

Company Registration Number: 10766406 (England & Wales)

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017

WEDNESDAY



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VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE PERIOD ENDED 31 AUGUST 2017

Members

M Brown (appointed 11 May 2017)
S A Little (appointed 11 May 2017)
C Zarraga (appointed 11 May 2017)

Trustees

S A Little, Chair (appointed 11 May 2017)
A J Carter (appointed 11 May 2017)
J Eatock, Staff Trustee (appointed 11 May 2017)¹
S D Hanson (appointed 11 May 2017)
L Hurford (appointed 11 May 2017)¹
Dame N J Nelson, Chief Executive and Accounting Officer (appointed 11 May 2017)¹
A D Oliver, Staff Trustee (appointed 11 May 2017)¹
D Starling (appointed 11 May 2017)¹
C M Wade (appointed 11 May 2017)

¹ Member of Finance and HR Committee

Company registered number

10766406

Company name

Valour Multi-Academy Trust

Principal and registered office

Walbottle Village Primary School
The Green
Walbottle
Newcastle upon Tyne
Tyne and Wear
NE15 8JL

Company secretary

D Thackray (Appointed 20 June 2017)

Senior leadership team

Dame N J Nelson, Chief Executive Officer
J Eatock, Headteacher (Beech Hill)
A D Oliver, Headteacher (Walbottle)
N Fielding, Deputy Headteacher
J Manning, Deputy Headteacher
S Peverall, Deputy Headteacher
K Telfer, Deputy Headteacher
A Greensitt, Chief Financial Officer

VALOUR MULTI-ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND
ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2017**

Independent auditors

Clive Owen LLP
Chartered Accountants
Statutory Auditors
140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

Bankers

Lloyds Bank plc
102 Grey Street
Newcastle upon Tyne
NE99 1SL

Solicitors

Muckle LLP
32 Gallowgate
Newcastle upon Tyne
NE1 4BF

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2017

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 11 May 2017 to 31 August 2017. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The trust operates two primary academies in Newcastle upon Tyne. Its academies have a combined pupil capacity of 731 and had a roll of 651 in the school census on October 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity. Valour Multi-Academy Trust was incorporated on 11 May 2017 and the academy trust commenced its operations on 1 June 2017.

The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of Valour Multi-Academy Trust are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Valour Academy .

Details of the Trustees who served during the period 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

Subject to the provisions of the Companies Act 2006, every member of the Local Governing Body or other officer or auditor of the Company acting in relation to the academy trust shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.

Method of recruitment and appointment or election of Trustees

- **Community members**

The practical arrangements of the election of members of the Local Governing Body shall be the responsibility of the Local Governing Body but nobody shall become a member of the Local Governing Body until appointed by the Trustees.

The Trustees may appoint persons who are representatives of the local community to serve as community members on the Local Governing Body, having regard to any recommendations and views of the Local Governing Body in relation to ensuring that the people serving on the Local Governing Body between them have an appropriate range of skills and experience and due attention is given to succession planning.

VALOUR MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

Method of recruitment and appointment or election of Trustees (continued)

- **Staff members**

The Trustees may appoint persons who are employed at the academy trust to serve on the Local Governing Body through such process as they may determine, provided that the total number of such persons (including the Chief Executive Officer) does not exceed one third of the total number of persons on the Local Governing Body. The positions held by those employed at the academy trust (e.g. teaching and non-teaching staff) may be taken into account when considering appointments.

Unless the Trustees agree otherwise, in the election of persons to serve on the Local Governing Body who are employed at the academy trust, the Local Governing Body shall invite nominations from all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the academy trust (excluding the Headteacher) and, where there are any contested posts, shall hold an election by a secret ballot. All arrangements for the calling and the conduct of the election and resolution of questions as to whether any person is an eligible candidate shall be determined by the Local Governing Body.

The Chief Executive Officer shall be treated for all purposes as being an ex officio member of the Local Governing Body.

- **Parent members**

The parent members of the Local Governing Body shall be elected by parents of registered pupils at the academy trust and they must be a parent of a pupil at the academy trust at the time when he or she is elected. For the purpose of this document "parent" shall be interpreted in accordance with section 576(1) of the Education Act 1996.

The Local Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of the parent members of the Local Governing Body, including any question of whether a person is a parent of a registered pupil at the academy trust. Any election of persons who are to be the parent members of the Local Governing Body which is contested shall be held by secret ballot.

The arrangements made for the election of the parent members of the Local Governing Body shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the academy trust by a registered pupil at the academy trust.

Where a vacancy for a parent member of the Local Governing Body is required to be filled by election, the Local Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the academy trust is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

The number of parent members of the Local Governing Body required shall be made up by persons nominated by the Local Governing Body if the number of parents standing for election is less than the number of vacancies.

In appointing a person to be a parent member of the Local Governing Body pursuant to clause 5.2.10 above, the Trustees shall appoint a person who is the parent of a registered pupil at the academy trust or, where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

VALOUR MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

Method of recruitment and appointment or election of Trustees (continued)

- **Co-opted Members of the Local Governing Body**

The Trustees resolve that the Local Governing Body may itself co-opt up to 2 persons to serve on the Local Governing Body.

The Local Governing Body may not co-opt a person who is employed at the academy trust if thereby the number of persons employed at the academy trust serving on the Local Governing Body would exceed one third of the total number of persons serving on the Local Governing Body (including the Chief Executive Officer).

- **Term of Office**

The term of office for any person serving on the Local Governing Body shall be 3 years save that:

- 1) this time limit shall not apply to the Chief Executive Officer; and
- 2) persons who are co-opted to the Local Governing Body shall serve for 3 years.

Subject to remaining eligible to be a particular type of member on the Local Governing Body and to clause 5.4.3 below, any person may be re-appointed or re-elected (including being co-opted again) to the Local Governing Body.

[No person may be reappointed or re-elected at the end of their term after serving on the Local Governing Body for 6 years or more consecutively unless in the circumstances the Trustees decide to disapply the restriction set out in this clause]

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Trustees are given a tour of the academy trust and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational structure

As a charity and company limited by guarantee, Valour Multi-Academy Trust (Company) is governed by a Board of Trustees (Trustees), who are legally responsible for, and oversee, the management and administration of the Company and the academies run by the Company. **Beech Hill Primary** and **Walbottle Village Primary** are two of the Company's academies.

The Company and the Trustees are accountable to external government agencies including (but not limited to) the Charity Commission, the Education and Skills Funding Agency and the Department for Education (including any successor bodies) for the quality of the education they provide and they are required to have systems in place through which they can assure themselves of quality, safety and good practice.

In order to assist the Trustees in the discharge of their responsibilities, the Trustees have established a Local Governing Body at the academy trust pursuant to Articles 100-100A and 104. The Trustees have resolved to delegate certain of its powers in respect of the academy trust to ensure the good governance of the academy trust at a local level.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

Pay policy for key management personnel

Leadership

The appointment of the Leadership team is governed by Article 107. The Trustees shall appoint the Chief Executive Officer (CEO) and Head of Schools/ Headteachers in consultation with the Local Governing Body. The Local Governing Body may delegate such of its powers and functions under this Scheme as it considers are required by the CEO for the internal organisation, management and control of the academy trust (including the implementation of all policies approved by the Trustees and the subcommittees and for the direction of the teaching and curriculum at the academy trust).

