

Company Registration No. 09434766 (England and Wales)

**FAIR FIELD JUNIOR SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2019**

FAIR FIELD JUNIOR SCHOOL

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 8
Governance statement	9 - 11
Statement on regularity, propriety and compliance	12
Statement of trustees' responsibilities	13
Independent auditor's report on the accounts	14 - 16
Independent reporting accountant's report on regularity	17 - 18
Statement of financial activities including income and expenditure account	19 - 20
Balance sheet	21
Statement of cash flows	22
Notes to the accounts including accounting policies	23 - 41

FAIR FIELD JUNIOR SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

P Morse (Resigned 19 September 2018)
A P Harvell
S Bowbrick (Chair of Trustees)
A Gardiner
I Connon
A Aharon
N Mullet (Appointed 2 July 2019)
C Goodwin

Members

S Bowbrick
A Gardiner
I Connon

Senior management team

- Executive Headteacher and Accounting Officer	A Aharon
- Head of School (up to 31 August 2019)	R Devlia
- Head of School (from the 1 September 2019)	C Goodwin
- Office Manager	D Smith
- Finance Manager and Chief Financial Officer	A Barber

Company registration number

09434766 (England and Wales)

Registered office

Watford Road
Radlett
Herts
WD7 8LU

Independent auditor

UHY Hacker Young (East) Limited
PO Box 501
The Nexus Building
Broadway
Letchworth Garden City
Herts
SG6 9BL

Solicitors

Stone King
Boundary House
91 Charterhouse Street
London
EC1M 6HR

FAIR FIELD JUNIOR SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and independent auditor's reports of the charitable company for the period 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of Fair Field Junior School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Fair Field Junior School. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The Academy Trust maintains Governors' and officers' liability insurance which gives appropriate cover for any legal action brought against its Trustees and/or Governors. The Academy Trust has also granted indemnities to each of its Trustees and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force in relation to certain losses and liabilities that the Trustees or other officers may incur to third parties in the course of acting as Trustees or officers of the Academy Trust. Details of the insurance cover are provided in note 11 to the financial statements.

Method of recruitment and appointment or election of Trustees

Under the terms of its Articles, the Academy Trust shall have the following trustees:

- The number of trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.
- Up to three trustees to be appointed by the members by ordinary resolution.
- The Chair of each Local Governing Body (currently one Academy).
- The Vice-Chair of the Local Governing Body of Fair Field Junior School.
- One staff trustee elected from staff members on the Local Governing Bodies (position currently vacant).
- The Executive Principal may also be appointed as a trustee, subject to approval by members
- The total number of trustees who are employees of the Academy Trust shall not exceed one third of the total.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new trustees and governors depends on their previous experience. All new trustees and governors are given a tour of the school and the chance to meet with staff. At induction, all trustees and governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. New governors attend induction training provided by Herts for Learning. They have access to a full programme of courses which they attend based on their role and experience.

The Academy Trust took over the operation of Fair Field Junior School on the school's conversion to academy status on 1st April 2015. Since then, the Academy Trust's principal object and activity has been to manage the school's provision of education to pupils between the ages of 7 and 11.

FAIR FIELD JUNIOR SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Organisational structure

The organisational structure consists of three levels: the Multi-Academy Trust, the Local Governing Body of Fair Field Junior School (the one academy currently in the trust), and the Senior Leadership Team (of the Academy). The aim of the structure is to devolve responsibility and encourage involvement in decision making at all levels. As there is only one academy currently within the trust and that academy is deemed as Good by Ofsted, the Trust's philosophy is to devolve as much of the strategic direction and operation of that academy to the Local Governing Body (and its sub-committees) as is permissible and practical.

Fair Field Junior School (the Academy) has its own Governing Body (referred to as the Local Governing Body or LGB). The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and staff appointments other than the Head.

Alice Aharon continues as Acting Executive Head. Alice is currently also Headteacher at St John's VC Infant and Nursery School in Radlett (St John's).

The Senior Leadership Team comprises the Acting Executive Headteacher (Alice Aharon), the Acting Head of School (Roshni Devlia to 31 August 2019, Catherine Goodwin from 1 September 2019), SENCo/Inclusion Leader (Renu Chotali), Office Manager (Denise Smith) and Finance Manager (Aileen Barber). These managers control the Academy at an executive level, implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending up to a level delegated to them within agreed budgets and the appointment of staff, other than the Head teacher, although appointment panels contain a Governor. Head teacher appointments are made by the Trustees.

