

Company Registration Number: 10766406 (England & Wales)

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

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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

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VALOUR MULTI-ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members

M Brown
S A Little
C P Zarraga

Trustees

S A Little, Chair
A J Carter
J Eatock¹
S D Hanson
L Hurford¹
Dame N J Nelson, Chief Executive Officer and Accounting Officer¹
A D Oliver¹
D Starling¹
C M Wade

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

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
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Independent auditors

Clive Owen LLP
Chartered Accountants
Statutory Auditors
140 Coniscliffe Road
Darlington
County 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 YEAR ENDED 31 AUGUST 2018

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The academy trust operates two primary Academies in Newcastle upon Tyne. Its academies have a combined pupil capacity of 745 and had a roll of 667 in the school census on May 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The multi academy trust is a company limited by guarantee and an exempt charity.

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

The Trustees of 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 Multi-Academy Trust.

Details of the Trustees who served during the 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 £1, 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 YEAR ENDED 31 AUGUST 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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 CEO) 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 Headteacher 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 YEAR ENDED 31 AUGUST 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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 Headteacher).

Term of Office

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

- This time limit shall not apply to the Headteacher; and 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 A. 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 a chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budget, 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 School and Walbottle Village Primary School are the two Company 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 (Local Governing Body) at the academy trust pursuant to Articles 100-100A and 104 of the Financial Handbook.

The Trustees have resolved to delegate certain powers in respect of the academy trust to ensure the good governance of the academy trust at a local level.

VALOUR MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Pay policy for key management personnel

Leadership

The appointment of the Leadership team is governed by Article 107 of the Financial Handbook. The Trustees shall appoint the Chief Executive Officer (CEO) and 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 subcommittees shall be responsible for the appointment and management of all other staff to be employed at the academy trust provided that the subcommittees 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 subcommittees 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.

Related Parties and other Connected Charities and Organisations

Schools Northeast is a company in which Dame N J Nelson and C P Zarraga have a directorship. Further details are noted in note 22 to the financial statements.

Trade Union Facility Time

There are no employees who were relevant union officials during the period September 2017 to August 2018.

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")."

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

OBJECTIVES AND ACTIVITIES (continued)

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 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

Beech Hill Primary School

ACHIEVEMENT – (Key Performance indicators, KPI's)

Data from every key stage shows attainment on or above the national average with progress demonstrating that children across school, whatever their starting point, make excellent progress. (Percentages in brackets are 2017 figures).

Good level of development (GLD) at Early Years 76.6% (74.5%)

Year 1 phonic screen - test

90% (86%) GLD for Reading for this cohort was 78%

Key Stage 1 (Year 2) – Teacher assessment

SUBJECT	At Expected +	Exceeding Standard	GLD	EXS
READING	78% (81%)	29% (21%)	79%	21%
WRITING	78% (78%)	24% (10%)	79%	18%
MATHS	81% (84%)	23% (24%)	79%	19%

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

Year 2 phonics test, for those who didn't pass in year one – 56%. Those who did not pass, scored less than 10 out of 40 but had made good progress since year 1.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Key Stage 2 –teacher assessment, SAT result and KS1 data

SUBJECT	AT EXPECTED STANDARD+			ABOVE EXPECTED STANDARD		
	TA	SAT	KS1	TA	SAT	KS1
READING	90%	94%	90%	25%	48%	27%
WRITING	88%	78%		12%	12%	
GPS	88%	90%		12%	46%	
MATHS	88%	88%	86%	15%	17%	22%

SUBJECT	FSM		SEN	
	TA	SAT	TA	SAT
READING	91%	87%	80%	60%
WRITING	77%	72%	60%	30%
GPS	86%	87%	60%	
MATHS	82%	82%	60%	40%

PROGRESS

This shows the progress of children from key stage 1 to the end of key stage 2.

	Expected progress	BT Expected
Reading	94%	38%
Writing	96%	6%
Maths	83%	8%

The school needs to:	
•	Improve the proportion of prior middle attaining children achieving national expectations and making at least expected progress.
•	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.
•	Continue to focus on vocabulary and experiences throughout school to ensure children have excellent life chances.
•	Ensure that pupils achieve in line with their peers Nationally at the end of key stage 1

Data highlights 2018

Early Years Foundation Stage

Our EYFS results are historically above the national and local average and this year is no exception with the GLD at 76.6%. There is an upward trend in GLD, Reading, Writing and Maths over three years however the results in Writing and Maths were slightly down on last year. When looking more closely, the school percentage was above the national in all 17 areas with particular positive gaps in communication and language; personal social and emotional; shape, space and measure and technology.

The Primary Writing Project, Ten Town in Maths, a natural learning environment and a focus on fine motor skills and vocabulary are, along with outstanding teaching and learning throughout EYFS, some of the reasons the children in the early part of their journey make such amazing progress.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Key Stage 1

90% of children in this cohort passed the year 1 phonics test. This is a rise from last year, was a fantastic rise from their GLD percentage for reading of 78% and is well above the Newcastle score of 83%.