Other Staff

The sub-committees shall be responsible for the appointment and management of all other staff to be employed at the academy trust provided that the sub-committees shall:

- comply with all policies dealing with staff issued by the Trustees from time to time;
- take account of any pay terms set by the Trustees;
- adopt any standard contracts or terms and conditions for the employment of staff issued by the Trustees;
- manage any claims and disputes with staff members having regard to any advice and recommendations given by the Trustees.
- The sub-committees shall carry out the performance management of all staff (including the CEO and leadership) at the academy trust and shall put in place procedures for the proper professional and personal development of staff.

Connected organisations, including related party relationships

The academy trust has no affiliation with any related parties

OBJECTIVES AND ACTIVITIES

Objects and aims

The Objects of the Company are set out in Article 4 and are as follows:

"The academy trust's objects ("the Objects") are specifically restricted to the following:

to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies")."

VALOUR MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

Objectives, strategies and activities

The Trustees have overall legal responsibility and ultimate decision making authority for all the work and activities of the Company, including the establishing and running of schools and in particular the academy trust. This is largely exercised through strategic planning and the setting of policy. It is managed through business planning, monitoring of budgets, performance management, the setting of standards and the implementation of quality management processes. The Trustees have the power to direct change where required in accordance with the Company's Articles.

The Trustees have a statutory obligation as company Trustees to promote the success of the Company. In their capacity as charity trustees the Trustees also have a duty to further the Company's Objects.

Trustees shall have regard to the interests of the academy trust and the other academies for which the Company is responsible, in deciding and implementing any policy or exercising any authority in respect of the academy trust.

Public benefit

The academy trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Trustees have considered this guidance in deciding what activities the academy trust should undertake.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Teaching, learning and assessment are outstanding. Teaching is consistently good and a significant proportion is outstanding. As a result of highly engaging, interesting and effective teaching, pupils make rapid progress from their starting points and achieve very well.

Some aspects of highly effective teaching seen during the review include:

Teachers' expectations are very high. They address pupils' needs exceptionally well. Teachers check and measure progress very carefully and skilfully adapt learning during lessons. As a result, outstanding progress is evident within lessons and over time.

Relationships between pupils and adults are exemplary. As a result, pupils' attitudes to learning are exemplary and this contributes very well to outstanding outcomes.

The strong teaching of phonics and the very effective teaching of reading skills has had a positive impact on outcomes across key stages.

Staff are very knowledgeable and creative in their approach. Their subject knowledge is first-class. Teachers craft learning so that it engages all pupils, whatever their starting points, through active participation. Resources are chosen very carefully to support learning across the curriculum.

Pupils who have special educational needs and/or disabilities make excellent progress because of the carefully planned and targeted support they receive.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Teachers and teaching assistants work very closely together and dedicated time is allocated to plan learning for all pupils. This ensures that all adults have a very clear shared understanding of pupils' learning. Consequently, teaching assistants make a very valuable contribution to learning.

- The learning walk, which was conducted at the beginning of the review, provided first-hand evidence of the effectiveness of phonics and grammar provision across the school. For example, the main hall is utilised very well for the organisation of ability-based phonics groups. There was a real buzz of active learning in the hall with pupils fully engaged and participating in their learning. Through the focus on 'Star Spellers' in Year 2, children made fast progress in learning how to accurately add suffixes in their writing. In Year 6, video clips from Read, Write, Inc. were used masterfully to help pupils consolidate tricky spellings such as 'weird' and 'tongue'. Last October, the school received a congratulatory letter from the DfE in response to the school's high achievement in the 2016 phonics screening check.
- In **Year 1**, pupils made good progress in extending their skills in solving problems which involve the operations of addition and multiplication. The text "One is a snail, Ten is a crab" set the scene for learning and motivated the children very well. The children thoroughly enjoyed working in role as 'Numeracy Detectives'. The tasks had been planned carefully to ensure learning was matched to each ability group. Pupils were expected to explain their thinking and working out. The most able pupils were challenged well and focused questioning encouraged them to reason and tackle more complicated learning. Support for a small group of pupils who have significant additional needs was very practical and pupils were given time to think through their responses. This helped increase their confidence and understanding. The pace of learning for the average attaining pupils slowed a little at one point in the lesson because they finished their task earlier than expected. The class teacher quickly addressed this and moved them on to their next step in learning.
- Outstanding learning was seen in **Year 2**. Pupils made fast progress in developing their skills in planning instructions to help 'Farmer Bean' become a better person. This lesson was highly creative and motivated pupils exceptionally well. The teaching of writing skills is superb in this year group. Pupils demonstrated an in-depth knowledge and understanding of the character and very enthusiastically put forward words such as 'disgraceful' and 'horrendous' to describe him. They then worked together very productively to plan instructions to help him improve his own behaviour and appearance. They offered a range of commands to 'Farmer Bean' including 'First, jump in the pearly white bath right now and wash yourself thoroughly!' All pupils very confidently played an active part in the lesson. Pupils' workbooks provided evidence of high-quality, cross-curricular work which exemplifies their outstanding progress in writing across the curriculum.
- Learning was just as strong in **Year 3** where pupils made rapid progress in developing their skills in writing opening paragraphs for non-chronological reports. There were excellent, purposeful relationships in this lesson which contributed to impressive learning. The teaching assistant was deployed very effectively to support a targeted group. All pupils were actively engaged in the lesson introduction and in the opportunities to participate in shared writing. There was a very positive and ordered culture of learning in this classroom which contributed very well to fast progress in the lesson. The differentiated mini-checklists were used by all pupils to support self-assessment and to enable pupils to take control of their own learning. Mini-plenaries were also used very effectively to challenge all learners and to reinforce main teaching points.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

- Effective learning was seen in **Year 4**. Pupils worked hard to extend their skills in calculating the perimeters of rectilinear figures. Planning was detailed and clearly showed appropriate expectations for each group by the end of the lesson. The teacher demonstrated very secure subject knowledge which ensured there was a good introduction to the learning. Sharply focused explanations made sure pupils knew exactly what they needed to do and this contextualised learning. Questioning was used well to reshape learning during the lesson based on an accurate assessment of progress. The highly effective use of praise and encouragement made sure all pupils maintained engagement and persevered when tackling new concepts.
- Excellent learning was observed in **Year 5**. Pupils responded very well to the focus on cooperative learning as they worked very productively together to solve multi-step problems, deciding which operations to use and explain their choices. Pupils were highly motivated by the task which centred on solving a problem to find 'Grace Darling's' locket. The scene for this letter was set through discussion around a letter which had been received from 'The Grace Darling Museum'. The lesson built very well on the work the pupils have completed over the course of the year in relation to multi-steps problems. Less confident mathematicians were very well supported and this enabled them to explain how they had reached a particular answer. Mini-plenaries were used skilfully to pull pupils back and refocus on the key learning.
- Highly effective learning was seen in another mathematics lesson in **Year 6** which was based around solving problems using bar modelling. At the beginning of the lesson, questioning was direct and focused on addressing misconceptions from previous learning. Assessment had shown pupils needed more input into the 'bar modelling method' as part of the drive to promote the mastery curriculum. There were ample opportunities for paired work throughout the lesson. Pupils also worked very productively to record their responses on whiteboards and were very keen to be successful. This ensured their active participation in the lesson. Pupils' workbooks provided evidence of the high level of challenge which is planned for the most able pupils.