The Middle Management Team includes Curriculum Leaders. Along with the Senior Management Team, these leaders are responsible for the day-to-day operation of the Academy, in particular organising the curriculum, associated training and resources. All spending control is held at the Senior Leadership Team level.

Arrangements for setting pay and remuneration of key management personnel

The Head teacher is not currently employed by the Trust. An appraisal of the Head teacher's performance is conducted by the Head teacher's Appraisal committee, which meets formally twice each year. The committee is supported by an independent advisor in setting and appraising annual targets. Pay scales for other staff are set by the Trustees taking into account nationally agreed arrangements and practices adopted by the local authority for comparable schools.

It is intended that the organisational structure will be revised following the planned incorporation of St John's into the Trust.

FAIR FIELD JUNIOR SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Related parties and other connected charities and organisations

Fair Field Junior School (the Academy) has close links with its feeder Infant school, St. John's VC Infant and Nursery School. While the schools work closely together for the good of the children of Radlett and the surrounding areas, there are currently no formal arrangements between the schools, except provision for St. John's pupils in Fair Field Junior School's Admission Rules and a service agreement for the provision of the services of Alice Aharon as Acting Executive Headteacher.

The fee for the services of the Acting Executive Head was agreed between the Trust and the governors of St John's. The Trustees are content that this represents value for money and is not excessive.

The Trust co-operates with Fair Field Junior School's (the Academy) Parent Teacher Association (PTA). The PTA runs events that support a sense of community belonging, are engaging for children and their families, and raise funds that are donated to the school.

The Trust also trades with Cherished Kids Ltd, a company which runs the after school club at Fair Field Junior School. R Chotai (SENco and Inclusion Leader) and D Smith (Office Manager) are directors and shareholders of Cherished Kids Ltd. Details of transactions can be found in note 21 to the financial statements.

Following extensive discussions with the governors of St John's and the Department for Education it has been agreed that St John's will convert to an academy school and will join the Trust. Arrangements are currently being made to achieve this with an expected effective date of 1 April 2020.

Objectives and activities

Objects and aims

The Trust and the Academy are committed to nurturing every individual's potential and thirst for learning through offering a safe, happy and stimulating environment in the heart of the community.

The Trust's and the Academy's shared values are: Respect, Perseverance, Kindness, Honesty, Forgiveness, Inclusion. These are woven through the Trust, the leadership ethos and activity and the teaching & learning at the Academy.

Principal Activities

The principal activity of the Trust continues to be the operation of Fair Field Junior School, an academy for 7-11 year olds. For more information on the school's activities see our website at <http://www.ffjs.org.uk>

Objectives, strategies and activities

In addition to maintaining and developing the quality of leadership and teaching identified by Ofsted in its last report the main priorities for the Trust and Academy for 2019/20 are to:

- develop teachers' use of assessment to ensure children are making good or better progress
- embed consistent approaches in the provision of the curriculum throughout the school
- develop new opportunities for the children to be prepared for the next stage of learning and as citizens of the future, including setting high expectations for behavior

FAIR FIELD JUNIOR SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Public benefit

The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties. The Charity Commission guidance can be found on their website at <https://www.gov.uk/government/organisations/charity-commission>.

Fair Field Junior School is an academy catering for children aged 7-11 and strives to promote and support the advancement of education within the Radlett area. The school provides an extensive programme of educational and recreational activity - all designed to contribute to the overall education of our students in area such as academic distinction, music, the arts and sport.

The Trust has maintained links with Cherished Kids, a limited company, which continues to provide after school provision on the school site.

Wherever possible the Trust aims to contribute to the benefit of the wider public by making school premises available to third parties for the provision of educational and other opportunities.

The school also uses opportunities throughout the year to raise money for Great Ormond Street Hospital - a cause close to the heart of the pupil and parent bodies.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Trustees believe that the Academy Trust's aims together with the activities outlined above, are demonstrably to the public benefit.

Strategic report

Achievements and performance

The academy was last inspected by Ofsted in July 2017. Ofsted's report, issued in September 2017, rated the overall effectiveness of the school as Good. Effectiveness of leadership and management, quality of teaching, teaching and assessment and outcomes for pupils were also rated Good, with personal development, behaviour and welfare rated as Outstanding.

The report concluded that the Acting Executive Headteacher and Acting Head of School provide strong leadership and successfully promote pupils' learning. They ensure that all pupils receive a good education.