Year 2 results

78% of the children achieved the expected standard in Reading and Writing with 80% in Maths. This is a percentage rise in all areas from the EYFS results. While there is a downward trend over 3 years, Reading and R,W&M have increased since last year. There has been an upward trend in children working at greater depth in Reading, Writing and R,W and M especially in Writing.

End of Key Stage 2

As previously discussed with the LAB and the Board, this year 6 cohort were a tricky bunch who had been a concern throughout their journey in school due to their variety of special educational needs and emotional challenges. This year group have had a variety of interventions throughout their time and individuals and groups and been targeted.

During year 6, there were a large number of skilled teachers working with the children with boosters and streamed groups being used to excellent effect. Work was done with the children every Tuesday on reading comprehension and grammar and they were supported throughout SAT week to ensure all needs were met. Due to all of these interventions, and the extremely hard work of all staff throughout school who have worked with this cohort, the results were outstanding.

Reading results – those reaching the expected standard (EXS+) has dropped 2% since 2017, however these reaching the higher standard increased by 12%

Writing results (Teacher assessment) – those reaching EXS+ was on par with last year, those at a higher standard was lower than 2017, those who were above at KS1 who didn't achieve it, were unable, in some circumstances, to demonstrate the variety of vocabulary and life experience in their work – this has determined our School Development Plan target for 2018-19

Grammar, Punctuation and Spelling (GPS) – those achieving EXS+ has dropped 4% on 2017, however those achieving the higher standard rose by 14% with much better scores in spelling.

Maths results – results at both EXS+ and the higher standard were down on the previous year. This was due in part to the cohort, and also with the ongoing need for the non negotiables being in place, this is a focus in the coming year while the White Rose materials continue to support children with their fluency.

Those children who are regarded as disadvantaged or with SEND, achieved as well as their peers and the progress of our SEND children was, as ever, a cause for celebration

VALOUR MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

LEADERSHIP and MANAGEMENT - Outstanding

The Local Advisory Board (LAB) members and directors have a range of skills which are fully utilised to challenge and support the leadership team to strive for excellence. They support self-evaluation and development planning, ensuring that effective and swift action is taken to ensure continuous improvement.

The CEO is a National Leader of Education and her services to education were recognised in the Queen's Birthday Honours List 2014, when she was appointed a Dame. The CEO is also an additional OFSTED inspector, DFE policy adviser and Trustee of Schools North East.

Members of the leadership team include a Local Leader of Education and 4 Specialist Leaders of Education, 3 of whom are Deputy Headteachers. The school has been recognised for its accomplishments nationally, such as; in Sir Michael Willshaw's annual HMI report 2013, special recommendation for its work in Character development during 2015 and as a finalist in the DfE Character Awards 2016.

Performance Management is used highly effectively. It is robust and monitored by the MAT Board. CPD is matched to individual staff targets. The school has a very clear vision which is shared by all stakeholders.

Robust and regular monitoring of standards by all members of the senior leadership team ensure that achievement for all groups of pupils remain high. Individuals / groups are targeted appropriately where rapid improvement needs to be made.

The school's leadership team and Chair of Board of Trustees monitor the budget on a monthly basis and the effective use of Pupil Premium and Sports Grant funding to ensure maximum impact. Staff are deployed to meet the needs of pupils and all groups benefit from high quality resources.

Expectations for all pupils are high. Children learn and develop through our formal curriculum and a wealth of extra-curricular opportunities. Pupils are prepared well for life in modern Britain. They are actively encouraged to, and supported in, making a positive contribution within and beyond school. The fundamental British Values are actively promoted in school.

TEACHING and LEARNING – Outstanding

Through a rigorous monitoring process, partnered with a highly effective CPD programme linked to personal development points, all teaching and learning over time across school is consistently good and outstanding. The professional development for all our staff from ITT/NQTs to Chief Executive Officer is the corner stone of our school improvement process. Lesson observations by the SLT show that teaching is good or outstanding across school. Regular monitoring by subject leaders involving observations, pupil voice, work in books and assessments also confirm the judgement around teaching.

The strengths of teaching across school are: the use of formative assessment; marking; personalised learning; pace; relationships between staff and pupils; use of support, and responding to the needs of the group during lessons. Beech Hill regularly welcomes teachers from other schools into their classrooms to share good practice. Regular opportunities are provided to encourage teachers and support staff to observe each other to share effective practice.

The Deputy Headteachers have designated time given to focus on staff CPD around teaching and learning. Following lesson observations and performance management meetings, professional development focuses on individual needs and includes support with planning, team teaching, assessment and marking.

VALOUR MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

TEACHING and LEARNING – Outstanding (continued)

Local advisory board members, representatives from the LA and colleagues from other schools have observed teaching and learning in school and have agreed with the school's judgement. Teachers use planning which is linked to the curriculum to make cross curricular links and to ensure that topics are exciting and linked to the children's interests. The children's understanding is checked throughout the lesson through targeted questioning and additional challenges and teaching is modified where appropriate. This constant assessment, constructive feedback and high quality marking ensures progress. Teachers and other adults within the class have high expectations of all children, and progress is regularly monitored.

