

Focus Academy Trust (UK) Limited

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2019



**Company Registration Number:
08071176 (England and Wales)**

Focus Academy Trust (UK) Limited

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Focus Academy Trust (UK) Limited

Trustees' Report

Reference and Administrative Details

| | |
|---|--|
| Members | Clive Davies OBE Linda Davies Focus Education (UK) Limited |
| Trustees | Clive Davies OBE (Chair) Amanda Clarke (resigned October 2018) Greg Caiger Emma Hart (from December 2018) Helen Lee Rosina Malik (from October 2018) Ross Mather (from October 2018) Matthew Milburn Anne Redmond (from October 2018) Helen Rowland Daniel Spencer Simon Willis |
| Company Secretary | Paul Leigh |
| Senior Management Team: | |
| Chief Executive | Helen Rowland |
| Chief Financial Officer | Paul Leigh |
| Head of Human Resources and Organisational Development | Claire Livingstone |
| Academy Improvement Partners | Donna Tandy and Tracey Thornton |
| Company Name | Focus Academy Trust (UK) Limited (Trading as Focus-Trust) |
| Principal and Registered Office | Talking Point Huddersfield Road Scouthead OL4 4AG |
| Company Registration Number | 08071176 (England and Wales) |
| Independent Auditor | Mazars LLP 5 th Floor 3 Wellington Place Leeds LS1 4AP |
| Bankers | Lloyds Bank PO Box 1000 BX1 1LT |
| Solicitors | Wrigleys LLP 19 Cookridge Street Leeds LS2 3AG |

Focus Academy Trust (UK) Limited

Trustees' Report

The trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the year to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates fifteen primary academies in the North of England with 5,676 pupils at October 2018 (Reception to Year 6) and approximately 6,000 including Nursery provision. Reception to Year 6 is 92% of capacity.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Focus Academy Trust (UK) Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as Focus-Trust. Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

The academy trust through its Articles has indemnified its trustees and governors to the fullest extent permissible by law. During the year the academy trust was also a member of the Department for Education's (DfE's) Risk Protection Arrangement (RPA) which is a voluntary arrangement for academies and free schools and which provides governor's indemnity. The RPA is not an insurance scheme but is a mechanism through which the cost of risks that materialise will be covered by government funds.

Method of Recruitment and Appointment or Election of Trustees

The trustees appoint separate committees known as local governing boards for each academy, which operate according to the trust's scheme of delegation. The establishment, terms of reference, constitution and membership of any committee of the trustees may be reviewed annually. In two of the academies Task Groups are in

Focus Academy Trust (UK) Limited

Trustees' Report

place instead of local governing boards. These Task Groups have the same responsibilities as governors. There is greater representation of the central trust team on Task Groups to rigorously address historical underperformance.

The trustees listed on page 1 appoint governors to each academy local governing board according to the scheme of delegation.

The term of office for any governor will be four years, except that this time limit does not apply to the Principal. Subject to remaining eligible to be a particular type of governor, any governor can be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

Induction is carried out as and when required and tailored specifically to the individual. Other training is conducted as necessary. Representatives from each academy governing board meet termly at the trust governors' forum for bespoke training. Each time a new academy joins the trust, bespoke induction training is provided for the full governing board. Where further training is required, members of the central team will attend governors' meetings.

Organisational Structure

The trustees are responsible for setting general policy, making major decisions about the strategic direction of the trust, capital expenditure, the appointment of the Chief Executive of the trust, Executive Principals and any Principals of the academies.

There are different layers of leadership and management within Focus-Trust. The Focus-Trust Governance Handbook outlines clear divisions of accountability and responsibility.

- Trust Board: The Trust Board retain ultimate accountability and responsibility for the operation of the trust.
- Local Governing Boards/Task Groups: Each of the academies within Focus-Trust has its own local governing board/Task Group which is accountable to the Trust Board. Each local governing board discharges duties on behalf of the Trust Board and works within the remit of an agreed and understood scheme of delegation.
- Chief Executive: The Chief Executive has operational responsibility for the leadership and management of the trust.

The local governing boards establish committees of governors to deal with specific areas of responsibility. The establishment, terms of reference, constitution and membership of any committee of the governors is reviewed at least once in every twelve months.

Focus Academy Trust (UK) Limited Trustees' Report

All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The salaries of the key management personnel of the Multi Academy Trust central team are set by the Board of Trustees at a level consistent with the skills and experience required and appropriate market rates. These link to termly and annual performance reviews.

Trade Union Facility Time

The trust does not have any trade union facility time. Facility Time is the provision of paid or unpaid time off from an employee's normal role to undertake TU duties and activities as a TU representative.

Related Parties and other Connected Charities and Organisations

Focus Education (UK) Ltd and Talking Point (UK) Ltd are connected to Focus Academy Trust (UK) Ltd, both being separate legal entities. Clive Davies and Linda Davies are directors and majority shareholders of both companies. Details of transactions between the related parties and Focus-Trust are set out in note 24.

Focus Education (UK) Ltd is the sponsor organisation for academies within the trust requiring a sponsor. The academy trust's funding agreement with the Secretary of State governs the relationship between the trust and its related parties.

Objectives and Activities

The trust's purposes as set out in its articles of association and funding agreement are:

- (a) To advance for the public benefit education in the United Kingdom, in particular, by establishing, maintaining, carrying on, managing and developing academies offering a broad and balanced curriculum.
- (b) to promote for the benefit of individuals living in the areas where the academies are located and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

The principal objective and activity of Focus-Trust is the operation of primary academies to provide education for pupils of different abilities. Our academies are primary schools which provide education for pupils of different abilities who are wholly or mainly drawn from the local community in which the academy is situated. The academies do not impose any charge in respect of admission of pupils.

The over-arching Commitment of the trust is: Learning together, making the difference.

Our Vision is: Great academies at the heart of our communities.

Strategic Priorities 2018-19 underpinned by our four Values: Fair, Care, Share and Dare are:

Our Strategy 2018-19

Our Commitment: Learning together, making the difference
Our Vision: Fifteen great academies at the heart of our communities

Our 5 Priorities



Stabilise and improve our vulnerable schools



Build a learning culture with moral purpose, effective pedagogy and quality feedback



Provide an inspiring, broad and balanced curriculum with wider opportunities for all children



Improve the health and well-being of all children and staff including work-life balance



Improve all pupil outcomes in Reading, Writing and Maths

Who will help us achieve this?

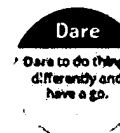
6000+
Children

900+
Staff Members

3000+
Families

100+
Governance

Our Values



www.focus-trust.co.uk  FocusTrust1  @FocusTrust1

Focus-Trust had five strategic priorities for 2018-19 known as the Focus-Trust 5 'FT5'. These were discussed and agreed by all Principals, Trustees and members of the Central Team. All academies aligned their Improvement Plan priorities to the FT5. Underpinning the five strategic priorities is a more comprehensive strategic Improvement plan outlining the agreed measures of success, actions and timescales. This was monitored and evaluated on a termly basis by Principals, Central team and Trustees and an agenda item at termly Board meetings.

Public Benefit

The trustees confirm they have complied with the duty in section 4 of the 2006 Charity Act to have due regard to guidance published by the commission regarding public benefit. The trustees and governors of each academy recognise that equal opportunities should be an integral part of good practice within the workplace. The trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

The policy of the trust is to support recruitment and retention of pupils and employees with disabilities. The trust does this by adapting the physical environment and working arrangements by making reasonable adjustments.

Focus Academy Trust (UK) Limited

Trustees' Report

Achievements and Performance, including Key Performance Indicators

At the end of 2018-19 details of the fifteen Focus-Trust primary academies are as follows:

| Academy | Children (N-Y6) * incl Nursery | Teachers (FTE) | Support Staff (FTE) | Date of conversion |
|--------------|--------------------------------------|-------------------|------------------------|-----------------------|
| Birstall | 198 | 9.3 | 11.8 | Mar 2013 |
| Boothroyd | 647* | 25.8 | 44.9 | Oct 2013 |
| Coppice | 563* | 20.9 | 35.6 | Sep 2013 |
| Deeplish | 465* | 21.8 | 25.2 | Dec 2014 |
| Fieldhead | 199* | 10.1 | 14.3 | Mar 2013 |
| Freehold | 478* | 20.3 | 32.2 | Nov 2015 |
| Lyndhurst | 472* | 18.6 | 31.4 | Dec 2016 |
| Manor Green | 430* | 17.3 | 23.0 | Oct 2015 |
| Old Trafford | 414* | 22.1 | 27.0 | Apr 2014 |
| Roundthorn | 245* | 11.5 | 20.2 | Sep 2013 |
| Rudheath | 331 | 16.9 | 12.2 | Apr 2013 |
| Shibden Head | 413 | 17.5 | 18.8 | Mar 2013 |
| Thornhill | 365 | 17.6 | 17.5 | Sep 2016 |
| Thornton | 597* | 25.9 | 24.9 | Feb 2017 |
| Wilsden | 359 | 17.3 | 17.9 | Feb 2017 |
| Total | 6,176 | 272.9 | 356.9 | |

Good Level of Development (GLD)