ASPECTS OF LEADERSHIP AND MANAGEMENT

Aspects of leadership and management considered as part of the review are detailed below.

- Outstanding leadership and management have led to consistently good and often outstanding teaching and achievement across the whole school. The Chief Executive Officer, staff and governors have successfully built on the many strengths identified at the last inspection, to ensure every pupil achieves very well. The school, therefore, continues to improve and develop at a fast pace.

Key Points:

- The Chief Executive Officer, head of school and other leaders demonstrate a strong commitment to ensure all pupils achieve well in both their academic and personal development. This is evident in the above average standards at the end of Year 6 and the very effective provision for pupils' spiritual, moral, social and cultural development. Leaders have created a culture which enables both staff and pupils to excel. The performance of all staff is very closely linked to school performance.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

ASPECTS OF LEADERSHIP AND MANAGEMENT (continued)

- The leadership of teaching and learning is highly effective because staff receive regular guidance and individualised support to further refine practice. The quality of teaching is very closely monitored and information gathered is used to support performance management. Staff are fully aware of their accountability for pupils' achievement. The leaders of the school have a very precise understanding of the school's strengths. They work very closely together to develop all aspects of the school's work and constantly identify new approaches to make it even better.
- Monitoring is very focused on ensuring there is consistency in learning across year groups. Any dips in progress are quickly identified and acted upon. Key policies in relation to marking and feedback and handwriting and presentation are regularly reviewed through whole school staff meetings. Joint moderation ensures expectations remain very high and any pupils at risk of falling behind are swiftly supported.
- The school's systems for checking pupils' progress in reading, writing and mathematics are generating useful and accurate information. In addition, due to the very careful targeted use of funding and very close checks carried out on pupils' progress, disadvantaged pupils and those who have special educational needs make fast progress from their starting points. Last school year, the school received national recognition of the positive impact of its work to make sure disadvantaged pupils achieve as well as their peers. The school's data summaries are very useful in providing an at-a-glance view of the progress made by key groups.
- The school's curriculum is very well designed to meet the needs of all pupils. The core curriculum centred on English and mathematics is very effective. More widely, more interesting themes such as 'Transport' in Year 1, 'Space' in Year 3 and 'Oh I do like to be beside the seaside' in Year 5, skilfully integrate different subjects and help pupils to make connections in their learning. As a result, pupils acquire new knowledge and understanding rapidly. Another strength of the curriculum lies on the work which is done to actively promote British values, build on different cultures and prepare children for life in modern Britain.

Safeguarding is very effective. Staff are trained to a high standard and the designated persons in school have regular training updates. The Family Support Coordinator works closely with school, families and outside agencies to support children to succeed in school. Staff have been trained in protecting children from radicalisation, received training on how to spot and report females at risk of genital mutilation and teachers deliver age appropriate lessons on keeping safe in all aspects of life.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

External evaluation of Leadership and management (including governance):

- There is a culture of high expectation and ambition. This culture is shared by staff and is central to the school's drive for improvement. Staff morale is very high, and teachers and other members of staff are very positive about the direction of the school.
- The inspirational leadership of the executive head teacher and the head of school and their unwavering determination to provide the very best for all pupils have resulted in Beech Hill maintaining outstanding in all areas.
- The senior team and other middle leaders are highly focused on improving teaching and outcomes. They have a very accurate view of the performance of the school. One of the keys to the success of the school is the speed at which any area of relative underperformance is tackled. A striking example is that a dip in the standards of Maths and Spelling has resulted in swift action. A rapid and effective overhaul of the Maths and Spelling curriculum has taken place; high quality professional development, changes in teaching and an investment in new resources for pupils have led to improvements in outcomes at the most recent data trawl.
- Senior leaders know their school very well. The strengths of the school and areas for improvement are clearly identified in their self-evaluation, which is accurate and honest.
- The monitoring of teaching and learning is thorough and contributes greatly to the outstanding practice of teachers and excellent outcomes for pupils.
- Senior leaders are adept at fostering the skills and talents of staff.
- A strength of the school is the range of opportunities provided by senior leaders to grow and develop staff professionally. For example, inexperienced teachers are mentored exceptionally well. They are nurtured, thrive and then, over time, take on important senior positions within school.
- The leadership and organisation of special educational needs provision are excellent. The training of all staff has increased confidence and knowledge about how to support pupils effectively within the classroom. Teachers identify pupils' needs swiftly. They use high-quality resources, ensuring that pupils who have special educational needs or disability thrive in their learning and their personal and social development.
- Pupils who have special educational needs or disability participate fully in all that the school has to offer. The school offers an excellent broad and balanced curriculum that really excites pupils and contributes to their enjoyment of learning. It is extremely engaging and is often led by pupils' own interests.

Personal development, behaviour and welfare – Grade 1

A range of evidence, including governor walks; pupil voice; parent and pupil surveys and behaviour audits support the outstanding judgment in this area.

- There is a very productive atmosphere in the classrooms. Pupils are encouraged and confident to work without the constant attention of an adult.
- Pupils are fully aware of how to behave and the consequences of poor behaviour. Pupils are responsive and highly respectful to adults.
- Good attendance is rewarded and has a high profile in school. The occasional pupil that is persistently absent is picked up quickly and appropriate support ensures they are soon back on track.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Teacher Assessments/ SAT RESULTS 2017

Percentages in brackets are 2016 figures

Good level of development (GLD) at Early Years 74.5% (74.8%)

Year 1 phonic screen - test

86% (95.2%) GLD for reading was 72%

Key Stage 1 – Teacher assessment GLD in red

SUBJECT	At Expected Standard	Exceeding Standard	Expected +
READING	60% (80%)	21% (10%)	81% 85%
WRITING	62% (80%)	10% (7%)	72% 78%
MATHS	60% (83%)	24% (8%)	84% 78%

As you can see, while it looks like the children at expected has gone down, in all cases, those exceeding the standard has gone up.

Key Stage 2 – black is teacher assessment until the SAT, SAT results in blue, and KS1 data in red

SUBJECT	AT EXPECTED STANDARD	ABOVE EXPECTED STANDARD
READING	96% 98% 84%	
WRITING	89% 70%	
GPS	96%	
MATHS	95% 95% 80%	

We have not yet had the pass mark confirmed for Above Expected Standard.