PERSONAL DEVELOPMENT, BEHAVIOUR and WELFARE – Outstanding

Pupils are confident and self-assured learners with excellent attitudes to learning and school. The importance of preparing our children for the world of work through developing behaviours and attitudes is planned for and progressive. Roles within school such as Head Boy and Head Girl allow children to develop leadership skills while the focus on 'Character' across Beech Hill highlights how children can make a difference to their local and wider communities and the range of opportunities open to them on leaving school. A careers event for year 6 encourages children to think about future aspirations as well as developing their presentation and CV writing skills. Behaviour is outstanding. They are considerate towards each other and treat everyone as equals. There have been zero exclusions in the last 10 years and any incidences of children being unkind are tackled and eradicated swiftly.

Safeguarding procedures ensure children are safe in school. Designated staff in school all have up to date training and new staff are taken through safeguarding procedures.

Walbottle Village Primary School

ACHIEVEMENT – Walbottle Village Primary School

Early Years – GLD is roughly in line with the National Figure overall. Children exceeded the National figure in most areas of learning

Year 1 phonics – 86.7% passed the phonic screen which is well above the National figure of 81%

At Key Stage 1 70% achieved the expected standard in Writing and 73.3% in Reading and Maths

END OF KS2 Results

READING

- The % at standard is up by 31% on last year's result (2017 – 58% 2018 – 89%).
- The progress measure has improved by 3.6 points.
- The average scaled score for Reading is up from 101 to 104.
- 0% achieved the higher standard in Reading this year. However, 7 out of 19 children scored either 108 or 109 points in their reading test. To achieve the standard, a score of 100 is required. To achieve the greater depth standard, a score of 110 is required.

WRITING

- The % at standard is up by 6% on last year's result (2017 – 83% 2018 – 89%).
- The % achieving the higher standard is similar to last year (2017 – 17% 2018 – 16%).
- The progress measure has improved by 0.9.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

END OF KS2 Results (continued)

MATHS

- The % at standard is up by 6% on last year's result (2017 – 83% 2018 – 89%).
- The % achieving the higher standard is up by 4% on last year (2017 – 17% 2018 – 21%).
- The average scaled score is 104 (down 1 point on last year).
- The progress measure is down on last year by 0.2.

GPS

- The % at standard is up by 3% on last year's figure (2017 – 92% 2018 – 95%)
- Fewer children achieved the greater depth standard this year (2017 – 17% 2018 – 11%)
- The average scaled score was 104 (down 2 points on last year)

The school needs to:	
•	Improve the proportion of children achieving a Good Level of Development GLD at end of foundation stage
•	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.
•	Ensure that pupils achieve in line with their peers Nationally at the end of key stage 1

LEADERSHIP and MANAGEMENT - Outstanding

The Local Advisory Board (LAB) members and Trustees have a range of skills which are fully utilised to challenge and support the leadership team to strive for excellence. They support self-evaluation and development planning, ensuring that effective and swift action is taken to ensure continuous improvement.

Performance Management is used highly effectively. It is robust and monitored by the MAT Board. CPD is matched to individual staff targets. The school has a very clear vision which is shared by all stakeholders.

Robust and regular monitoring of standards by all members of the senior leadership team ensure that achievement for all groups of pupils remain high. Individuals / groups are targeted appropriately where rapid improvement needs to be made.

The school's leadership team and Chair of Board of Trustees monitor the budget on a monthly basis and the effective use of Pupil Premium and Sports Grant funding to ensure maximum impact. Staff are deployed to meet the needs of pupils and all groups benefit from high quality resources.

Expectations for all pupils are high. Children learn and develop through our formal curriculum and a wealth of extra-curricular opportunities. Pupils are prepared well for life in modern Britain. They are actively encouraged to, and supported in, making a positive contribution within and beyond school. The fundamental British Values are actively promoted in school.

VALOUR MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

TEACHING and LEARNING – Outstanding

Teachers have a deep knowledge of the needs and strengths of each pupil. They use assessment information highly effectively to plan for personalised learning. Through their teaching, teachers demonstrate a deep knowledge and understanding of the subjects they teach. They are able to effectively support learners and address any misconceptions. All groups are supported in order that they succeed. Teachers provide support within lessons and through additional sessions (during assembly and at after school booster classes) for those children falling behind and those who can be challenged further. Differentiated homework provides children with the opportunity to consolidate and extend their learning.

Lessons and sequences of lessons are well structured. Children are guided through the learning journey well. Teachers and support staff model effectively and provide appropriate and timely support within lessons in order that all pupils achieve. Questioning is highly effective, as is the feedback given to pupils within lessons and through high quality marking. Children have the time to respond to feedback.

Pupils demonstrate a love of learning and a thirst for knowledge. They are inquisitive and seek to gather new information and acquire new skills in order to deepen their understanding across the curriculum. Pupils respond well to challenge and show resilience when faced with obstacles. They are supportive of one another and show pride in their own and one another's achievements. Pupils have the opportunity to use and develop their reading, writing, communication and maths knowledge across the curriculum.