GLD is the measure taken at the end of the Reception year. To attain a GLD, children must attain the early learning goal in all of the prime areas of development plus in literacy and mathematics.

| 2019 figures in red 2018 figures in black 2017 figures in blue | Good Level of Development at the end of Reception | 3 yr trend |
|--|---|------------|
| Birstall Primary Academy | 70% 60% 65% | 65% |
| Boothroyd Primary Academy | 78% 73% 72% | 74% |
| Coppice Primary Academy | 66% 59% 53% | 59% |
| Deeplish Primary Academy | 63% 72% 65% | 67% |
| Fieldhead Primary Academy | 68% 58% 55% | 60% |

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| 2019 figures in red 2018 figures in black 2017 figures in blue | Good Level of Development at the end of Reception | 3 yr trend |
|--|---|------------|
| Freehold Primary Academy | 60% 56% 62% | 59% |
| Lyndhurst Primary School | 66% 60% 65% | 64% |
| Manor Green Primary Academy | 56% 67% 60% | 61% |
| Old Trafford Community Academy | 48% 54% 46% | 49% |
| Roundthorn Primary Academy | 73% 61% 53% | 62% |
| Rudheath Primary Academy | 74% 63% 63% | 67% |
| Shibden Head Primary Academy | 67% 67% 71% | 68% |
| Thornhill Junior and Infant School | 70% 63% 68% | 67% |
| Thornton Primary School | 66% 72% 62% | 67% |
| Wilsden Primary School | 80% 69% 69% | 73% |
| Focus-Trust | 67% 64% 61% | 64% |
| National | - 72% 71% | |

Year 1 Phonic Screening

At the end of Year 1, all children are screened on a nationally set phonic test. A national pass mark is set.

| 2019 figures in red 2018 figures in black 2017 figures in blue | Year 1 Phonic Screening | 3 yr trend |
|--|-------------------------|------------|
| Birstall Primary Academy | 86% 96% 93% | 92% |
| Boothroyd Primary Academy | 70% 84% 79% | 78% |
| Coppice Primary Academy | 86% 72% 74% | 77% |
| Deeplish Primary Academy | 70% 83% 84% | 79% |
| Fieldhead Primary Academy | 80% 67% 67% | 71% |
| Freehold Primary Academy | 78% 78% 84% | 80% |
| Lyndhurst Primary School | 83% 86% 93% | 87% |
| Manor Green Primary Academy | 76% 73% 75% | 75% |
| Old Trafford Community Academy | 74% 75% 63% | 71% |
| Roundthorn Primary Academy | 84% 80% 77% | 80% |
| Rudheath Primary Academy | 80% 80% 78% | 79% |
| Shibden Head Primary Academy | 83% 89% 75% | 82% |
| Thornhill Junior and Infant School | 77% 76% 75% | 76% |

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| 2019 figures in red 2018 figures in black 2017 figures in blue | Year 1 Phonic Screening | 3 yr trend |
|--|-------------------------|------------|
| Thornton Primary School | 83% 85% 88% | 85% |
| Wilsden Primary School | 86% 78% 88% | 84% |
| Focus-Trust | 80% 81% 80% | 80% |
| National | - 82.7% 81.4% | |

KS1 Academic Outcomes

At the end of Year 2, all children are assessed for statutory purposes. Assessments are in relation to the national expected standard for Year 2.

| 2019 figures in red 2018 figures in black 2017 figures in blue | KS1 Reading | | KS1 Writing | | KS1 Maths | | KS1 Combined Reading, Writing, Maths | |
|--|--------------------------|-----------|--------------------------|-----------|--------------------------|-----------|--------------------------------------|-----------|
| | At the expected standard | 3yr trend | At the expected standard | 3yr trend | At the expected standard | 3yr trend | At the expected standard | 3yr trend |
| Birstall | 74% 76% 72% | 74% | 74% 63% 62% | 68% | 74% 73% 72% | 73% | 74% 70% 66% | 66% |
| Boothroyd | 72% 65% 50% | 62% | 68% 68% 46% | 67% | 72% 74% 62% | 68% | 64% 56% 53% | 56% |
| Coppice | 69% 63% 60% | 64% | 63% 63% 52% | 59% | 71% 61% 61% | 69% | 56% 64% 61% | 55% |
| Deeplish | 53% 61% 63% | 59% | 53% 66% 65% | 61% | 55% 68% 55% | 57% | 48% 63% 52% | 55% |
| Fieldhead | 71% 55% 66% | 64% | 57% 42% 60% | 53% | 63% 58% 67% | 66% | 50% 33% 50% | 45% |
| Freehold | 63% 70% 66% | 66% | 60% 68% 67% | 65% | 72% 68% 79% | 70% | 60% 68% 72% | 61% |
| Lyndhurst | 63% 74% 65% | 67% | 65% 69% 65% | 66% | 63% 72% 67% | 66% | 60% 40% 71% | 60% |
| Manor Green | 61% 52% 68% | 60% | 54% 51% 58% | 54% | 72% 55% 64% | 69% | 51% 41% 41% | 50% |
| Old Trafford | 66% 64% 54% | 61% | 59% 67% 46% | 57% | 69% 67% 56% | 60% | 59% 66% 54% | 54% |
| Roundthorn | 92% 82% 68% | 81% | 75% 66% 55% | 65% | 75% 62% 65% | 69% | 75% 66% 61% | 61% |
| Rudheath | 63% 68% 55% | 62% | 54% 62% 50% | 55% | 77% 75% 71% | 67% | 51% 64% 41% | 51% |
| Shibden | 83% 78% 81% | 81% | 76% 70% 66% | 71% | 76% 77% 71% | 74% | 72% 57% 70% | 65% |
| Thornhill | 59% 71% 77% | 69% | 59% 54% 60% | 58% | 71% 65% 71% | 75% | 51% 71% 52% | 52% |
| Thornton | 71% 72% 68% | 70% | 61% 72% 58% | 64% | 75% 83% 76% | 74% | 61% 70% 61% | 61% |
| Wilsden | 75% 72% 65% | 71% | 73% 67% 72% | 71% | 78% 79% 73% | 73% | 67% 65% 66% | 65% |
| Focus-Trust | 69% 67% 65% | 68% | 63% 66% 58% | 62% | 71% 72% 67% | 70% | 60% 60% 58% | 57% |
| National | - 76% 75% | | - 70% 68% | | - 76% 75% | | N/A | |

KS2 Academic Outcomes

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At the end of Year 6, all children are assessed for statutory purposes. Assessments are in relation to the national expected standard for Year 6.

| 2019 figures are in red 2018 figures in black 2017 figures in blue | KS2 Reading | | KS2 Writing | | KS2 Maths | | KS2 Combined Reading, Writing, Maths | |
|---|--------------------------|------------|--------------------------|------------|--------------------------|------------|--------------------------------------|------------|
| | At the expected standard | 3 yr trend | At the expected standard | 3 yr trend | At the expected standard | 3 yr trend | At the expected standard | 3 yr trend |
| Birstall | 71% 68% 63% | 70% | 79% 68% 67% | 71% | 82% 60% 74% | 68% | 71% 56% 44% | 59% |
| Boothroyd | 46% 52% 47% | 48% | 67% 67% 58% | 64% | 69% 68% 67% | 68% | 44% 45% 42% | 44% |
| Coppice | 83% 73% 59% | 72% | 89% 81% 77% | 79% | 85% 79% 79% | 81% | 76% 70% 58% | 68% |
| Deeplish | 62% 43% 53% | 53% | 58% 72% 78% | 69% | 62% 59% 69% | 63% | 50% 35% 49% | 45% |
| Fieldhead | 65% 41% 64% | 56% | 75% 55% 50% | 62% | 70% 32% 36% | 46% | 60% 27% 21% | 35% |
| Freehold | 70% 68% 51% | 63% | 87% 83% 68% | 79% | 70% 75% 63% | 69% | 62% 62% 41% | 56% |
| Lyndhurst | 61% 62% 53% | 59% | 62% 69% 66% | 66% | 67% 50% 58% | 58% | 54% 47% 42% | 48% |
| Manor Green | 58% 69% 54% | 60% | 68% 67% 61% | 65% | 56% 55% 64% | 58% | 43% 51% 46% | 47% |
| Old Trafford | 53% 63% 40% | 50% | 73% 73% 74% | 72% | 71% 66% 68% | 66% | 52% 53% 33% | 46% |
| Roundthorn | 74% 93% 68% | 78% | 73% 80% 71% | 75% | 81% 100% 87% | 89% | 60% 80% 52% | 64% |
| Rudheath | 63% 69% 47% | 60% | 73% 64% 63% | 67% | 67% 64% 63% | 65% | 59% 50% 41% | 50% |
| Shibden | 74% 81% 73% | 76% | 89% 83% 80% | 84% | 71% 81% 76% | 76% | 64% 74% 64% | 67% |
| Thornhill | 64% 60% 53% | 59% | 68% 63% 68% | 66% | 60% 67% 54% | 60% | 49% 42% 44% | 45% |
| Thornton | 71% 69% 71% | 70% | 65% 62% 67% | 65% | 64% 68% 73% | 68% | 52% 48% 55% | 52% |
| Wilsden | 75% 79% 78% | 77% | 67% 91% 84% | 81% | 72% 86% 81% | 80% | 57% 74% 67% | 64% |
| Focus-Trust | 66% 67% 58% | 63% | 73% 71% 69% | 71% | 69% 69% 67% | 68% | 57% 55% 47% | 53% |
| National | 73% 75% 71% | 73% | 78% 78% 76% | 77% | 79% 76% 75% | 78% | 65% 64% 61% | 63% |