Overall effectiveness: an independent evaluation by a National Leader of Education and LA, grade the school as remaining Outstanding. (Autumn 2016).

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Walbottle Village Primary School - Achievements

A robust, consistently applied behaviour policy ensures that all incidents of poor behaviour are addressed swiftly. There have been zero exclusions in the last 10 years. Children behave well within lessons and around school.

- Pupils' attitudes to learning are exemplary. They take responsibility for their learning and are rarely off-task. Pupils' very positive attitudes have a strong impact on the progress they make. They demonstrate a natural curiosity and a desire to do their best.
- Pupils are fully aware of the school's expectations for behaviour. They respond very well to the key points in the Behaviour Policy. Incidents of inappropriate behaviour are rare, dealt with quickly by the executive head teacher and her staff and responded to by pupils appropriately. Pupils who need help to manage their behaviour are supported very well so they can access all parts of school life.
- Pupils are adamant there is no bullying in school. They understand the difference between 'falling out' and sustained bullying behaviour, 'which is not allowed in school'.
- Pupils demonstrate excellent behaviour and self-discipline both in and outside of lessons. For example, they listen carefully to each other during class discussions and work very cooperatively when engaged in paired and small group work. Pupils conduct themselves exceptionally well around the school. As a consequence, there is a calm, orderly and purposeful atmosphere in school at all times.

Outcomes for pupils:

- GLD for Early Years was 77% well above NA.
- Pupils achieved very well in Key Stage 1 in 2017. The proportion who passed the Year 1 phonics screen was 87%, well above NA.
- Standards are strong by the end of Year 2 with most pupils achieving the age expected standard. 83% achieved Reading and Maths and 78% in Writing.
- Standards were above average by the end of Year 6 in 2017 in Writing, Maths and GPS.
- Progress across year groups is consistently good and often outstanding.
- Over the past year, good progress has been made in extending the skills of the most able. Pupils thrive on the high expectations of staff and focus very well on the range of tasks which extend their thinking.
- Pupils read widely and eagerly. The school promotes the enjoyment of reading well. Reading skills are developed quickly and pupils gain confidence and fluency.
- At Key Stage 1, all groups (FSM, boys, girls, pupil premium) apart from SEN (1 child) achieve above the national figure in reading, writing, maths and R,W,M combined. Pupil premium funding is used effectively to support disadvantaged pupils and help them quickly catch up. They make outstanding progress.

Most pupils enter nursery below age related expectations. By the end of Foundation Stage the vast majority finish at age related expectation or above. This represents outstanding progress.

Pupils make rapid and sustained improvement throughout year groups across many subjects, including English and Mathematics and learn exceptionally well. Progress is as good for disadvantaged pupils and those with SEN as for all pupils. Last year's Year 6 cohort was made up of 75% pupil premium. There were only 3 non pupil premium children, who were all boys and able. As a result there was a large PP v non PP gap. This was cohort specific however all teachers are closely monitoring the progress of their disadvantaged pupils across school and action plans are in place for the current Year 6 cohort to ensure this end of key stage gap reduces considerably this year. A cross curricular approach ensures that pupils have the opportunity to develop and practise their reading, writing and maths skills and achieve mastery.

The school's leadership team will continue to monitor pupil achievement at least termly and intervene as required, in addition to monitoring the different groups in school with a specific focus on the most able pupils, Pupil Premium, SEN, Girls and Boys. The current Year 5 cohort is a specific focus in order that we continue to narrow the gap between school and national figures. The school and Local Authority grades achievement as outstanding.

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

YEAR GROUP	SUMMER	
1	AT EXPECTED	ABOVE EXPECTED*
READING	89%	34%
WRITING	86%	34%
MATHS	76%	17%

YEAR GROUP	SUMMER	
2	AT EXPECTED	ABOVE EXPECTED*
READING	83%	22%
WRITING	78%	17%
MATHS	83%	22%

KS2

YEAR GROUP	SUMMER	
3	AT EXPECTED	ABOVE EXPECTED*
READING	80%	37%
WRITING	77%	20%
MATHS	80%	20%

YEAR GROUP	SUMMER	
4	AT EXPECTED	ABOVE EXPECTED*
READING	79%	24%
WRITING	65%	10%
MATHS	69%	17%

*'Above expected' figures are the percentage of those pupils who not only achieved the 'at expected' level but exceeded it. 'Above expected' are therefore also included in the 'at expected' figures.

VALOUR MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

YEAR GROUP	SUMMER	
5	AT EXPECTED	ABOVE EXPECTED*
READING	75%	20%
WRITING	60%	5%
MATHS	75%	25%

There is a slight disadvantaged v non disadvantaged gap in years 3,4 & 5. This gap has occurred due to children who are on the SEN register and disadvantaged. The gaps are very small and due to individuals rather than the whole group.

The school needs to:

- Improve the proportion of children achieving age expected standard in reading at Key Stage 2;
- Improve the proportion of children making better than expected progress in reading, writing and maths between EYFS and Key Stage 1; and between Key Stage 1 and Key Stage 2;
- Narrow the gap between disadvantaged and non-disadvantage pupils at the end of Key Stage 2 in all subjects;
- Improve the rates of progress in reading between Key Stage 1 and 2.

The school has the following strengths:

- Teachers are held fully to account for pupil progress through very focused pupil progress meetings. Effective monitoring of practice ensures that feedback is consistent;
- The issues relating to progress identified in the 2017 LA data pack and FFT dashboards have been identified, an action plan implemented and there is a robust reason for the perceived weakness.
- A strong focus on improving pupil outcomes means senior leaders analyse assessment information closely. They use data well to make sure all groups of pupils have the opportunity to achieve well.
- Pupils' conduct around school. They are always polite, show extremely good manners and demonstrate excellent attitudes to learning in lessons. As a result, the school is a calm, orderly and purposeful place to learn.

VALOUR MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Key Financial Performance Indicators

The following are considered to be the key financial performance indicators (KFPI) of the trust:

<u>KFPI</u>	<u>£</u>
GAG income per pupil	3,791
Total income (excluding transfer on conversion) per pupil	5,751
Staff costs per pupil	3,668
Total costs per pupil	4,952
(The above figures are annualised)	

We are satisfied that the above results are in line with internal expectations.

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 Accounting Policies.

FINANCIAL REVIEW

Most of the academy's income is obtained from the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the period ended 31 August 2017 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy also receives grants for fixed assets from the DfE/ESFA. In accordance with The Charities SORP (FRS102), such grants 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 charges over the expected useful life of the assets concerned. In addition, unrestricted income comprises self-generated revenue such as lettings and catering income.

During the period ended 31 August 2017, total expenditure of £806,000 was exceeded by recurrent grant funding from the DfE/ESFA together with other incoming resources. The excess of expenditure over income for the year (before transfers and actuarial gains, and excluding restricted fixed asset funds) was £245,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academies objectives.

At 31 August 2017 the net book value of fixed assets was £2,914,000 and movements in tangible fixed assets are shown in note 13 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy trust.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of the LGPS pensions scheme, resulting in a deficit of £554,000 recognised on the balance sheet.