PERSONAL DEVELOPMENT, BEHAVIOUR and WELFARE – Outstanding

The pupils of Walbottle Village actively contribute to their learning and their own personal targets. There is an active school council with representatives from across school, who work alongside the Head / Deputy Head boy and girl, as well as the year 6 pupil governors to plan and implement change. The pupils see how their education equips them for future life and how they can be active citizens, making a positive contribution in the wider community. We welcome visitors into school regularly and ensure that the children have many visits out. The children build a careers/experience file on their journey through school as a result of many and varied experiences. Assemblies regularly cover safeguarding issues. The children know how to keep themselves safe within school, outside of school and whilst online. They know that they have trusted adults in school who they can talk to and that they will take immediate action to resolve any issues in line with the school's robust behaviour policy. Behaviour is outstanding. They are considerate towards each other and treat everyone as equals. There have been zero exclusions in the last 10 years and any incidences of children being unkind are tackled and eradicated swiftly.

Other KPI's Valour Multi-Academy Trust

- Overall reserves have increased by £53k in financial year 2017/18; this is mainly as a result of reducing expenditure on supply teaching, staff overtime and improved monitoring of all aspects of expenditure.
- Total income per student £4,933
- Total GAG income per student £3,628
- Direct Staff cost per student £3,138
- Total staff costs per student £3,762
- Staff costs as a % of total costs 74%
- Total expenditure per student £5,087
- Student to teacher ratio 22:1

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.

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

FINANCIAL REVIEW

Most of the academy trust's income is obtained from the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities (SOFA).

The academy trust also received grants for fixed assets from the DfE/ESFA. In accordance with the Charities SORP (FRS102), such grants are shown under 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 asset concerned.

In addition the academy trust received £38,000 funding from the DfE in the form of a Sports Premium Grant this grant is used to make additional and sustainable improvements to the quality of physical education (PE), physical activity and sport that the academy offers.

During the period ended 31 August 2018, total expenditure of £3,393,000 was in excess of recurrent grant funding from the DfE/ESFA together with other incoming resources. The excess of income over expenditure for the year (excluding pension reserve movements and restricted fixed asset funds) was £70,000.

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

At 31 August 2018 the net book value of fixed assets was £2,793,000 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 £464,000 recognised on the balance sheet.

The academy held fund balances at 31 August 2018 of £2,732,000 comprising £236,000 of restricted general funds, £2,807,000 of restricted fixed asset funds, a pension deficit of £464,000 and £153,000 of unrestricted funds.

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 provision, music tuition, school trips and uniform costs.
- To cover ongoing costs in relation to the running of the academy trust including catering provisions, after school clubs.

The level of reserves is reviewed by 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 is 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 £200,000 based on 1 month's operational costs.

This is considered sufficient to cover

- Nursery provision
- Music Tuition
- Uniform costs
- School trips

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

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Reserves policy (continued)

The academy trust's current levels 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. The academy trust aims to address this shortfall through additional funding and grant applications (e.g. business sponsorship, lottery funding etc.) and income from selling staff expertise.

Investments policy

The Trustees aim to maximise investment return whilst minimising risks to the principal sum. All free funds are held in a deposit account at market rates. It is proposed to investigate secure deposit accounts, and to manage the risk of default, deposits should be spread by banking institution and be subject to a maximum exposure of £75,000 with any PRA (Prudential Regulation Authority) authorised institution by the Bank of England (refer to Financial Conduct Authority (FCA)).

Principal risks and uncertainties

The principal risks and uncertainties are centred on changes in the level of funding from 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 trust 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 an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

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 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
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

PLANS FOR FUTURE PERIODS

Future developments

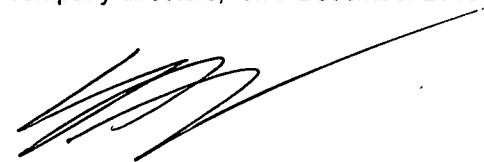
- All staff to observe good practice across the school.
- Subject audits identify needs of staff and rapid intervention of support / training is provided where applicable.
- Literacy and Maths leads have designated times to support staff in their CDP of Maths and Literacy – especially NQTs/ NQT +1 staff.
- Maths and Literacy staff training/meeting once a month.
- In house training with Maths and Literacy leads where applicable – especially NQTs/ NQT +1 staff.
- External of Maths to verify Maths leaders' judgements and identify any Maths CDP requirements.
- PE Coordinators to continue to be part of the Newcastle SLA and meet with Helen Taylor half termly. They will also attend subject leader training and the annual conference.
- Science coordinator to attend termly primary Science subject leaders meetings and report back to staff. Staff meeting termly in Science focusing on priorities from scrutiny and new developments in Science e.g. Science and Numeracy, Science Capital.
- DHTs to be released for one afternoon per week to work with staff on personalised CPD around teaching and learning.
- To enhance and continue 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
- 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.
- Support other schools/academies with financial/administration expertise
- Provide enrichment activities:
- Structured Enrichment time drawing on the strength of teachers and interests of children (linked to pupil voice interview)
- Provide career opportunities – invite professionals into school (police, fire brigade, Greggs etc.)