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Trustees' Report

KS2 Progress Measures (above 0 is positive)

| | Reading | | | | Writing | | | | Maths | | | |
|--------------|---------|-------|-------|-----------|---------|-------|-------|-----------|-------|-------|-------|-----------|
| Academy | 2019 | 2018 | 2017 | 3yr trend | 2019 | 2018 | 2017 | 3yr trend | 2019 | 2018 | 2017 | 3yr trend |
| Birstall | 0.6 | -0.9 | -1.98 | -0.76 | -0.4 | -1.87 | -2.46 | -1.57 | 0.9 | -0.51 | -0.79 | -0.13 |
| Boothroyd | 0.2 | 0.19 | -1.77 | -0.59 | 0.8 | 1.24 | -1.09 | 0.31 | 1.5 | 1.29 | 2.05 | 1.61 |
| Coppice | 1.1 | 0.84 | -0.79 | 0.38 | 0.4 | 0.63 | 1.12 | 0.72 | 2.9 | 2.19 | 1.04 | 2.04 |
| Deeplish | -1.1 | -1.93 | -1.82 | -1.61 | -0.8 | 1.79 | 1.29 | 0.76 | -0.2 | -0.43 | 0.2 | -0.14 |
| Fieldhead | -2.3 | -5.63 | -4.32 | -4.03 | 1 | -3.02 | -6.41 | -2.81 | -1.4 | -7.35 | -6.76 | -5.17 |
| Freehold | -2.9 | -2.19 | -5.72 | -3.6 | 0.9 | -0.72 | -2.57 | -0.79 | -3 | -1.93 | -3.78 | -2.9 |
| Lyndhurst | -0.6 | -1.02 | -1.08 | -0.9 | -2.0 | 0.2 | -2.05 | -1.28 | -1.2 | -2.2 | -1.7 | -1.7 |
| Manor Green | -5.3 | -2.9 | -4.02 | -4.07 | -4 | -4.4 | -3.79 | -4.06 | -4.8 | -5.2 | -2.94 | -4.31 |
| Old Trafford | -0.5 | 1.08 | 1.04 | 0.54 | 0.9 | 0.75 | 2.28 | 1.31 | 0.4 | 0.11 | 2.08 | 0.86 |
| Roundthorn | 0.2 | 3.27 | 2.92 | 2.13 | 1.2 | 0.87 | 1.2 | 0.51 | 1.1 | 2.44 | 4.97 | 3 |
| Rudheath | 0.5 | 0.43 | 0.84 | 0.59 | 2.1 | 0.08 | 1.48 | 1.22 | 0.8 | 0.41 | 0.47 | 0.56 |
| Shibden | 0.2 | -1.48 | -0.21 | -0.5 | -0.3 | -1.85 | -0.76 | -0.97 | -1.7 | -1.66 | 0.18 | -1.06 |
| Thornhill | -1.6 | -1.06 | -1.26 | -1.3 | -2 | -1.4 | -1.22 | -1.54 | -4.2 | -0.47 | -0.87 | -1.8 |
| Thornton | 0 | -2.11 | 1.04 | -0.35 | -2.3 | -2.32 | -1.41 | -2.01 | -1.2 | -2.28 | 0.58 | -0.96 |
| Wilsden | -1.2 | 1.32 | 0.39 | 0.17 | -4 | 2.54 | 1.25 | -0.07 | -2.2 | 2.51 | 1.57 | 0.62 |
| Focus-Trust | -0.84 | -0.83 | -1.1 | -0.92 | -0.56 | -0.61 | -0.88 | -0.68 | -0.82 | -1.1 | -0.25 | -0.6 |
| National | 0 | 0.3 | 0 | 0 | 0 | 0.3 | 0 | 0 | 0 | 0.3 | 0 | 0 |

The vast majority of our academies have improved their KS1 and KS2 outcomes with a number making significant progress. We have drilled down to identify any specific areas for improvement; these will be rigorously monitored at different intervals throughout the year and the impact of actions to improve outcomes will be evaluated. Each academy has bespoke targets for pupil outcomes.

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Achievement against Strategic Priorities for 2018-19

At an evaluation day in May 2019, Principals, Trustees and members of the Central Team evaluated the impact of our work during 2018-19.

Tangible outcomes – School Improvement Systems

- Shared strategic priorities across the Trust and all fifteen academies
- Effective and robust academy improvement cycle well-established and constantly improving
- Highly effective Trust wide CPD programme with feedback evidencing impact in all academies
- Principals and Improvement Champions demonstrating collective efficacy through SPP Peer Review
- Involved in MAT to MAT Peer Review with a Trust in the East Midlands/London
- Principals demonstrating Collective Efficacy and supporting other academies and leaders/staff
- Six successful Ofsted inspections and a successful DfE Review
- Effective governance praised in inspections and Roundtables
- The vast majority of teaching is good or better in all fifteen academies
- Marked improvement in quality of teaching through support plans
- Positive feedback from leaders and governors about the impact of the Trust
- Eight graduates from the Initial Teacher Training Programme with school based PGCE as part of Cumbria University
- Strengthened capacity and relationships between Trustees, Principals and academies with Trustee Advocate Role and Principal Advisory Representatives on the Trust Board
- High profile of disadvantaged pupils and PP Reviews in all fifteen academies
- All academies have a Pupil Premium Champion, SENCo, Health and Wellbeing Champion
- Further developed ambitious and innovative curriculums bespoke to children and community needs
- All academies share the Trust Curriculum Statement and have their own Curriculum Statements and long-term sequential plans
- Ensured twenty-eight NQTS completed successful induction year with positive feedback on quality of induction
- High quality, honest, rigorous school - school support in wide range of areas evidencing positive impact

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- Pedagogical Enquiry Forum established in all academies
- Numerous accreditations received – Parent Partnership, Mental Health Award, Inclusion Mark, LGBT+ Award
- All academies evaluated according to new Ofsted Framework in readiness for September 2019
- All academies share the Trust Relationships Education Statement

Tangible outcomes and impact – Pupils

- Pupil Parliament well established and jointly raising funds for charities
- Pupil Passport to develop cultural and social capital
- Extended Curriculum provision strong in all academies: sports, arts, wellbeing
- Improved mental health offer in all academies
- High profile of and quality provision for disadvantaged pupils
- All academies have strong evidence of valuing and responding to pupil voice
- All academies have a School Council/Forum with clear evidence of their impact in school
- Healthy Schools Champions keeping health and wellbeing high on the agenda, e.g. Dream Big physical
- Value of bringing children together - Music Festival and STEM Day
- Impact of Sports Premium funding is improving provision for all learners
- Provision for pupils with SEND is very effective across the Trust
- Pupil Progress meetings are rigorously effective and support pupils to accelerate progress
- Adopting the Trust values
- Raised the profile of our academies and our impact in our local communities
- Pupils across the Trust enjoy and benefit from broad, balanced and inspiring curriculum opportunities
- Family Newsletter distributed three times per year across the Trust

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Attendance

All pupils benefit from regular attendance. To this end we do all we can to encourage parents and carers to ensure that the children in their care achieve maximum possible attendance and that any problems that prevent full attendance are identified and acted on promptly. Academies within the Focus-Trust adopt a 'zero tolerance' approach to requests for holidays in term time. There is an expectation that pupils will attend every day that the academy is open.

| Academy | 2018-19 | 2017-18 | 2016-17 |
|-----------------|-------------------------|------------------------|------------------------|
| Birstall | 96.02% | 95.34% | 95.92% |
| Boothroyd | 93.83% | 95% | 94.71% |
| Coppice | 96.35% | 95.1% | 95.4% |
| Deeplish | 94.7% | 94.2% | 96.7% |
| Fieldhead | 95.71% | 94.6% | 95% |
| Freehold | 96.2% | 96.1% | 96.9% |
| Lyndhurst | 94.35% | 94.2% | 94.14% |
| Manor Green | 95.21% | 95.3% | 96% |
| Old Trafford | 96.32% | 95.0% | 95.1% |
| Roundthorn | 96.4% | 95.4% | 96.4% |
| Rudheath | 95.8% | 95.3% | 95.6% |
| Shibden Head | 97% | 97.03% | 96.77% |
| Thornhill | 95.52% | 95.02% | 95.2% |
| Thornton | 95.52% | 95% | 94.8% |
| Wilsden | 96.8% | 96.03% | 96.13% |
| National | 95.83% (2018-19) | 95.3% (2017-18) | 95.5% (2016-17) |

In several academies long periods of extended absence is a significant challenge, as well as absence due to Eid. Where possible, holiday patterns have been adapted to include Eid. All academies positively promote and reward excellent attendance and rigorously analyse where improvements are needed, putting in support to do so.