The academy held fund balances at 31 August 2017 of £2,679,000 comprising £2,526,000 of restricted funds and £153,000 of unrestricted funds.

VALOUR MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

Reserves policy

The academy trust holds restricted and unrestricted funds (the attached financial statements detail these funds). Unrestricted funds are held:

- To provide funds which can be designated to specific areas such as Nursery provisions, music tuition, school trips and uniform costs.

The level of reserves is reviewed by the Trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of the academy trust is reviewed by the Trustees on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees therefore consider it prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in fixed assets and restricted funds) of £300,000.

This is considered sufficient to cover

- a) Nursery provision
- b) Music Tuition
- c) Uniform Costs
- d) School trips

The academy trust's current level of free reserves are in surplus by £153,000 and therefore are considered to be below the level of reserves required for the ongoing needs of the academy trust. However, the academy trust intends to increase the outcome of other trading activities to a more sustainable level which should bring the current level of free reserves in line with the reserves policy.

Investments policy

The Trustees aim to maximise investment return whilst minimising risks to the principal sum. All free funds are invested in cash deposits at market rates. Interest rates are reviewed prior to each investment.

Principal risks and uncertainties

The principal risks and uncertainties are centred on changes in the level of funding from the DfE/ESFA. In addition the academy trust is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the academy trust balance sheet.

The Trustees have assessed the major risks, to which the academy is exposed, in particular those relating specifically to teaching provision of facilities and other operational areas of the academy trust, and its finances. The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains they have ensured they have adequate insurance cover. The academy trust has fully implemented the requirements of the Safe Recruitment procedures and all staff have received training in this area in addition to training on Child Protection. The academy trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The academy trust is subject to a number of risks and uncertainties in common with other academies. The academy trust has in place procedures to identify and mitigate financial risks.

VALOUR MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

PLANS FOR FUTURE PERIODS

Future developments

- To provide training on Governance of multi academy trusts to Chair of Valour Multi-Academy Trust and other Trustees.
- To hold a whole school vision setting day to create a new vision for Valour MAT that every stakeholder has ownership of.
- To develop the use of SLEs and LLEs within Newcastle and wider north east area to impact upon school improvement within the wider schools community.
- To develop further, the roles of the head of schools to support the functioning of the MAT and maintaining standards in school.
- To implement the leadership development program, using funding from the teaching schools budget.
- To develop the leadership skills and provide direction for new teaching schools opening in Newcastle and share our expertise on a system wide level.
- To develop the leadership of head teachers and deputy heads within the teaching school alliance through data analysis and school improvement planning.
- To develop the leadership knowledge of the existing deputy heads so they have the opportunity to shadow leaders and to build their knowledge.
- Spend leadership time to define roles and responsibilities of head teachers within the MAT. Define role of CEO/ Executive Head teacher.
- Feedback will be used effectively in all subjects to move children's work forwards. The marking policy will be used consistently across school, the children will understand the symbols and what they mean and how they can improve. Time will be given by teachers for children to improve their work on the day it is completed or the next day.
- Ensure parents feel equipped to support their children before and during assessments. SATs meetings for years 2 and 6, Phonics meeting for year 1. Calculation meetings, Grammar training, EYFS meeting re Tapestry and ongoing assessment.
- Continue to develop parental engagement, 1 x yearly class assembly, 1 x yearly book look. Yearly celebration of Family learning, provide parent and child science sessions. Funky foods provide parent and child cookery session 1 x yearly open morning. Ensure parents are involved in things they are interested in by responding to parents' view (LPPA).
- Provide enrichment activities:
 - 1) Structured Enrichment Time drawing on the strengths of teachers and interests of children (linked to pupil voice interviews) – Lego club, music tuition, sport etc.
- Each pupil to make a community pledge:
 - 1) Assembly to discuss improvements to community. Children to pledge to improve 1 aspect of their community (i.e. litter picking with an adult).
 - 2) Parent Partnership group to support community pledge.
- Provide career opportunities:
 - 1) Invite professionals into school to talk to children (police, fire brigade, school health, Bank of England, Greggs etc.);
 - 2) Keep career file up to date;
 - 3) Career fair for year 6.
- Improve teaching through coaching and sharing of good practice:
 - 1) Coordinator to arrange staff opportunities to observe good practice across the school and Walbottle in maths. Maths lead to work collaboratively with selected staff in shared planning and teaching sessions.
- Streamed reasoning continues with a lower child to teacher ratio across year groups.
- Coordinator to timetable weekly reasoning slot and allocate additional staff to support.
- TAs and staff shadow reasoning sessions in strong year groups to witness good practice.
- Coordinator to observed streamed reasoning sessions across the school.

VALOUR MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

Future developments (continued)

- Bar modelling continues to be used as techniques to support calculation of reasoning questions.
- Coordinator to audit planning to ensure bar modelling is being taught across the school.
- Further training found/provided for bar modelling and the use of new resources if possible.
- Coordinator to review planning to ensure bar modelling is being taught as a skill.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 18 December 2017 and signed on its behalf by:

A J Carter
Trustee



VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Valour Multi-Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 1 time during the period. Attendance during the period at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
S A Little, Chair	0	1
A J Carter	0	1
J Eatock, Staff Trustee	1	1
S D Hanson	1	1
L Hurford	1	1
Dame N J Nelson, Chief Executive and Accounting Officer	1	1
A D Oliver, Staff Trustee	1	1
D Starling	0	1
C M Wade	0	1

The Finance and HR Committee is a sub-committee of the main Board of Trustees and it will meet once per term, or as required by the Trustees. No business can be conducted unless a quorum of members is present. There were no meetings held in this period.

The main responsibilities of the Finance and HR Committee are detailed below:

- Initial review and authorisation of the annual budget;
- Approve the financial statements for filing in accordance with Companies Act and ESFA requirements;
- Responsible to the LGB for ensuring compliance with the Funding Agreement and all relevant financial regulations relating to the academy trust are observed;
- Oversee capital investment programmes;
- Regular monitoring of actual expenditure and income against budget;
- Authorising the purchases of goods and services of value in excess of £25,000 but less than £50,000;
- Reviewing the reports of the Internal Assurance Service on the effectiveness of the financial procedures and controls;
- Authorising the disposal of fixed assets with a value of greater than £10,000;
- Authorising all virements to and within budget headings.
- Establish, monitor and review employment policies on behalf of the LGB;
- Ensuring good financial management and effective internal controls;
- Compliance with the funding agreement and this handbook;
- Ensuring sufficient rigour and scrutiny in the budget management process to understand and address variances between the budget forecast and actual income and expenditure;
- Receiving and considering information on the financial performance of the trust at least three times a year, taking action to ensure ongoing viability;
- Must notify ESFA if the Board of Trustees formally proposes to set a deficit revenue budget for the current financial year which it is unable to address, after unspent funds from previous years are taken into account;
- Must have a cautious approach to investments;