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 7 December 2018 and signed on its behalf by:



S A Little
Chair

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 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
S A Little, Chair	3	3
A J Carter	2	3
J Eatock , Staff Trustee	3	3
S D Hanson	2	3
L Hurford	3	3
Dame N J Nelson, Chief Executive Officer and Accounting Officer	3	3
A D Oliver , Staff Trustee	3	3
D Starling	1	3
C M Wade	2	3

The Finance and HR Committee is a sub-committee of the main Board of Trustees. Meetings are conducted as part of the Board of Trustees' meetings. The above attendance records therefore are representative of Finance and HR.

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;

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

GOVERNANCE STATEMENT (continued)

Governance (continued)

- 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;
- 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 resource. 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 the best value;
- Reviewing the use of outside contractors and attempting to use more "in house resources" ;
- Comparing finance systems and choosing the best value and the most suitable for the academy trust;
- Moving away from Newcastle Council insurance and appointing a company which meets all requirements of the academy trust 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 year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

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

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 year 1 September 2017 to 31 August 2018 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 not to appoint an internal auditor. However, the Trustees have appointed Clive Owen LLP, the external auditors, to perform additional checks.

The external auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- Testing of payroll systems;
- Testing of purchase systems;
- Testing of petty cash/expenses procedures;
- Testing of income;
- Testing of the accounting systems and management information produced;
- Review of Trustee appointments/resignations and declarations of interest;
- Review of information technology strategy;
- Review of fixed assets;
- Review of VAT and Corporation tax position.

On a termly basis, the external auditors report 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.

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

GOVERNANCE STATEMENT (continued)

Review of Effectiveness

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

- the work of the external auditors;
- 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 7 December 2018 and signed on their behalf, by:



S A Little
Chair



Dame N J Nelson
Accounting Officer

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

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 & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017/18.

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 2017/18.

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: 7 December 2018

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

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

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 7 December 2018 and signed on its behalf by:



S A Little
Chair

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 (the 'academy trust') for the year ended 31 August 2018 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

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 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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

Other information (continued)

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 the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the 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' remuneration specified by law are 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 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**

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

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

Use of our report

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an Auditors' 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.



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
County Durham
DL3 7RT
7 December 2018

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

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

In accordance with the terms of our engagement letter dated 1 December 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, 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 year 1 September 2017 to 31 August 2018 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 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy 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;

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

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

Approach (continued)

- 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 year 1 September 2017 to 31 August 2018 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 Accountant

140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

7 December 2018

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

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
INCOME FROM:						
Donations & capital grants:						
Transfer from local authority on conversion	2	-	-	-	-	2,539
Other donations and capital grants	2	-	-	14	14	-
Charitable activities:	3					
Funding for the academy trust's educational operations		-	3,094	-	3,094	911
Teaching schools	23	-	98	-	98	11
Other trading activities	4	84	-	-	84	14
TOTAL INCOME		84	3,192	14	3,290	3,475
EXPENDITURE ON:						
Funding for the academy trust's educational operations		84	3,162	127	3,373	800
Teaching schools	23	-	20	-	20	6
TOTAL EXPENDITURE	5	84	3,182	127	3,393	806
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		-	10	(113)	(103)	2,669
Transfers between Funds	16	-	(6)	6	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		-	4	(107)	(103)	2,669
Actuarial gains on defined benefit pension schemes	20	-	156	-	156	10
NET MOVEMENT IN FUNDS		-	160	(107)	53	2,679
RECONCILIATION OF FUNDS:						
Total funds brought forward		153	(388)	2,914	2,679	-
TOTAL FUNDS CARRIED FORWARD		153	(228)	2,807	2,732	2,679

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

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£000	2018 £000	2017 £000
FIXED ASSETS				
Tangible assets	13		2,793	2,914
CURRENT ASSETS				
Debtors	14	113		190
Cash at bank and in hand		525		387
		<u>638</u>		<u>577</u>
CREDITORS: amounts falling due within one year	15	(235)		(258)
NET CURRENT ASSETS			<u>403</u>	<u>319</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,196</u>	<u>3,233</u>
Defined benefit pension scheme liability	20		(464)	(554)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>2,732</u></u>	<u><u>2,679</u></u>
FUNDS OF THE ACADEMY				
Restricted income funds:				
Restricted income funds	16	236		166
Restricted fixed asset funds	16	2,807		2,914
Restricted income funds excluding pension liability		<u>3,043</u>		<u>3,080</u>
Pension reserve		(464)		(554)
Total restricted income funds			<u>2,579</u>	<u>2,526</u>
Unrestricted income funds	16		153	153
TOTAL FUNDS			<u><u>2,732</u></u>	<u><u>2,679</u></u>

The financial statements on pages 28 to 51 were approved by the Trustees, and authorised for issue, on 7 December 2018 and are signed on their behalf, by:



S A Little
Chair

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

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £000	2017 £000
Cash flows from operating activities			
Net cash provided by operating activities	18	130	235
Cash flows from investing activities:			
Purchase of tangible fixed assets		(6)	-
Capital grants from DfE Group		14	-
Cash transferred on conversion		-	152
Net cash provided by investing activities		8	152
Change in cash and cash equivalents in the year		138	387
Cash and cash equivalents brought forward		387	-
Cash and cash equivalents carried forward		525	387

VALOUR MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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 2017 to 2018 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/donor and include grants from the Department for Education Group.