Focus Academy Trust (UK) Limited

Trustees' Report

Financial Key Performance Indicators

Academies within the Focus-Trust aim to hold a reserve of one twelve of their GAG Funding as a contingency. This is based on GAG funding only and excludes pupil premium, nursery income, SEN and capital funding. The amount of revenue reserves of the trust at 31 August 2019 was £2,920,000 against the target level of £ 2,132,000.

Going Concern

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

Financial Review

The principal sources of funding for the Academies are the recurrent grants from the DFE the use of which is restricted to particular purposes.

The trust's academy buildings are leased from Local Authorities for peppercorn rents over 125 years. The buildings are recognised in the financial statements as tangible fixed assets in accordance with the Academies Accounts Direction 2018 to 2019. The value of the buildings has been treated as voluntary income in the financial statements in the year of transfer to Focus-Trust. In accordance with the Charities Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" such gifts are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation over the expected useful life of the assets concerned.

During the year ended 31 August 2019 total expenditure of £33,992,000 was entirely covered by recurrent grant funding from the DFE together with other incoming resources. Excluding fixed assets and before actuarial gains, net expenditure for the year after transfers between funds was £1,740,000 (comprising unrestricted fund £120,000 net expenditure and restricted general funds £1,620,000 net expenditure).

Focus Academy Trust (UK) Limited

Trustees' Report

At 31 August 2019 the net book value of tangible fixed assets was £38,151,000. Movements in tangible fixed assets are shown in Note 12 to the Financial Statements. The assets were used exclusively to provide education and associated support services to the pupils of Focus-Trust academies.

The deficit in the Local Government Pension Scheme (LGPS) is recognised in the Balance Sheet in accordance with FRS102. The year-end deficit was £16,615,000. The in-year FRS102 deficit of £8,145,000 was due to excess of costs of £1,520,000, a net interest charge of £247,000 and an actuarial loss of £6,378,000.

Reserves Policy

Focus-Trust recognises the need to strike a balance between holding an adequate amount of reserves to deal with unexpected costs and ensuring that funding is used to benefit pupils. The trust has therefore adopted a set of rules in order to help manage reserves in a consistent way across all academies.

Academies within the Focus-Trust aim to hold a reserve of one twelve of their GAG Funding as a contingency. In calculating this the amount is based on GAG funding only and excludes pupil premium, SEN and capital funding. The amount of revenue reserves of the trust at 31 August 2019 was £2,920,000.

The Restricted Income Fund had a surplus of £2,351,000 at the start of the financial year and this increased by £147,000 during the year to a surplus of £2,498,000 (free reserves).

Investment Policy

Due to the nature of the funding cycle, the academies may at times hold excess cash balances which may not be required for immediate use. The trustees have authorised the opening of an additional short-term bank investment account administered by the trust to take advantage of higher interest rates. No other form of investment is authorised. Balances held in each school bank account overnight earn interest on those balances.

Principal Risks and Uncertainties

The major risks to which the trust is exposed as identified by the trustees have been reviewed and systems or procedures have been established to manage these risks. The trust has an up to date risk register.

The principal risks and uncertainties facing the trust are balancing the trust's budget against funding pressures and uncertainty to ensure long term financial sustainability and quality of provision. The trust prepares rolling five year financial

Focus Academy Trust (UK) Limited

Trustees' Report

forecasts to identify when early action should be taken to ensure financial sustainability.

Fundraising

The academy trust's schools participate in fundraising activities for specific charities where the income received is paid in full to the charity, for example Shelter. The trust does not use any external fundraisers. No complaints have been received in the year regarding fundraising activities.

Plans for Future Periods

Within the academic year 2019-20 Focus-Trust will hold the current number of schools at fifteen to consolidate its position and work entirely on its existing academies.

Funds Held as Custodian

The academy trust and its trustees do not act as the Custodian Trustees of any other charity.

Auditor

Insofar as the trustees are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 16 December 2019 and signed on the board's behalf by:



.....

Clive Davies OBE
Chair of Trustees

16 December 2019

Focus Academy Trust (UK) Limited

Governance Statement

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer 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 Focus Academy Trust (UK) Ltd and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met six times during the year. Attendance during the year at meetings of the board of trustees was as follows:

| | Total Meetings attended | Out of a possible | Key Changes |
|----------------------|--------------------------------|--------------------------|--------------------|
| Trustees | | | |
| | | | |
| Clive Davies (Chair) | 6 | 6 | |
| Greg Caiger | 4 | 6 | |
| Emma Hart | 3 | 5 | From December 2018 |
| Helen Lee | 5 | 6 | |
| Rosina Malek | 5 | 6 | From October 2018 |
| Ross Mather | 4 | 6 | From October 2018 |
| Matthew Milburn | 5 | 6 | |
| Anne Redmond | 5 | 6 | From October 2018 |
| Helen Rowland | 6 | 6 | |
| Daniel Spencer | 5 | 6 | |
| Simon Willis | 5 | 6 | |

Focus Academy Trust (UK) Limited

Governance Statement

The Operations and Finance Committee, the Audit and Risk Committee and the Standards Committee are sub-committees of the main board of trustees. The purpose of the Operations and Finance Committee is to ensure a strategic view of forward financial planning, approve annual budgets, monitor the financial performance of the trust by reviewing the management accounts, monitor financial policies and reviews the annual report and accounts. It also monitors the trust's risk register, estate compliance, the safeguarding policy and the health and safety policy.

The Audit and Risk Committee monitors the trust's risk register, oversees the trust's internal controls and agrees the rolling three-year Internal Audit Plan.

The Standards Committee scrutinises and challenges pupil outcomes.

Operations and Finance Committee

| | Meetings attended | Out of a possible | Key Changes |
|----------------|-------------------|-------------------|-------------------|
| Greg Caiger | 4 | 6 | |
| Clive Davies | 6 | 6 | |
| Helen Lee | 4 | 4 | |
| Paul Leigh | 6 | 6 | |
| Ross Mather | 4 | 6 | From October 2018 |
| Helen Rowland | 6 | 6 | |
| Daniel Spencer | 5 | 6 | |
| Simon Willis | 4 | 5 | |

Audit and Risk Committee

| | Meetings attended | Out of a possible | Key Changes |
|----------------|-------------------|-------------------|-------------------|
| Greg Caiger | 4 | 6 | |
| Clive Davies | 6 | 6 | |
| Helen Lee | 4 | 4 | |
| Paul Leigh | 6 | 6 | |
| Ross Mather | 4 | 6 | From October 2018 |
| Helen Rowland | 6 | 6 | |
| Daniel Spencer | 5 | 6 | |
| Simon Willis | 4 | 5 | |

Focus Academy Trust (UK) Limited

Governance Statement

Review of Value for Money

As accounting officer, the Chief Executive Officer has responsibility for ensuring that the academy 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 academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate.

The accounting officer continuously strives to ensure the trust's financial management demonstrates effectiveness, economy and efficiency. The accounting officer for the academy trust has delivered improved value for money during the year in several areas, including improved joint procurement savings on books, classroom materials, catering contracts and utilities. The programme of work has also generated several grants and gifts in kind. In driving improved efficiencies, the trust also shares internal IT support resources across several schools.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Focus Academy Trust (UK) Limited for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing Focus-Trust's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy 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:

Focus Academy Trust (UK) Limited

Governance Statement

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

The board of trustees has considered the need for a specific internal audit function when required and this is provided by Mazars LLP.

The Internal Audit Services role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. One internal review was carried out during 2018/19 covering the format of the monthly management accounts. Regular control reviews were carried out by the Chief Financial Officer combined with regular visits and internal control checks by the trust's central finance team.

Review of Effectiveness

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

- the work of the internal auditor and reviewers, which has included testing of internal controls
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the Chief Financial Officer within the academy trust who has responsibility for the development and maintenance of the internal control framework

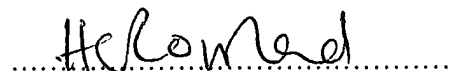
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Focus Academy Trust (UK) Limited Governance Statement

Approved by order of the members of the board of trustees on 16 December 2019
and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Clive Davies', written over a horizontal dotted line.

Clive Davies OBE,
Trustee

A handwritten signature in black ink, appearing to read 'Helen Rowland', written over a horizontal dotted line.

Helen Rowland, Chief Executive &
Accounting Officer

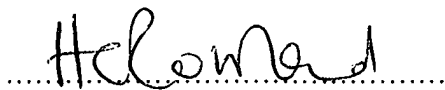
Focus Academy Trust (UK) Limited

Statement of Regularity, Propriety and Compliance

As accounting officer of Focus-Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2018.

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



Helen Rowland, Chief Executive and
Accounting Officer

19 December 2019

Focus Academy Trust (UK) Limited

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Focus Academy Trust (UK) Limited
Statement of Trustees' Responsibilities

Approved by order of the members of the board of trustees on 16 December 2019
and signed on its behalf by:


.....
Clive Davies OBE
Chair of Trustees

Focus Academy Trust (UK) Limited

Independent Auditor's Report to the Members of Focus Academy Trust (UK) Limited

We have audited the financial statements of Focus Academy Trust (UK) Limited ("the 'trust'") for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, the Academies Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs at 31 August 2019 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy 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.

Focus Academy Trust (UK) Limited

Independent Auditor's Report to the Members of Focus Academy Trust (UK) Limited

Other information

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

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

Opinions 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 Trustees' Report including the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the incorporated 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 Trustees' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit.