VALOUR MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

Governance (continued)

- Must refer any novel and/or contentious transaction to ESFA for explicit prior authorisation;
- Must obtain ESFA's prior approval before borrowing, including finance leases and overdraft facilities, of any duration;
- Must obtain ESFA's prior approval for writing off debts and losses, and entering into guarantees, letters of comfort and indemnities beyond limits specified in this handbook;
- Must, in respect of staff severance payments, consider the following before making a binding commitment:
 - whether the proposed payment to be in the interests of the trust;
 - whether a payment is justified and value for money, based on a legal assessment of the case; and
 - review the level of settlement, which must be less than the legal assessment of what the relevant body (e.g. an employment tribunal) is likely to award in the circumstances.
- Must obtain ESFA's prior approval for the non-contractual/non-statutory element of a staff severance payment, or compensation payment, of £50,000 or more before making a binding settlement offer;
- Must not accept a settlement for a staff severance payment unless it satisfies the conditions in the ESFA handbook;
- Must consider, when making a compensation payment, whether the proposed payment is based on a careful appraisal of the facts, including legal advice, and that value for money will be achieved;
- Must obtain ESFA's prior approval for ex gratia payments of any value;
- Must obtain ESFA's prior approval, before entering into the acquisition and disposal of fixed assets beyond limits specified by this handbook;
- Must ensure a lease arrangement, or disposal, achieves the best price that can reasonably be obtained, and maintains the principles of regularity, propriety and value for money;
- Must obtain ESFA's prior approval before entering into lease arrangements beyond limits specified in the handbook.

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 for the academy trust has delivered improved value for money during the year by:

- Reviewing service level agreements and comparing best value;
- Reviewing the use of outside contractors and attempting to use more "in house resources";
- Comparing finance systems and choosing best value and most suitable for the academy;
- Moving away from Newcastle City Council insurance and appointing a company which meets all requirements of the academy at a more cost effective price.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Valour Multi-Academy Trust for the period 11 May 2017 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

VALOUR MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

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 ongoing process for identifying, evaluating and managing the academy trust's significant risks, that has been in place for the period 11 May 2017 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of 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:

- 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 Finance and HR 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 and has decided to appoint Newcastle City Council after the period end as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems.

On an annual basis, the internal auditor reports to the Board of Trustees through the Finance and HR committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Review of Effectiveness

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

- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

Approved by order of the members of the Board of Trustees on 18 December 2017 and signed on their behalf, by:

A J Carter
Trustee



Dame N J Nelson
Accounting Officer



VALOUR MULTI-ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Valour Multi-Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the 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 2016.

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 2016.

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



Dame N J Nelson
Accounting Officer

Date: 18 December 2017

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 31 AUGUST 2017

The Trustees (who act as governors of Valour Multi-Academy Trust and 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 issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

Approved by order of the members of the Board of Trustees on 18 December 2017 and signed on its behalf by:

A J Carter
Trustee



VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VALOUR MULTI-ACADEMY TRUST**

Opinion

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

This report is made solely to the academy 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

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

Basis of opinion

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

Conclusions relating to going concern

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

- the 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.

Other information

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

VALOUR MULTI-ACADEMY TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VALOUR MULTI-ACADEMY TRUST**

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our 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 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' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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's or to cease operations, or have no realistic alternative but to do so.

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VALOUR MULTI-ACADEMY TRUST**

Auditor's responsibilities for the audit of the financial statements

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

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



Christopher Beaumont BA(Hons) FCA DChA (Senior statutory auditor)

for and on behalf of

Clive Owen LLP

Chartered Accountants
Statutory Auditors

140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT
18 December 2017

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO VALOUR
MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 1 December 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Valour Multi-Academy Trust during the period 11 May 2017 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Valour Multi-Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Valour Multi-Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Valour Multi-Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Valour Multi-Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Valour Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 23 May 2017, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 11 May 2017 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

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

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO VALOUR
MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

Approach (continued)

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

The work undertaken to draw to our conclusion includes:

- Review of trust board and committee minutes;
- Completion of self assessment questionnaire by Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Trustees and Accounting Officer setting out responsibilities;
- Obtained formal letter of representation detailing the responsibilities of Trustees;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of register of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy.

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 11 May 2017 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Clive Owen LLP

Reporting Accountants

140 Coniscliffe Road
Darlington
Co Durham
DL3 7RT

18 December 2017

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

		Unrestricted funds 2017 £000	Restricted funds 2017 £000	Restricted fixed asset funds 2017 £000	Total funds 2017 £000
	Note				
INCOME FROM:					
Transfer from local authority on conversion	2	152	(550)	2,937	2,539
Charitable activities:	3				
Funding for the academy trust's educational operations		-	911	-	911
Teaching schools		-	2	-	2
Other trading activities	4	14	9	-	23
TOTAL INCOME		<u>166</u>	<u>372</u>	<u>2,937</u>	<u>3,475</u>
EXPENDITURE ON:					
Charitable activities:					
Funding for the academy trust's educational operations		13	764	23	800
Teaching schools		-	6	-	6
TOTAL EXPENDITURE	5	<u>13</u>	<u>770</u>	<u>23</u>	<u>806</u>
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		<u>153</u>	<u>(398)</u>	<u>2,914</u>	<u>2,669</u>
Actuarial gains on defined benefit pension schemes	21	-	10	-	10
NET MOVEMENT IN FUNDS		<u>153</u>	<u>(388)</u>	<u>2,914</u>	<u>2,679</u>
RECONCILIATION OF FUNDS:					
Total funds brought forward		-	-	-	-
TOTAL FUNDS CARRIED FORWARD		<u>153</u>	<u>(388)</u>	<u>2,914</u>	<u>2,679</u>

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10766406

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£000	2017 £000
FIXED ASSETS			
Tangible assets	13		2,914
CURRENT ASSETS			
Debtors	14	190	
Cash at bank and in hand		387	
		<u>577</u>	
CREDITORS: amounts falling due within one year	15	(258)	
NET CURRENT ASSETS			<u>319</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,233</u>
Defined benefit pension scheme liability	21	(554)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>2,679</u></u>
FUNDS OF THE ACADEMY			
Restricted income funds:			
Restricted income funds	16	166	
Restricted fixed asset funds	16	2,914	
		<u>3,080</u>	
Restricted income funds excluding pension liability			
Pension reserve		(554)	
		<u></u>	
Total restricted income funds			2,526
Unrestricted income funds	16		153
TOTAL FUNDS			<u><u>2,679</u></u>

The financial statements on pages 30 to 53 were approved by the Trustees, and authorised for issue, on 18 December 2017 and are signed on their behalf, by:

A J Carter
Trustee



VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 AUGUST 2017

	Note	2017 £000
Cash flows from operating activities		
Net cash provided by operating activities	18	235
		<hr/>
Cash transferred on conversion		152
		<hr/>
Net cash provided by investing activities		152
		<hr/>
Change in cash and cash equivalents in the period		387
Cash and cash equivalents brought forward		-
		<hr/>
Cash and cash equivalents carried forward	19	387
		<hr/> <hr/>

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Valour Multi-Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 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 and include grants from funders.