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.

VALOUR MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

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.

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:

VALOUR MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

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.

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.

VALOUR MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

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 20, 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.

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.

VALOUR MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.14 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 20, 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 2018. 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 £127,000.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Transfer from local authority on conversion	-	-	-	-	2,539
Capital Grants	-	-	14	14	-
	-	-	14	14	2,539
Total 2017	152	(550)	2,937	2,539	

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
DfE/ESFA Grants				
General Annual Grant (GAG)	-	2,420	2,420	617
Academy Conversion Grant	-	-	-	26
Pupil Premium	-	282	282	102
Other DfE/ESFA Grants	-	71	71	-
	-	2,773	2,773	745
Other Government Grants				
Other Government Grants	-	309	309	166
	-	309	309	166
Other Grants				
Other Grants	-	12	12	-
	-	12	12	-
	-	3,094	3,094	911
Total 2017	-	911	911	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Sundry income	30	-	30	4
Caretaker Rent	4	-	4	-
School trips	9	-	9	2
Supply Teacher Insurance Income	4	-	4	-
Catering	37	-	37	8
	<u>84</u>	<u>-</u>	<u>84</u>	<u>14</u>
Total 2017	<u>14</u>	<u>-</u>	<u>14</u>	

5. EXPENDITURE

	Staff costs 2018 £000	Premises 2018 £000	Other costs 2018 £000	Total 2018 £000	Total 2017 £000
Academy's educational operations:					
Direct costs	2,171	-	237	2,408	550
Support costs	338	185	442	965	250
Teaching schools	-	-	20	20	6
	<u>2,509</u>	<u>185</u>	<u>699</u>	<u>3,393</u>	<u>806</u>
Total 2017	<u>597</u>	<u>45</u>	<u>164</u>	<u>806</u>	

In 2018, of the total expenditure, £84,000 (2017 - £13,000) was to unrestricted funds, £3,182,000 (2017 - £770,000) was to restricted funds and £127,000 (2017 - £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
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

6. CHARITABLE ACTIVITIES

	2018 £000	2017 £000
DIRECT COSTS		
Wages and salaries	1,670	385
National insurance	157	35
Pension cost	344	78
Educational supplies	38	27
Staff development	18	6
Travel and subsistence	13	1
Other direct costs	168	18
	<hr/> 2,408 <hr/>	<hr/> 550 <hr/>
SUPPORT COSTS		
Wages and salaries	277	82
National insurance	13	4
Pension cost	48	13
Depreciation	127	23
Net pension interest	13	3
Technology costs	53	17
Maintenance of premises and equipment	40	20
Recruitment and support	2	-
Cleaning	8	2
Rates	19	-
Energy	15	2
Insurance	33	3
Security expense	4	-
Catering	203	34
Occupancy costs	18	3
Other support costs	37	14
Governance costs	55	30
	<hr/> 965 <hr/>	<hr/> 250 <hr/>
 Total	 <hr/> 3,373 <hr/>	 <hr/> 800 <hr/>

VALOUR MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

7. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £000	2017 £000
Depreciation of tangible fixed assets:		
- owned by the charity	127	23
Auditors' remuneration - audit	8	9
Auditors' remuneration - non-audit services	3	-
Operating lease rentals	3	3
	<u> </u>	<u> </u>

8. NET INTEREST COST ON PENSION SCHEME

	2018 £000	2017 £000
Interest income on pension scheme assets	23	5
Interest on pension scheme liabilities	(36)	(8)
	<u> </u>	<u> </u>
	<u>(13)</u>	<u>(3)</u>

VALOUR MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £000	2017 £000
Wages and salaries	1,892	445
Social security costs	170	39
Operating costs of defined benefit pension schemes	392	91
	<hr/> 2,454	<hr/> 575
Supply staff costs	55	22
	<hr/> 2,509	<hr/> 597

Included within the operating costs of defined benefit pension schemes is £53,000 (2017 : £11,000) in respect of movements in the LGPS pension deficit.

b. Staff numbers

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

	2018 No.	2017 No.
Teachers	30	25
Administration & Support	51	46
Management	8	8
	<hr/> 89	<hr/> 79

c. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	1	0
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0
In the band £90,001 - £100,000	1	1
In the band £120,001 - £130,000	1	0

d. Key management personnel

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 £632,000 (2017 : £134,000). The increase in key management personnel is due to the 2017 accounting period only including 3 months of income and costs due to the timing of the conversion of the schools into the academy trust.