Focus Academy Trust (UK) Limited

Independent Auditor's Report to the Members of Focus Academy Trust (UK) Limited

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 24, the Trustees (who are directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy 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 Trustees either intend to liquidate the Academy Trust 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. This description forms part of our auditor's report.

Focus Academy Trust (UK) Limited
Independent Auditor's Report to the Members of Focus Academy Trust (UK) Limited

Use of the audit report

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


.....

Shaun Mullins (Senior Statutory Auditor)

for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Mazars LLP
5th Floor
3 Wellington Place
Leeds
LS1 4AP

Date19.12.2019.....

Focus Academy Trust (UK) Limited

Independent Reporting Accountant's Assurance Report on

Regularity to Focus Academy Trust (UK) Limited and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 27 September 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Focus Academy Trust (UK) Limited during the period 1 September 2018 to 31 August 2019 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 Focus Academy Trust (UK) Limited and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Focus Academy Trust (UK) Limited and the ESFA those matters we are required to state to it 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 Focus Academy Trust (UK) Limited and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Focus Academy Trust (UK) Limited's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Focus Academy Trust (UK) Limited's funding agreement with the Secretary of State for Education dated 9 October 2013 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 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.

Focus Academy Trust (UK) Limited

Independent Reporting Accountant's Assurance Report on

Regularity to Focus Academy Trust (UK) Limited and the Education & Skills Funding Agency

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

A summary of the work we have undertaken is as follows:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mazars LLP
.....

Shaun Mullins

Reporting Accountant

Mazars LLP
5th Floor
3 Wellington Place
Leeds
LS1 4AP

Date: 19.12.2019.

Focus Academy Trust (UK) Limited
Statement of Financial Activities for the Year Ended 31 August 2019
(Including Income and Expenditure Account)

| | Note | Unrestricted Funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | Total 2019 £000 | Total 2018 £000 |
|---|------|-------------------------------|--|--|--------------------------------|-----------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 2 | 118 | - | 914 | 1,032 | 837 |
| Transfer from local authority on conversion | | - | - | - | - | 6 |
| Charitable activities: | | | | | | |
| Funding for Focus-Trust's educational operations | 3 | - | 29,276 | - | 29,276 | 29,218 |
| Other trading activities | 4 | 1,208 | - | - | 1,208 | 1,062 |
| Investments | 5 | 3 | - | - | 3 | 3 |
| Total | | 1,329 | 29,276 | 914 | 31,519 | 31,126 |
| Expenditure on: | | | | | | |
| Raising funds | | 382 | - | - | 382 | 307 |
| Charitable activities: | | | | | | |
| Academy trust educational operations | 7 | 1,067 | 30,781 | 1,762 | 33,610 | 33,238 |
| Total | 6 | 1,449 | 30,781 | 1,762 | 33,992 | 33,545 |
| Net expenditure | | (120) | (1,505) | (848) | (2,473) | (2,419) |
| Transfers between funds | 15 | - | (115) | 115 | - | - |
| Other recognised gains/(losses) | | | | | | |
| Actuarial (losses)/gains on defined benefit pension schemes | 23 | - | (6,378) | - | (6,378) | 3,103 |
| Net movement in funds | | (120) | (7,998) | (733) | (8,851) | 684 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | 15 | 542 | (6,119) | 39,154 | 33,577 | 32,893 |
| Total funds carried forward | | 422 | (14,117) | 38,421 | 24,726 | 33,577 |

All the Academy's activities derive from continuing operations & acquisitions during the above two financial periods.

Focus Academy Trust (UK) Limited
Balance Sheet as at 31 August 2019

Company Number 08071176

| | Notes | 2019 £000 | 2019 £000 | 2018 £000 | 2018 £000 |
|--|-------|-----------------|-----------------|----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 12 | | 38,151 | | 38,770 |
| Current assets | | | | | |
| Debtors: Amounts due within one year | 13 | 1,111 | | 1,052 | |
| Cash at bank and in hand | 21 | 4,427 | | 4,788 | |
| | | 5,538 | | 5,840 | |
| Liabilities | | | | | |
| Creditors: Amounts falling due within one year | 14 | (2,348) | | (2,563) | |
| Net current assets | | | 3,190 | | 3,277 |
| Total assets less current liabilities | | | 41,341 | | 42,047 |
| Defined benefit pension scheme liability | 23 | | (16,615) | | (8,470) |
| Total net assets | | | 24,726 | | 33,577 |
| Funds of the academy trust: | | | | | |
| Restricted funds | | | | | |
| Fixed asset fund | 15 | 38,421 | | 39,154 | |
| Restricted income fund | 15 | 2,498 | | 2,351 | |
| Pension reserve | 15 | (16,615) | | (8,470) | |
| Total restricted funds | | | 24,304 | | 33,035 |
| Unrestricted income funds | | | 422 | | 542 |
| Total funds | 15 | | 24,726 | | 33,577 |

The financial statements on pages 32 to 63 were approved by the trustees and authorised for issue on 16 December 2019 and are signed on their behalf by:

.....

Clive Davies OBE
Chair of Trustees

Focus Academy Trust (UK) Limited
Statement of Cash Flows for the Year Ended 31 August 2019

| | Notes | 2019 £000 | 2018 £000 |
|--|-------|----------------------------|--------------|
| Cash flows from operating activities | | | |
| Net cash used in operating activities | 19 | (135) | (192) |
| Cash flows from returns on investment | 5 | 3 | 3 |
| Cash flows from investing activities | 20 | (229) | (444) |
| Cash transferred on conversion to an academy | | <u>-</u> | <u>6</u> |
| Change in cash and cash equivalents in the reporting period | | <u>(361)</u> | <u>(627)</u> |

| | | | |
|--|----|---------------------|--------------|
| Cash and cash equivalents at 1 September 2018 | | <u>4,788</u> | <u>5,415</u> |
| Decrease in cash in the year | | <u>(361)</u> | <u>(627)</u> |
| Cash and cash equivalents at 31 August 2019 | 21 | <u>4,427</u> | <u>4,788</u> |

All the cash flows are derived from continuing operations and acquisitions in the current financial period.

Focus Academy Trust (UK) Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

1. Accounting Policies:

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

Basis of Preparation:

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Focus Academy Trust (UK) Ltd meets the definition of a public benefit entity under FRS 102.

Going Concern

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

Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

Focus Academy Trust (UK) Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

1. Accounting Policies (continued)

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

- **Sponsorship Income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

- **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

- **Other Income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

- **Donated Goods, Facilities and Services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'.

Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

- **Donated Fixed Assets (Excluding Transfers on Conversion)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and

Focus Academy Trust (UK) Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

1. Accounting Policies (continued)

depreciated over the useful economic life in accordance with the academy trust's accounting policies.

- **Transfer on conversion**

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

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 based on time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

Focus Academy Trust (UK) Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

1. Accounting Policies (continued)

Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- | | |
|------------------------------------|------------------------|
| • Long leasehold buildings | between 8 and 58 years |
| • Fixtures, fittings and equipment | 5 years |
| • Computer hardware | 3 years |

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold and leasehold land and buildings.

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.

Liabilities

Liabilities 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 trust 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.

Focus Academy Trust (UK) Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

1. Accounting Policies (continued)

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

Leased Assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy 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 13. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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 cost as detailed in note 14. 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 instrument.

Focus Academy Trust (UK) Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

1. Accounting Policies (continued)

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities 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.

Focus Academy Trust (UK) Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

1. Accounting Policies (continued)

Fund Accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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 2019. 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.

Focus Academy Trust (UK) Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

1. Accounting Policies (continued)

Critical areas of judgement

The conversion from a state maintained school to an academy trust, involves the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration.

The assets and liabilities transferred on conversion from a maintained school to an academy trust have been valued at their fair value being a reasonable estimate of the current market value that the Governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Focus Academy Trust (UK) Ltd. Fixed assets transferred on conversion have been recognised at their depreciated replacement cost. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of Financial Activities and analysed under restricted funds and restricted fixed asset funds.

