4,129,031</u>

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

	2017 £	2016 £
Net expenditure for the year (as per Statement of Financial Activities)	(164,524)	(180,041)
Adjustment for:		
Depreciation charges	172,339	179,447
Loss on the sale of fixed assets	539	-
Decrease/(increase) in stocks	6,551	(10,651)
Decrease/(increase) in debtors	98,122	(28,390)
Increase/(decrease) in creditors	30,696	(35,724)
Capital grants from DfE and other capital income	5,529	(34,185)
Defined benefit pension scheme cost less contributions payable	63,000	46,000
Defined benefit pension scheme finance cost	3,000	1,000
Net cash provided by/(used in) operating activities	<u>215,252</u>	<u>(62,544)</u>

20. Analysis of cash and cash equivalents

	2017 £	2016 £
Cash in hand	252,274	97,144
Total	<u>252,274</u>	<u>97,144</u>

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21. Contingent liabilities

During the period of the funding agreement, in the event of the sale or disposal by other means of any asset for which a government capital grant was received, the trust is required either to re-invest the proceeds or to repay to the Secretary of State for Children, Schools and Families the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the trust service notice, the trust shall repay to the Secretary of State sums determined by reference to:

- (a) the value at that time of the trust's assets held for the purpose of the trust, and
- (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

22. Pension commitments

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 Aon Hewitt. Both are Multi-employer defined benefit pension schemes.

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

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

Teachers' Pension Scheme

Introduction

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

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

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22. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £94,804 (2016 - £73,897).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £56,000 (2016 - £38,000), of which employer's contributions totalled £38,000 (2016 - £26,000) and employees' contributions totalled £18,000 (2016 - £12,000). The agreed contribution rates for future years are 16% for employers and between 5.5% and 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.

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22. Pension commitments (continued)

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.00 %
Rate of increase in salaries	3.15 %	3.40 %
Rate of increase for pensions in payment / inflation	1.90 %	1.90 %
Inflation assumption (CPI)	1.90 %	1.90 %
RPI increases	3.00 %	3.00 %

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

	2017	2016
Retiring today		
Males	22.1	22.7
Females	25.2	25.6
Retiring in 20 years		
Males	23.0	24.9
Females	27.0	28.0

	At 31 August 2017 £	At 31 August 2016 £
Sensitivity analysis		
Discount rate +0.1%	405,000	-
Discount rate -0.1%	419,000	-
Mortality assumption - 1 year increase	400,000	-
Mortality assumption - 1 year decrease	424,000	-
CPI rate +0.1%	416,000	-
CPI rate -0.1%	408,000	-

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22. Pension commitments (continued)

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

	Fair value at 31 August 2017 £	<i>Fair value at 31 August 2016 £</i>
Equities	225,903	163,700
Gilts	28,128	24,400
Corporate bonds	11,427	9,200
Property	13,185	10,500
Cash and other liquid assets	4,395	3,000
Other	9,962	7,200
Total market value of assets	293,000	218,000

The actual return on scheme assets was £20,000 (2016 - £32,000).

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

	2017 £	<i>2016 £</i>
Current service cost	(101,000)	(46,000)
Interest income	5,000	6,000
Interest cost	(8,000)	(7,000)
Total	(104,000)	(47,000)

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

	2017 £	<i>2016 £</i>
Opening defined benefit obligation	391,000	176,000
Current service cost	101,000	46,000
Interest cost	8,000	7,000
Employee contributions	18,000	12,000
Actuarial (gains)/losses	(105,000)	151,000
Benefits paid	(1,000)	(1,000)
Closing defined benefit obligation	412,000	391,000

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22. Pension commitments (continued)

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

	2017 £	2016 £
Opening fair value of scheme assets	218,000	149,000
Interest income	5,000	6,000
Actuarial losses	15,000	52,000
Employer contributions	38,000	-
Employee contributions	18,000	12,000
Benefits paid	(1,000)	(1,000)
	<u>293,000</u>	<u>218,000</u>
Closing fair value of scheme assets	<u>293,000</u>	<u>218,000</u>

23. Operating lease commitments

At 31 August 2017 the total of the trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts payable:		
Within 1 year	38,362	21,332
Between 1 and 5 years	35,105	33,893
Total	<u>73,467</u>	<u>55,225</u>

24. Members' liability

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

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25. Related party transactions

Owing to the nature of the trust's operations and the composition of the board of governors 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 transactions took place in the period of account.

One In A Million (Sports)

(Member of One In A Million Free School)

One In A Million Free School recharged costs to One In A Million (Sports), a registered charity, amounting to £1,573 (2016: £12,415). One In A Million (Sports) recharged costs to One In A Million Free School amounting to £284 (2016: £876).

During the year ended 31 August 2016, income of £13,770 was received from One In A Million (Sports) as a contribution to core services.

During the year ended 31 August 2017, a service level agreement has been signed and income of £53,303 was received from One In A Million (Sports).

At the balance sheet date the amount due from One In A Million (Sports) was £9,796 (2016: £14,649).

One In A Million (Enterprises) Limited

One In A Million Free School recharged costs to One In A Million (Enterprises) Limited amounting to £4,293 (2016: £5,087). At the balance sheet date the amount due from One In A Million (Enterprises) Limited was £3,266 (2016: £12,944).

Alt Ed

(Branch of One In A Million (Enterprises) Limited)

One In A Million Free School received rental income for serviced space from Alt Ed of £13,171 (2016: £12,000). There was no amount due at the balance sheet date (2016: £nil).

Schofield Sweeney

(Shared director, C Schofield)

During the year, Schofield Sweeney provided legal services amounting to £nil (2016: £4,392). At the balance sheet date the amount due to Schofield Sweeney was £nil (2016: £nil).