VALOUR MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

10. CENTRAL SERVICES

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

- Executive head teacher staff costs
- Chief Finance Officer staff costs
- Human resources costs
- Financial services and legal services

The academy trust charges for these services on the following basis:

Central costs split on percentage of income 2/3 Beech Hill Primary, 1/3 Walbottle Village primary

The actual amounts charged during the year were as follows:

	2018 £000	2017 £000
Beech Hill Primary School	137	-
Walbottle Village Primary School	68	-
	<hr/> 205	<hr/>
Total	<hr/> <hr/>	<hr/> <hr/>

11. 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 Chief Executive Officer 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:

		2018 £000	2017 £000
Dame N J Nelson, Chief Executive Officer and Accounting Officer	Remuneration	125-130	20-25
	Pension contributions paid	15-20	0-5
J Eatock, Staff Trustee	Remuneration	95-100	15-20
	Pension contributions paid	10-15	0-5
A D Oliver, Staff Trustee	Remuneration	80-85	10-15
	Pension contributions paid	10-15	0-5

During the year, no Trustees received any benefits in kind (2017 - £NIL).

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £NIL).

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2018 was not separately identifiable (2017 - *not separately identifiable*).

VALOUR MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

13. TANGIBLE FIXED ASSETS

	Freehold property £000	Fixtures and fittings £000	Computer equipment £000	Total £000
COST				
At 1 September 2017	2,765	83	89	2,937
Additions	-	6	-	6
At 31 August 2018	2,765	89	89	2,943
DEPRECIATION				
At 1 September 2017	11	4	8	23
Charge for the year	45	34	48	127
At 31 August 2018	56	38	56	150
NET BOOK VALUE				
At 31 August 2018	2,709	51	33	2,793
At 31 August 2017	2,754	79	81	2,914

14. DEBTORS

	2018 £000	2017 £000
VAT recoverable	29	14
Prepayments and accrued income	84	176
	113	190

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £000	2017 £000
Trade creditors	64	15
Other taxation and social security	43	39
Other creditors	40	39
Accruals and deferred income	88	165
	235	258

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

	2018 £000	2017 £000
DEFERRED INCOME		
Deferred income at 1 September 2017	46	-
Resources deferred during the year	49	46
Amounts released from previous years	(46)	-
	<u>49</u>	<u>46</u>
Deferred income at 31 August 2018	<u>49</u>	<u>46</u>

At the balance sheet date the academy trust was holding deferred income relating to funds received in advance in respect of UIFSM income and trip income.

16. STATEMENT OF FUNDS

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
UNRESTRICTED FUNDS						
Unrestricted fund	153	84	(84)	-	-	153
RESTRICTED FUNDS						
General Annual Grant (GAG)	161	2,420	(2,422)	(6)	-	153
Pupil Premium	-	282	(282)	-	-	-
Other DfE/ESFA Grants	-	71	(71)	-	-	-
Other Government Grants	-	309	(309)	-	-	-
Teaching School	5	98	(20)	-	-	83
Other Grants	-	12	(12)	-	-	-
Pension reserve	(554)	-	(66)	-	156	(464)
	<u>(388)</u>	<u>3,192</u>	<u>(3,182)</u>	<u>(6)</u>	<u>156</u>	<u>(228)</u>
RESTRICTED FIXED ASSET FUNDS						
Assets inherited on conversion	2,914	-	(126)	-	-	2,788
DfE/ESFA capital grants	-	14	-	-	-	14
Capital expenditure from GAG	-	-	(1)	6	-	5
	<u>2,914</u>	<u>14</u>	<u>(127)</u>	<u>6</u>	<u>-</u>	<u>2,807</u>
Total restricted funds	<u>2,526</u>	<u>3,206</u>	<u>(3,309)</u>	<u>-</u>	<u>156</u>	<u>2,579</u>
Total of funds	<u>2,679</u>	<u>3,290</u>	<u>(3,393)</u>	<u>-</u>	<u>156</u>	<u>2,732</u>

VALOUR MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

16. STATEMENT OF FUNDS (continued)

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

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.

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

Other Grants includes funding from the National Lottery and the Community Foundation for several items of playground equipment.

The pension reserve is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 20.

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 the discretion of the Trustees, within the objects of the academy trust.

Transfers have been made from GAG to fixed asset funds in relation to capital assets acquired through GAG.

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 2018.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £000	Total 2017 £000
Beech Hill Primary School	181	189
Walbottle Village Primary School	208	130
Total before fixed asset fund and pension reserve	<u>389</u>	<u>319</u>
Restricted fixed asset fund	2,807	2,914
Pension reserve	(464)	(554)
Total	<u><u>2,732</u></u>	<u><u>2,679</u></u>

VALOUR MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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16. STATEMENT OF FUNDS (continued)

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 2018 £000	Total 2017 £000
Beech Hill Primary School	1,538	218	26	472	2,254	532
Walbottle Village Primary School	633	120	12	247	1,012	251
	<u>2,171</u>	<u>338</u>	<u>38</u>	<u>719</u>	<u>3,266</u>	<u>783</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 11 May 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2017 £000
Unrestricted fund	-	166	(13)	-	-	153
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>-</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>-</u>	<u>10</u>	<u>2,526</u>
Total of funds	<u>-</u>	<u>3,475</u>	<u>(806)</u>	<u>-</u>	<u>10</u>	<u>2,679</u>