2. Donations and capital grants

| | Unrestricted Funds £000 | Restricted Funds £000 | Total 2019 £000 | Total 2018 £000 |
|-----------------|--|--------------------------------------|--------------------------------|--------------------------------|
| Capital grants | - | 914 | 914 | 728 |
| Other donations | 118 | - | 118 | 109 |
| | <u>118</u> | <u>914</u> | <u>1,032</u> | <u>837</u> |

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
2019

3. Funding for Focus-Trust's Educational Operations

| | Restricted Funds £000 | Total 2019 £000 | Total 2018 £000 |
|--------------------------------|--------------------------------------|--------------------------------|--------------------------------|
| DfE / ESFA grants | | | |
| General Annual Grant (GAG) | 23,780 | 23,780 | 23,980 |
| Other DfE Group grants | 3,782 | 3,782 | 3,423 |
| | <u>27,562</u> | <u>27,562</u> | <u>27,403</u> |
| Other Government grants | | | |
| Local authority grants | 1,714 | 1,714 | 1,815 |
| | <u>29,276</u> | <u>29,276</u> | <u>29,218</u> |

4. Other trading activities

| | Unrestricted Funds £000 | Total 2019 £000 | Total 2018 £000 |
|--------------------------------|--|--------------------------------|--------------------------------|
| Lettings income | 59 | 59 | 63 |
| Before & after school club | 146 | 146 | 108 |
| Consultancy & other services | 68 | 68 | 73 |
| Music income | 2 | 2 | 2 |
| Catering income | 372 | 372 | 354 |
| Milk income | 8 | 8 | 15 |
| Staff absence insurance claims | 40 | 40 | 54 |
| Trip income | 210 | 210 | 194 |
| Uniform income | 5 | 5 | 4 |
| Insurance claims (RPA) | 119 | 119 | 38 |
| Sales of good & services | 179 | 179 | 157 |
| Other grants | | | - |
| | <u>1,208</u> | <u>1,208</u> | <u>1,062</u> |

5. Investment Income

| | Unrestricted Funds £000 | Restricted Funds £000 | Total 2019 £000 | Total 2018 £000 |
|---------------|--|--------------------------------------|--------------------------------|--------------------------------|
| Bank Interest | <u>3</u> | <u>-</u> | <u>3</u> | <u>3</u> |

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
2019

6. Expenditure

| | Staff Costs £000 | Non Pay Expenditure Premises £000 | Other Costs £000 | Total 2019 £000 | Total 2018 £000 |
|-----------------------------------|------------------------|--|------------------------|-----------------------|-----------------------|
| Expenditure on raising funds | - | - | 382 | 382 | 307 |
| Academy's educational operations: | | | | | |
| Direct costs | 21,260 | - | 1,815 | 23,075 | 22,761 |
| Allocated support costs | 4,396 | 1,812 | 4,327 | 10,535 | 10,477 |
| | 25,656 | 1,812 | 6,524 | 33,992 | 33,545 |

Net expenditure for the period includes:

| | 2019 £000 | 2018 £000 |
|------------------------------|--------------|--------------|
| Operating lease rentals | 33 | 34 |
| Depreciation | 1,762 | 1,693 |
| Fees payable to auditor for: | | |
| - audit | 36 | 36 |
| - other services | 13 | 15 |
| - IT support | - | 3 |

7. Charitable Activities

| | Total 2019 £000 | Total 2018 £000 |
|---|-----------------------|-----------------------|
| Direct costs – educational operations | 23,075 | 22,761 |
| | 23,075 | 22,761 |
| Analysis of Support costs – educational operations | | |
| Support staff costs | 4,396 | 4,300 |
| Maintenance of premises & equipment | 1,812 | 1,752 |
| Depreciation | 1,762 | 1,693 |
| Other support costs | 2,352 | 2,521 |
| Technology costs | 156 | 152 |
| Governance | 57 | 59 |
| | 10,535 | 10,477 |
| Total direct and support costs | 33,610 | 33,238 |

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
2019

8. Staff

a. Staff costs

Staff costs during the period were:

| | 2019 | 2018 |
|--|---------------|-------------|
| | £000 | £000 |
| Wages and salaries | 18,776 | 18,295 |
| Social security costs | 1,703 | 1,655 |
| Operating costs of defined benefit pension schemes | 4,622 | 4,300 |
| | 25,101 | 24,250 |
| Supply staff costs | 471 | 615 |
| Staff restructuring costs | 84 | 115 |
| | 25,656 | 24,980 |

Staff restructuring costs comprise redundancy, severance and other restructuring costs.

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual staff severance payments totalling £31,131 (2018: £20,647). Individually, the payments were £31,131 (2018: £20,647).

c. Staff numbers

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

| | 2019 | 2018 |
|--------------------------|-------------|-------------|
| Teachers | 257 | 252 |
| Administration & support | 633 | 637 |
| Management | 74 | 71 |
| | 964 | 960 |

d. Higher paid staff

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

| | 2019 | 2018 |
|---------------------|-------------|-------------|
| £60,001 - £70,000 | 9 | 7 |
| £70,001 - £80,000 | 7 | 6 |
| £80,001 - £90,000 | - | - |
| £90,001 - £100,000 | 1 | - |
| £100,001 - £110,000 | 1 | 1 |

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
2019

8. Staff (continued)

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the academy trust was £490,321 (2018: £473,417).

9. Related Party Transactions – Trustees' remuneration and expenses

The Chief Executive only receives remuneration in respect of services provided undertaking the role of Chief Executive under their contract of employment, and not in respect of services as a trustee. Other trustees did not receive any payments, other than reimbursed expenses, in respect of their role as trustees.

The value of trustees' remuneration and other benefits was as follows:

H Rowland (Chief Executive and Trustee):

- Remuneration £105,000 - £110,000 (2018: £105,000 - £110,000)
- Employer's pension contributions paid £20,000 - £25,000 (2018: £20,000 - £25,000)

During the year ended 31 August 2019, travel and subsistence expenses totalling £1,947 were reimbursed to 3 trustees (2018: £2,193 to 2 trustees).

Other related party transactions involving the trustees are set out in note 24.

10. Trustees' and Officers' Insurance

The academy trust is a member of the government's Risk Protection Arrangement (RPA) and therefore the cost of trustees' and officers' insurance is not separately identifiable. The RPA provides the following cover: Governor's liability £10,000,000 any one loss and any one membership year, professional indemnity unlimited, employee and third party dishonesty £500,000 any one loss and any one membership year.

The cost of this arrangement is included in the total insurance cost.

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
2019

11. Central services

The academy trust has provided the following central services to its academies during the year:

- Payroll and human resources
- Financial & legal services
- Educational support services

The trust charges the constituent academies 5% of their General Annual Grant funding but excluding Pupil Premium, SEN or other similar funding. The amounts charged during the year were:

| | 2019 | 2018 |
|--------------------------------------|--------------|-------|
| | £000 | £000 |
| Birstall Primary Academy | 42 | 43 |
| Boothroyd Primary Academy | 124 | 124 |
| Coppice Primary Academy | 97 | 97 |
| Deeplish Primary Academy | 86 | 83 |
| Fieldhead Primary Academy | 46 | 47 |
| Freehold Community Primary Academy | 86 | 87 |
| Lyndhurst Primary and Nursery School | 83 | 84 |
| Manor Green Primary Academy | 79 | 78 |
| Old Trafford Primary Academy | 102 | 103 |
| Roundthorn Primary Academy | 55 | 57 |
| Rudheath Primary Academy | 64 | 58 |
| Shibden Head Primary Academy | 74 | 75 |
| Thornhill Junior and Infant School | 76 | 81 |
| Thornton Primary School | 108 | 111 |
| Wilsden Primary School | 67 | 71 |
| Total | 1,189 | 1,199 |

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
2019

12. Tangible Fixed Assets

| | Leasehold Land and Buildings | Furniture and Equipment | Computer Hardware | Assets Under Construction | Motor Vehicles | Total |
|-----------------------|------------------------------------|-------------------------------|----------------------|------------------------------|-------------------|---------------|
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Cost | | | | | | |
| At 1 September 2018 | 42,137 | 748 | 1,107 | 56 | 12 | 44,060 |
| Additions | 930 | 59 | 154 | - | - | 1,143 |
| Re-classification | 56 | - | - | (56) | - | - |
| At 31 August 2019 | 43,123 | 807 | 1,261 | - | 12 | 45,203 |
| Depreciation | | | | | | |
| At 1 September 2018 | 4,037 | 438 | 809 | - | 6 | 5,290 |
| Charged in year | 1,469 | 107 | 183 | - | 3 | 1,762 |
| Re-classification | - | - | - | - | - | - |
| At 31 August 2019 | 5,506 | 545 | 992 | - | 9 | 7,052 |
| Net book value | | | | | | |
| At 31 August 2018 | 38,100 | 310 | 298 | 56 | 6 | 38,770 |
| At 31 August 2019 | 37,617 | 262 | 269 | - | 3 | 38,151 |

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
2019

13. Debtors

| | 2019 | 2018 |
|--------------------------------|--------------|-------------|
| | £000 | £000 |
| Trade debtors | 24 | 14 |
| VAT recoverable | 191 | 197 |
| Other debtors | 2 | 2 |
| Prepayments and accrued income | 894 | 839 |
| | 1,111 | 1,052 |

14. Creditors: Amounts falling due within one year

| | 2019 | 2018 |
|------------------------------------|--------------|-------------|
| | £000 | £000 |
| Trade creditors | 899 | 894 |
| Other taxation and social security | 389 | 385 |
| Other creditors | 71 | 87 |
| Accruals and deferred income | 989 | 1,197 |
| | 2,348 | 2,563 |

Deferred income

| | 2019 | 2018 |
|-------------------------------------|--------------|-------------|
| | £000 | £000 |
| Deferred income at 1 September 2018 | 545 | 530 |
| Released from previous years | (545) | (530) |
| Resources deferred in the year | 429 | 545 |
| Deferred income at 31 August 2019 | 429 | 545 |

Explanation of deferred income held at 31 August 2019

At 31 August 2019 the academy trust held income in creditors as follows:

| | 2019 | 2018 |
|--|-------------|-------------|
| | £000 | £000 |
| Universal Free School Meals Income Sep 19 – Mar 20 | 406 | 434 |
| LA Grants | - | 50 |
| Other Grants | - | 6 |
| Trips and other | 14 | 12 |
| Rates relief | 9 | 43 |
| | 429 | 545 |