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

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

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

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

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

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

Where assets are received by the 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 risk and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within Income from donations and capital grants.

1.4 EXPENDITURE

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

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

All expenditure is inclusive of irrecoverable VAT.

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.5 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy trust 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.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

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

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

Freehold property	-	Over 50 years
Freehold land	-	None provided
Fixtures and fittings	-	Over 5 years
Computer equipment	-	Over 3 & 5 years

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

1.7 OPERATING LEASES

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.8 TAXATION

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

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.9 DEBTORS

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

1.10 CASH AT BANK AND IN HAND

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

1.11 LIABILITIES AND PROVISIONS

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

1.12 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 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.13 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

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

1.14 CONVERSION TO AN ACADEMY TRUST

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Beech Hill Primary School and Walbottle Village Primary School to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of financial activities incorporating income and expenditure account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 20.

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.15 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The 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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £23,000.

Valuation of property – As the ESFA have not yet carried out a land and buildings valuation for the property on conversion, the Trustees have considered the other options available to them and have chosen to use the valuation used by the local authority prior to conversion. A third party valuation was considered but was not the Trustees preferred option since the cost of such an exercise was deemed to be greater than the benefit that would have been derived from it. The Trustees were also aware that such a third party valuation could have been materially different to that provided by the ESFA and were concerned with regard to the treatment of any difference that may arise between the two valuations. Any material difference arising between the LA valuation and the forthcoming ESFA valuation will be assessed and, should the need arise in future financial statements, a prior year adjustment may be made to reflect the ESFA valuation.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £000	Restricted funds 2017 £000	Restricted fixed asset funds 2017 £000	Total funds 2017 £000
Transfer from local authority on conversion	152	(550)	2,937	2,539
	<u>152</u>	<u>(550)</u>	<u>2,937</u>	<u>2,539</u>

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £000	Restricted funds 2017 £000	Total funds 2017 £000
DfE/ESFA grants			
General Annual Grant (GAG)	-	617	617
Academies Conversion Grant	-	26	26
Pupil Premium	-	102	102
National College for Teaching and Leadership	-	2	2
	<hr/>	<hr/>	<hr/>
	-	747	747
Other Government grants			
Other Government Grants	-	166	166
	<hr/>	<hr/>	<hr/>
	-	166	166
	<hr/>	<hr/>	<hr/>
	-	913	913
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £000	Restricted funds 2017 £000	Total funds 2017 £000
Sundry income	4	9	13
School trips	2	-	2
Catering	8	-	8
	<hr/>	<hr/>	<hr/>
	14	9	23
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

5. EXPENDITURE

	Staff costs 2017 £000	Premises 2017 £000	Other costs 2017 £000	Total 2017 £000
Academy's educational operations:				
Direct costs	498	-	58	556
Support costs	99	45	106	250
	<u>597</u>	<u>45</u>	<u>164</u>	<u>806</u>

In 2017, of the total expenditure, £13,000 was to unrestricted funds, £770,000 was to restricted funds and £23,000 was to restricted fixed asset funds.

There were no individual transactions exceeding £5,000 for:

- Compensation payments
- Gifts made by the academy trust
- Fixed asset losses
- Stock losses
- Unrecoverable debts
- Cash losses

There were no ex-gratia payments during the year.

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

6. CHARITABLE ACTIVITIES

	Total funds 2017 £000
DIRECT COSTS - EDUCATIONAL OPERATIONS	
Wages and salaries	385
National insurance	35
Pension cost	78
Educational supplies	27
Staff development	6
Travel and subsistence	1
Other direct costs	24
	<hr/> 556 <hr/>
SUPPORT COSTS - EDUCATIONAL OPERATIONS	
Wages and salaries	82
National insurance	4
Pension cost	13
Depreciation	23
Net pension interest	3
Technology costs	17
Maintenance of premises and equipment	20
Cleaning	2
Energy	2
Insurance	3
Catering	34
Occupancy costs	3
Other support costs	14
Governance costs	30
	<hr/> 250 <hr/>
	<hr/> 806 <hr/> <hr/>

7. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £000
Depreciation of tangible fixed assets:	
- owned by the charity	23
Auditors' remuneration - audit	9
Operating lease rentals	3
	<hr/> <hr/>

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

8. NET INTEREST COST ON PENSION SCHEME

	2017 £000
Interest income on pension scheme assets	5
Interest on pension scheme liabilities	(8)
	<u>(3)</u>
	<u><u>(3)</u></u>

9. STAFF COSTS

Staff costs were as follows:

	2017 £000
Wages and salaries	445
Social security costs	39
Operating costs of defined benefit pension schemes	91
	<u>575</u>
Supply staff costs	22
	<u>597</u>
	<u><u>597</u></u>

Included within the operating costs of defined benefit pension schemes is £11,000 in respect of movements in the LGPS pension deficit.

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

	2017 No.
Teachers	25
Administration & Support	46
Management	8
	<u>79</u>
	<u><u>79</u></u>

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

	2017 No.
In the band £70,001 - £80,000	1
In the band £90,001 - £100,000	1

The key management personnel of the academy trust comprise the Trustees and the senior leadership team as listed on page 1. The total amount of employee benefits (including employer national insurance and employer pension contributions) received by key management personnel for their services to the academy trust was £129,000.

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

10. CENTRAL SERVICES

No central services were provided by the academy trust to its academies during the period and no central charges arose.

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2017 was not separately identifiable.

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

12. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Chief Executive Officer and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2017 £000
Dame N J Nelson, Chief Executive and Accounting Officer	Remuneration	20-25
	Pension contributions paid	0-5
J Eatock, Staff Trustee	Remuneration	15-20
	Pension contributions paid	0-5
A D Oliver, Staff Trustee	Remuneration	10-15
	Pension contributions paid	0-5

During the period, no Trustees received any benefits in kind.

During the period ended 31 August 2017, no Trustees received any reimbursement of expenses.

13. TANGIBLE FIXED ASSETS

	Freehold property £000	Fixtures and fittings £000	Computer equipment £000	Total £000
COST				
Transfer on conversion	2,765	83	89	2,937
At 31 August 2017	2,765	83	89	2,937
DEPRECIATION				
Charge for the period	11	4	8	23
At 31 August 2017	11	4	8	23
NET BOOK VALUE				
At 31 August 2017	2,754	79	81	2,914

14. DEBTORS

	2017 £000
VAT recoverable	14
Prepayments and accrued income	176
	190

VALOUR MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £000
Trade creditors	15
Other taxation and social security	39
Other creditors	39
Accruals and deferred income	165
	<u>258</u>
	<u>£000</u>
DEFERRED INCOME	
Resources deferred during the year	<u>46</u>

At the balance sheet date the academy trust was holding deferred income relating to funds received in advance for the teaching school relating to the academic year 2017/18.