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

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	2,793	2,793
Current assets	162	462	14	638
Creditors due within one year	(9)	(226)	-	(235)
Provisions for liabilities and charges	-	(464)	-	(464)
	<u>153</u>	<u>(228)</u>	<u>2,807</u>	<u>2,732</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	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

	2018 £000	2017 £000
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(103)	2,669
Adjustment for:		
Depreciation charges	127	23
Decrease/(increase) in debtors	77	(190)
(Decrease)/increase in creditors	(23)	258
Capital grants from DfE and other capital income	(14)	-
Defined benefit pension scheme obligation inherited	-	550
Defined benefit pension scheme cost less contributions payable	53	11
Defined benefit pension scheme finance cost	13	3
Fixed assets from local authority on conversion	-	(2,937)
Cash transferred on conversion	-	(152)
Net cash provided by operating activities	<u>130</u>	<u>235</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £000	2017 £000
Cash in hand	525	387
Total	<u>525</u>	<u>387</u>

20. 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.

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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

The employer's pension costs paid to TPS in the period amounted to £214,000 (2017 - £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 year ended 31 August 2018 was £151,000 (2017 - £38,000), of which employer's contributions totalled £125,000 (2017 - £31,000) and employees' contributions totalled £26,000 (2017 - £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.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	3.50 %	3.50 %
Rate of increase for pensions in payment / inflation	2.00 %	2.00 %
Inflation assumption (CPI)	2.00 %	2.00 %
Commutation of pensions to lump sums	75.00 %	75.00 %

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

	2018	2017
Retiring today		
Males	22.9	22.8
Females	26.4	26.3
Retiring in 20 years		
Males	25.1	25.0
Females	28.7	28.6

	At 31 August 2018 £000	At 31 August 2017 £000
Sensitivity analysis		
Discount rate +0.1%	1,503	1,384
Discount rate -0.1%	1,572	1,447
Mortality assumption - 1 year increase	1,494	1,373
Mortality assumption - 1 year decrease	1,580	1,457
CPI rate +0.1%	1,555	1,432

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

20. PENSION COMMITMENTS (continued)

CPI rate -0.1%	1,519	1,399
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The academy trust's share of the assets in the scheme was:

	Fair value at 31 August 2018 £000	Fair value at 31 August 2017 £000
Equities	724	569
Government bonds	43	34
Corporate bonds	120	99
Property	91	77
Cash	24	34
Other	71	48
	<hr/>	<hr/>
Total market value of assets	1,073	861
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £65,000 (2017 - £16,000).

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

	2018 £000	2017 £000
Current service cost	(178)	(42)
Interest income	23	5
Interest cost	(36)	(8)
	<hr/>	<hr/>
Total	(191)	(45)
	<hr/> <hr/>	<hr/> <hr/>

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

	2018 £000	2017 £000
Opening defined benefit obligation	1,415	-
Upon conversion	-	1,358
Current service cost	178	42
Interest cost	36	8
Employee contributions	26	7
Actuarial (gains) / losses	(114)	1
Benefits paid	(4)	(1)
	<hr/>	<hr/>
Closing defined benefit obligation	1,537	1,415
	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

20. PENSION COMMITMENTS (continued)

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

	2018 £000	2017 £000
Opening fair value of scheme assets	861	-
Upon conversion	-	808
Interest income	23	5
Actuarial gains	42	11
Employer contributions	125	31
Employee contributions	26	7
Benefits paid	(4)	(1)
	<hr/>	<hr/>
Closing fair value of scheme assets	1,073	861
	<hr/>	<hr/>

21. OPERATING LEASE COMMITMENTS

At 31 August 2018 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £000	2017 £000
AMOUNTS PAYABLE:		
Within 1 year	3	3
Between 1 and 5 years	1	2
	<hr/>	<hr/>
Total	4	5
	<hr/>	<hr/>

22. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust 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 Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Expenditure Related Party Transaction

Schools Northeast - a company in which Dame N J Nelson and C P Zarraga have a directorship:

- The academy trust incurred travel fees from Schools Northeast totalling £1,000 (2017: £nil) during the period. There were no amounts outstanding at 31 August 2018 (2017: £nil).
- In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2017.

Other related party transactions relating to Trustees' remuneration and expenses are already disclosed in note 11.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

23. TEACHING SCHOOL TRADING ACCOUNT

	2018 £000	2018 £000	2017 £000	2017 £000
INCOME				
DIRECT INCOME				
Schools Direct-Income	98		11	
 TOTAL INCOME		98		11
EXPENDITURE				
OTHER EXPENDITURE				
Schools Direct Expenditure	17		6	
Other cost	3		-	
	<hr/>		<hr/>	
TOTAL OTHER EXPENDITURE	20		6	
TOTAL EXPENDITURE		20		6
 SURPLUS FROM ALL SOURCES		78		5
 TEACHING SCHOOL BALANCES AT 1 SEPTEMBER 2017		5		-
		<hr/>		<hr/>
TEACHING SCHOOL BALANCES AT 31 AUGUST 2018		83		5
		<hr/> <hr/>		<hr/> <hr/>