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
2019

15. Funds

| | Balance at 1 Sep 2018 | Income | Expenditure | Gains, Losses & Transfers | Balance at 31 Aug 2019 |
|-------------------------------------|--------------------------|---------------|-----------------|---------------------------------|---------------------------|
| | £000 | £000 | £000 | £000 | £000 |
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 2,351 | 23,780 | (23,518) | (115) | 2,498 |
| Other DfE/ESFA grants | - | 3,782 | (3,782) | - | - |
| Other grants | - | 1,714 | (1,714) | - | - |
| Pension reserve | (8,470) | - | (1,767) | (6,378) | (16,615) |
| | (6,119) | 29,276 | (30,781) | (6,493) | (14,117) |
| Restricted fixed asset funds | | | | | |
| Transfer on conversion | 32,256 | - | (1,762) | - | 30,494 |
| DfE/ESFA capital grants | 3,410 | 914 | - | - | 4,324 |
| Capital expenditure from GAG | 3,488 | - | - | 115 | 3,603 |
| | 39,154 | 914 | (1,762) | 115 | 38,421 |
| Total restricted funds | 33,035 | 30,190 | (32,543) | (6,378) | 24,304 |
| Total unrestricted funds | 542 | 1,329 | (1,449) | - | 422 |
| Total funds | 33,577 | 31,519 | (33,992) | (6,378) | 24,726 |

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

Restricted general funds

The fund has arisen from revenue funding provided by government and the local authority and is to be used for educational purposes in accordance with the trust's objects and its funding agreement with the Secretary of State.

Restricted fixed asset funds

The fund has arisen from capital funding provided by government and assets donated by the local authority and is to be used for educational purposes in accordance with the trust's objects and its funding agreement with the Secretary of State.

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
2019

15. Funds (continued)

Unrestricted funds

The fund has arisen from balances transferred from local authorities at conversion and capital funding provided by government and other trading activities.

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

| | 2019 | 2018 |
|---|-----------------|-------------|
| | £000 | £000 |
| Birstall Primary Academy | 131 | 116 |
| Boothroyd Primary Academy | 393 | 300 |
| Coppice Primary Academy | 232 | 241 |
| Deeplish Primary Academy | 229 | 169 |
| Fieldhead Primary Academy | 66 | 41 |
| Freehold Community Primary Academy | 173 | 197 |
| Lyndhurst Primary and Nursery School | 61 | 124 |
| Manor Green Primary Academy | 85 | 62 |
| Old Trafford Primary Academy | 440 | 359 |
| Roundthorn Primary Academy | 131 | 217 |
| Rudheath Primary Academy | 205 | 184 |
| Shibden Head Primary Academy | 281 | 271 |
| Thornhill Junior and Infant School | 149 | 210 |
| Thornton Primary School | 178 | 140 |
| Wilsden Primary School | 118 | 124 |
| Central Services | 48 | 138 |
| Total before fixed asset and pension reserve | 2,920 | 2,893 |
| Restricted fixed asset fund | 38,421 | 39,154 |
| Pension reserve | (16,615) | (8,470) |
| Total | 24,726 | 33,577 |

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
2019

15. Funds (continued)

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

| | No of Mon ths | Teaching and Educational Support Staff £000 | Other Support Staff £000 | Education al Supplies £000 | Other costs (excluding dep'n) £000 | Total £000 |
|--------------------------------------|----------------------------------|--|---|---|---|-----------------------|
| Birstall Primary Academy | 12 | 701 | 145 | 17 | 218 | 1,081 |
| Boothroyd Primary Academy | 12 | 2,315 | 414 | 44 | 540 | 3,313 |
| Coppice Primary Academy | 12 | 1,937 | 291 | 44 | 598 | 2,870 |
| Deeplish Primary Academy | 12 | 1,394 | 367 | 38 | 463 | 2,262 |
| Fieldhead Primary Academy | 12 | 850 | 147 | 18 | 232 | 1,247 |
| Freehold Community Primary Academy | 12 | 1,615 | 237 | 40 | 519 | 2,411 |
| Lyndhurst Primary and Nursery School | 12 | 1,718 | 173 | 32 | 559 | 2,482 |
| Manor Green Primary Academy | 12 | 1,329 | 290 | 35 | 481 | 2,135 |
| Old Trafford Primary Academy | 12 | 1,701 | 380 | 24 | 561 | 2,666 |
| Roundthorn Primary Academy | 12 | 1,029 | 165 | 40 | 392 | 1,626 |
| Rudheath Primary Academy | 12 | 1,065 | 138 | 31 | 372 | 1,606 |
| Shibden Head Primary Academy | 12 | 1,198 | 230 | 26 | 353 | 1,807 |
| Thornhill Junior and Infant School | 12 | 1,364 | 228 | 23 | 396 | 2,011 |
| Thornton Primary School | 12 | 1,900 | 275 | 68 | 600 | 2,843 |
| Wilsden Primary School | 12 | 1,025 | 274 | 54 | 396 | 1,749 |
| Central services | 12 | 118 | 642 | 114 | (753) | 121 |
| Total | | 21,259 | 4,396 | 648 | 5,927 | 32,230 |
| Depreciation | | | | | 1,762 | 1,762 |
| Academy Trust | | 21,259 | 4,396 | 648 | 7,689 | 33,992 |

Under the funding agreement with the Secretary of State, Focus-Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
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16. Analysis of net assets between funds

Fund balances at 31 August 2019 are represented by:

| | Unrestricted funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | Total Funds £000 |
|--------------------------|-------------------------------|--|---|------------------------|
| Tangible fixed assets | - | - | 38,151 | 38,151 |
| Current assets | 422 | 5,116 | - | 5,538 |
| Current liabilities | - | (2,348) | - | (2,348) |
| Pension scheme liability | - | (16,615) | - | (16,615) |
| Total net assets | 422 | (13,847) | 38,151 | 24,726 |

17. Capital commitments

| | 2019 £000 | 2018 £000 |
|--|----------------------------|--------------|
| Contracted for, but not provided in the financial statements | - | 118 |

18. Commitments under operating leases

Operating Leases

At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

| | 2019 £000 | 2018 £000 |
|--|----------------------------|--------------|
| Amounts due within one year | 7 | 5 |
| Amounts due between one and five years | 105 | 82 |
| Amounts due after five years | 23 | - |
| | 135 | 87 |

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
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19. Reconciliation of net income to net cash flow from operating activities

| | 2019 | 2018 |
|---|----------------|-------------|
| | £000 | £000 |
| Net expenditure for the reporting period (as per the statement of financial activities) | (2,473) | (2,419) |
| Depreciation (Note 12) | 1,762 | 1,693 |
| Capital grants from DfE and other capital income | (914) | (728) |
| Cash transferred on conversion to an academy | - | (6) |
| Interest receivable | (3) | (3) |
| Defined benefit pension scheme cost less contributions payable (Note 23) | 1,520 | 1,306 |
| Defined benefit pension scheme finance cost (Note 23) | 247 | 256 |
| Increase in debtors | (59) | (105) |
| Decrease in creditors | (215) | (186) |
| Net cash provided by operating activities | (135) | (192) |

20. Cash flows from investing activities

| | 2019 | 2018 |
|--|----------------|-------------|
| | £000 | £000 |
| Purchase of tangible fixed assets | (1,143) | (1,172) |
| Capital grants received from DfE/ESFA | 914 | 728 |
| Net cash used in investing activities | (229) | (444) |

21. Analysis of cash and cash equivalents

| | At 31 August | At 31 August |
|--------------------------|---------------------|---------------------|
| | 2019 | 2018 |
| | £000 | £000 |
| Cash in hand and at bank | 4,427 | 4,788 |

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
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22. Members' liability

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

23. Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which for Birstall, Boothroyd, Fieldhead, Shibden Head, Thornhill, Thornton and Wilsden are managed by West Yorkshire Pension Fund (WYPF), for Rudheath by the Cheshire Pension Fund (CPF) and for Coppice, Deepdish, Freehold, Lyndhurst, Manor Green, Old Trafford and Roundthorn by Greater Manchester Pension Fund (GMPF). All are multi-employer defined benefit 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.

Focus Academy Trust (UK) Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

23. Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

Focus Academy Trust (UK) Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

23. Pension and similar obligations (continued)

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 September 2019.

The employer's pension costs paid to TPS in the period amounted to £1,675,100 (2018: £1,600,336).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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 the assets held in separate trustee-administered funds.

The total contribution made for the year ended 31 August 2019 was £1,856,674 (2018: £1,834,415) of which employer's contributions totalled £1,426,462 (2018: £1,393,470) and employees' contributions totalled £430,211 (2018: 440,945).

The agreed contribution rates for future years are set out in the table below.