16. STATEMENT OF FUNDS

	Balance at 11 May 2017 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2017 £000
UNRESTRICTED FUNDS					
Unrestricted fund	-	166	(13)	-	153
	<u>-</u>	<u>166</u>	<u>(13)</u>	<u>-</u>	<u>153</u>
RESTRICTED FUNDS					
General Annual Grant (GAG)	-	617	(456)	-	161
Pupil Premium	-	102	(102)	-	-
Academy Conversion Grant	-	26	(26)	-	-
Other Government Grants	-	166	(166)	-	-
Teaching School	-	11	(6)	-	5
Pension reserve	-	(550)	(14)	10	(554)
	<u>-</u>	<u>372</u>	<u>(770)</u>	<u>10</u>	<u>(388)</u>
	<u>-</u>	<u>372</u>	<u>(770)</u>	<u>10</u>	<u>(388)</u>
RESTRICTED FIXED ASSET FUNDS					
Assets inherited on conversion	-	2,937	(23)	-	2,914
Total restricted funds	<u>-</u>	<u>3,309</u>	<u>(793)</u>	<u>10</u>	<u>2,526</u>
Total of funds	<u>-</u>	<u>3,475</u>	<u>(806)</u>	<u>10</u>	<u>2,679</u>

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

The General Annual Grant (GAG) must be used for the normal running of the academy trust including salaries and related costs, overheads, repairs and maintenance and insurance.

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16. STATEMENT OF FUNDS (continued)

Pupil Premium is additional funding to be spent as the academy trust sees fit to support deprived students.

The Teaching School monies are towards the running of a teaching school.

The Academy Conversion Grant is towards the legal fees in relation to the set up of the academy trust.

Other Government Grants includes Early Years Funding and Pupil Premium funding from the Local Authority.

The pension reserve is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 21.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds can be used for any purpose, at the discretion of the Trustees, within the objects of the academy trust.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £000
Beech Hill Primary School	189
Walbottle Village Primary School	130
	<hr/>
Total before fixed asset fund and pension reserve	319
Restricted fixed asset fund	2,914
Pension reserve	(554)
	<hr/>
Total	2,679
	<hr/> <hr/>

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2017 £000
Beech Hill Primary School	355	72	27	78	532
Walbottle Village Primary School	143	27	-	81	251
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	498	99	27	159	783
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £000	Restricted funds 2017 £000	Restricted fixed asset funds 2017 £000	Total funds 2017 £000
Tangible fixed assets	-	-	2,914	2,914
Current assets	172	405	-	577
Creditors due within one year	(19)	(239)	-	(258)
Provisions for liabilities and charges	-	(554)	-	(554)
	<u>153</u>	<u>(388)</u>	<u>2,914</u>	<u>2,679</u>

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £000
Net income for the year (as per Statement of Financial Activities)	2,669
Adjustment for:	
Depreciation charges	23
Increase in debtors	(190)
Increase in creditors	258
Defined benefit pension scheme obligation inherited	550
Defined benefit pension scheme cost less contributions payable	11
Defined benefit pension scheme finance cost	3
Fixed assets from local authority on conversion	(2,937)
Cash transferred on conversion	(152)
Net cash provided by operating activities	<u>235</u>

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £000
Cash in hand	387
Total	<u>387</u>

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NOTES TO THE FINANCIAL STATEMENTS
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20. CONVERSION TO AN ACADEMY TRUST

On 1 June 2017 Beech Hill Priamry School and Walbottle Village Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Valour Multi-Academy Trust from Newcastle City Council for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of financial activities incorporating income and expenditure account as Donations - transfer from local authority on conversion

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities incorporating income and expenditure account.

Beech Hill Primary School

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
- Freehold land and buildings	-	-	1,656	1,656
- Other tangible fixed assets	-	-	123	123
Budget surplus/(deficit) on LA funds	37	-	-	37
LGPS pension surplus/(deficit)	-	(367)	-	(367)
Net assets/(liabilities)	<u>37</u>	<u>(367)</u>	<u>1,779</u>	<u>1,449</u>

The above net assets include £37,000 that was transferred as cash.

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20. CONVERSION TO AN ACADEMY TRUST (continued)

Walbottle Village Primary School

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
- Freehold land & buildings	-	-	1,109	1,109
- Other tangible fixed assets	-	-	49	49
Budget (deficit) on LA funds	115	-	-	115
LGPS pension surplus/(deficit)	-	(183)	-	(183)
	<hr/>	<hr/>	<hr/>	<hr/>
Net assets	115	(183)	1,158	1,090
	<hr/>	<hr/>	<hr/>	<hr/>

The above net assets include £115,000 that was transferred as cash.

21. PENSION COMMITMENTS

The academy trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Newcastle City Council. Both are Multi-employer defined benefit pension schemes.

As described in note 20 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

Contributions amounting to £39,000 were payable to the schemes at 31 August 2017 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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21. PENSION COMMITMENTS (continued)

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%.

During the previous year the employer contribution rate was 16.48%. The TPS valuation for 2015 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £49,000.

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2017 was £38,000, of which employer's contributions totalled £31,000 and employees' contributions totalled £7,000. The agreed contribution rates for future years are 6% for employers and 5.5 - 12.5% for employees.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

	2017
Discount rate for scheme liabilities	2.50 %
Rate of increase in salaries	3.50 %
Rate of increase for pensions in payment / inflation	2.00 %
Inflation assumption (CPI)	2.00 %
Commutation of pensions to lump sums	75.00 %

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

	2017
Retiring today	
Males	22.8
Females	26.3
Retiring in 20 years	
Males	25.0
Females	28.6

Sensitivity analysis

	At 31 August 2017 £000
Discount rate +0.1%	1,384
Discount rate -0.1%	1,447
Mortality assumption - 1 year increase	1,373
Mortality assumption - 1 year decrease	1,457
CPI rate +0.1%	1,432
CPI rate -0.1%	1,399

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

	Fair value at 31 August 2017 £000
Equities	569
Government bonds	34
Corporate bonds	99
Property	77
Cash	34
Other	48
Total market value of assets	861

The actual return on scheme assets was £16,000.

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**NOTES TO THE FINANCIAL STATEMENTS
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21. PENSION COMMITMENTS (continued)

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

	2017 £000
Current service cost	(42)
Interest income	5
Interest cost	(8)
	<hr/>
Total	(45)
	<hr/> <hr/>

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

	2017 £000
Upon conversion	1,358
Current service cost	42
Interest cost	8
Employee contributions	7
Actuarial (gains) / losses	1
Benefits paid	(1)
	<hr/>
Closing defined benefit obligation	1,415
	<hr/> <hr/>

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

	2017 £000
Upon conversion	808
Interest income	5
Actuarial gains / (losses)	11
Employer contributions	31
Employee contributions	7
Benefits paid	(1)
	<hr/>
Closing fair value of scheme assets	861
	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
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22. OPERATING LEASE COMMITMENTS

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

	2017 £000
AMOUNTS PAYABLE:	
Within 1 year	3
Between 1 and 5 years	2
	<hr/>
Total	5
	<hr/>

23. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.