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Notes to the Financial Statements for the Year Ended 31 August
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23. Pension and similar obligations (continued)

| | Employers | Employees | *Additional Employers contribution p.a |
|--------------|------------------|------------------|---|
| Birstall | 14.80% | 5.5% - 12.5% | - |
| Boothroyd | 14.20% | 5.5% - 12.5% | £6,083 |
| Coppice | 20.60% | 5.5% - 12.5% | - |
| Deeplish | 24.50% | 5.5% - 12.5% | - |
| Fieldhead | 11.50% | 5.5% - 12.5% | - |
| Freehold | 20.60% | 5.5% - 12.5% | - |
| Lyndhurst | 20.60% | 5.5% - 12.5% | - |
| Manor Green | 32.90% | 5.5% - 12.5% | - |
| Old Trafford | 15.50% | 5.5% - 12.5% | - |
| Roundthorn | 20.60% | 5.5% - 12.5% | - |
| Rudheath | 24.60% | 5.5% - 12.5% | - |
| Shibden Head | 18.00% | 5.5% - 12.5% | - |
| Thornhill | 16.40% | 5.5% - 12.5% | - |
| Thornton | 15.00% | 5.5% - 12.5% | - |
| Wilsden | 16.60% | 5.5% - 12.5% | - |

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

All of the pension schemes that Focus-Trust participates in are in deficit. In addition to the employer's contributions above, the WYPF require an additional contribution towards funding the deficit as set out above. The CPF & GMPF have included the contribution to the deficit in the employer's contribution rate.

As described in note 23 the LGPS obligation relates to the employees of the academy trust. These include existing employees, employees transferred as part of a conversion from a maintained school and new employees who were eligible to, and did, join the relevant Schemes in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet.

| Principal actuarial assumptions | 2019 | | | 2018 | | |
|--|-------------|------------|-------------|-------------|-----------|-------------|
| | From | To | Avg. | From | To | Avg. |
| | % | % | % | % | % | % |
| Rate of increase in salaries | 2.6 | 3.4 | 3.2 | 2.6 | 3.3 | 3.2 |
| Rate of increase for pensions in payment/ inflation | 2.0 | 2.3 | 2.2 | 2.0 | 2.3 | 2.2 |
| Discount rate for scheme liabilities | 1.9 | 1.9 | 1.9 | 2.8 | 2.8 | 2.8 |
| Inflation assumption (CPI) | 2.0 | 2.3 | 2.2 | 2.0 | 2.3 | 2.2 |

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
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23. Pension and similar obligations (continued)

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

| | 2019 | | | 2018 | | |
|-----------------------------|-------------|-------------|-------------|------|------|------|
| | From | To | Avg. | From | To | Avg. |
| <i>Retiring today</i> | | | | | | |
| Males | 20.6 | 22.2 | 21.4 | 21.5 | 22.3 | 21.8 |
| Females | 23.1 | 25.4 | 24.2 | 24.1 | 25.3 | 24.7 |
| <i>Retiring in 20 years</i> | | | | | | |
| Males | 22.0 | 23.2 | 22.6 | 23.1 | 23.9 | 23.4 |
| Females | 24.8 | 27.2 | 25.9 | 26.2 | 27.1 | 26.6 |

Sensitivity analysis

The actuaries of the West Yorkshire, Cheshire and Greater Manchester pension funds have provided information about the sensitivity of their calculations of the present value of funded defined benefit pension obligations to changes in assumptions as follows:

| | 2019 £000 | 2018 £000 |
|--|--------------|--------------|
| Change in assumptions at 31 August 2019: | | |
| Discount rate +0.1% | 1,035 | 727 |
| Discount rate -0.1% | 1,044 | 735 |
| Mortality assumption 1 year increase | 1,622 | 1,114 |
| Mortality assumption 1 year decrease | 1,617 | 1,115 |
| CPI rate +0.1% | 750 | 512 |
| CPI rate -0.1% | 747 | 510 |

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
2019

23. Pension and similar obligations (continued)

The academy trust's share of the assets in the schemes were:

| | 2019 | 2018 |
|-------------------------------------|-----------------|-------------|
| | £000 | £000 |
| Equities | 14,736 | 12,563 |
| Debt instruments | 3,449 | 2,980 |
| Property | 1,361 | 1,061 |
| Cash | 1,201 | 1,048 |
| Other | 94 | 349 |
| Total market value of assets | 20,841 | 18,001 |
| Present value of scheme liabilities | (37,456) | (26,471) |
| Deficit in the schemes | (16,615) | (8,470) |

The actual return on scheme assets was £1,161,000 (2018: £851,000).

Amount recognised in the Statement of Financial Activities:

| | 2019 | 2018 |
|--|----------------|-------------|
| | £000 | £000 |
| Current service cost | (2,372) | (2,699) |
| Past service cost | (555) | - |
| Interest income | 519 | 407 |
| Interest cost | (766) | (663) |
| Total amount recognised in the SOFA | (3,174) | (2,955) |

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
2019

23. Pension and similar obligations (continued)

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

| | 2019 | 2018 |
|------------------------|---------------|----------------|
| | £000 | £000 |
| At 1 September | 26,471 | 25,451 |
| Current service cost | 2,372 | 2,699 |
| Past service cost | 555 | |
| Interest cost | 766 | 663 |
| Employee contributions | 445 | 446 |
| Actuarial loss/(gain) | 7,020 | (2,659) |
| Benefits paid | (173) | (129) |
| At 31 August | 37,456 | 26,471 |

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

| | 2019 | 2018 |
|------------------------|---------------|---------------|
| | £000 | £000 |
| At 1 September | 18,001 | 15,440 |
| Interest income | 519 | 407 |
| Actuarial gain | 642 | 444 |
| Employer contributions | 1,407 | 1,393 |
| Employee contributions | 445 | 446 |
| Benefits paid | (173) | (129) |
| At 31 August | 20,841 | 18,001 |

Focus Academy Trust (UK) Limited

Notes to the Financial Statements for the Year Ended 31 August 2019

24. Related party transactions

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

Focus Education Limited - a company in which Linda Davies and Clive Davies are Directors and majority shareholders. Linda and Clive Davies are Members (Clive Davies is also a Trustee) of Focus Academy Trust (UK) Limited. Transactions totalling £83,000 (2018: £155,000) took place during the period relating to the purchase of books, training and educational consultancy services from Focus Education Limited. At 31 August 2019 an amount of £2,000 (2018: £2,000) was owed from Focus Academy Trust (UK) Limited to Focus Education Limited.

The trust entered into the contract following a competitive tendering exercise in accordance with its financial regulations, which Linda and Clive Davies neither participated in, nor influenced.

Talking Point Limited - a company in which Linda Davies and Clive Davies are Directors and majority shareholders. Linda and Clive Davies are Members (Clive Davies is also a Trustee) of Focus Academy Trust (UK) Limited.

Transactions totalling £38,000 (2018: £36,000) took place during the period relating to rental of office space and hire of rooms from Talking Point (UK) Limited. At 31 August 2019 an amount of £3,000 (2018: £nil), was owed from Focus Academy Trust (UK) Limited to Talking Point (UK) Limited. The contract rental was benchmarked against other similar properties to ensure value for money.

Goods and services provided by Focus Education Limited and Talking Point Limited to Focus Academy Trust (UK) Limited are provided on a not for profit basis in accordance with the funding agreement between Focus-Trust and the Secretary of State.

25. Events after the balance sheet date

There are no post balance sheet events.

Focus Academy Trust (UK) Limited
Notes to the Financial Statements for the Year Ended 31 August
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26. Comparative information

FRS102 and the SORP require that comparative information must be provided for all amounts presented in the SOFA, including the split between different classes of funds. The trust has opted to present this comparative information by replicating the 2018 Sofa as below.

Statement of Financial Activities for the Year Ended 31 August 2018
(Including Income and Expenditure Account)

| | Note | Unrestricted Funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | Total 2018 £000 | Total 2017 £000 |
|--|------|-------------------------------|--|--|--------------------------------|-----------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 2 | 109 | - | 728 | 837 | 301 |
| Transfer from local authority on conversion | | 6 | - | - | 6 | 17,618 |
| Charitable activities: | | | | | | |
| Funding for Focus-Trust's educational operations | 3 | - | 29,218 | - | 29,218 | 27,113 |
| Other trading activities | 4 | 1,062 | - | - | 1,062 | 986 |
| Investments | 5 | 3 | - | - | 3 | 4 |
| Total | | <u>1,180</u> | <u>29,218</u> | <u>728</u> | 31,126 | 46,022 |
| Expenditure on: | | | | | | |
| Raising funds | | 307 | - | - | 307 | 1,509 |
| Charitable activities: | | | | | | |
| Academy trust educational operations | 7 | 979 | 30,566 | 1,693 | 33,238 | 28,254 |
| Total | 6 | <u>1,286</u> | <u>30,566</u> | <u>1,693</u> | 33,545 | 29,763 |
| Net (expenditure)/income | | <u>(106)</u> | <u>(1,348)</u> | <u>(965)</u> | (2,419) | 16,259 |
| Transfers between funds | 15 | - | (463) | 463 | - | - |
| Other recognised gains/(losses) | | | | | | |
| Actuarial gains on defined benefit pension schemes | 23 | - | 3,103 | - | 3,103 | 2,694 |
| Net movement in funds | | <u>(106)</u> | <u>1,292</u> | <u>(502)</u> | 684 | 18,953 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | 15 | 648 | (7,411) | 39,656 | 32,893 | 13,940 |
| Total funds carried forward | | <u>542</u> | <u>(6,119)</u> | <u>39,154</u> | 33,577 | 32,893 |