Whilst the report was generally very positive, some areas for improvement were noted and actions to deal with these matters have subsequently been implemented. The full report can be found on Ofsted's website at <https://reports.ofsted.gov.uk>.

SATs results remained satisfactory and in line with or exceeding national averages. Progress scores showed a significant improvement overall although maths remains an area of focus for the current academic year. Full details of SATs results can be obtained from the DfE website <https://www.compare-school-performance.service.gov.uk>.

Pupil numbers have fallen sharply for a number of reasons including the impact of a period with low local birth rates and pupils moving out of the area. At 217 numbers are currently lower than we would like to see but whilst this has a significant effect on the Trust's income our reserves position will enable us to manage the situation effectively in the short to medium term. The Trust operates within a carefully managed budget and maintains a strategic Asset Management Plan to ensure that infrastructure assets remain in good condition and fit for purpose. Staff costs are monitored carefully and consideration given to maintaining an appropriate staff profile to ensure that the academy can continue to deliver the expected high quality of teaching and range of curricular activities.

Key performance indicators

The Trustees consider that the following are key performance indicators for the Academy Trust:

- Ofsted inspection results
- Pupil numbers
- Staff costs (as a percentage of total expenditure)
- Financial stability, i.e. level of expenditure compared with income

FAIR FIELD JUNIOR SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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 the trustees continue to adopt the going concern basis of accounting in the preparation of the financial statements. Further details can be found in the statement of accounting policies in Note 1 to the financial statements.

Financial review

Most of the Academy's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2019, total expenditure of £1,233,999 (2018: £1,193,796) was largely covered by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the year was £70,124 (2018: £36,249).

At 31 August 2019, the net book value of fixed assets was £2,769,447 (2018: £2,799,729). Movements in tangible fixed assets are shown in note 12 to the financial statements. During the period the assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Reserves policy

The Trustees review the reserve levels of the Academy trust throughout the year. Future funding is largely a matter of government policy and is subject to a number of variable elements such as pupil numbers. In addition there is a need to manage cash resources over a period longer than the academic year to allow for periodic maintenance of school premises and replacement of capital assets. In order to provide security against future funding shortfalls and unforeseen events and to implement the capital asset management plan the Trustees aim to maintain a prudent level of cash reserves, based on projections of income and expenditure over a five year period.

At 31 August 2019, total reserves were £2,567,798 (2018: £2,744,922) of which £10,711 (2018: £22,755) was designated as unrestricted funds.

Investment policy

The Trust's primary aim when considering investments is financial security. Currently, along with many academy trusts, the Trust holds all its funds in a Lloyds PLC bank account aimed at academy trusts.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy Trust, and its finances. The Trustees, through the Local Governing Body, have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to manage risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

FAIR FIELD JUNIOR SCHOOL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The Trust maintains a Risk Register that evaluates and scores risks and ensures intervention where appropriate. The main risks that the Academy is exposed to are summarised below. For each of these risks the probability, impact and seriousness have been considered together with appropriate action and management plans:

- Operational and reputational - this covers risks to the running of the Academy (including the capacity of staff and buildings to meet the needs of pupils) and its performance in delivering the curriculum.
- Financial - covering risks to the Academy Trust's financial position, including revenue streams, cost control and cash management.
- The risks to which the Academy Trust is exposed arise both internally and externally. External risks include those in respect of future funding levels, competition, changes to rules and regulations, and the financial position of the staff pension schemes.

Financial and risk management objectives and policies

The Trust does not use complex financial instruments. It manages its activities using cash and various items such as debtors and trade creditors that arise directly from its operations.

The existence of these financial instruments exposes the Academy Trust to a number of financial risks which are described in more detail below. The main risks arising from the Trust's financial instruments are liquidity risk.

Liquidity risk - the Trust manages its cash resources, including sufficient working capital, so that all its operating needs are met without the need for short-term borrowing.

Credit risk arises from the possibility that amounts owed to the Trust will not be repaid. The Trust does not undertake credit activities so it is only exposed to credit risk as it arises from normal business. Credit risk is managed through the use of approved banks and the prompt collection of amounts due.

Fundraising

The Trust does not generally carry out fundraising activities. Certain activities such as swimming lessons, day trips and residential trips are supported by voluntary parental contributions and the academy is also generously supported by donations from an active PTA, which organises fundraising activities as a separate registered charity independent of the Trust. No professional or commercial fundraisers are involved. The trustees are satisfied that the trust's fundraising activities and those of the PTA conform to recognised standards.

Plans for future periods

During the year the DfE approved a proposal for St John's to join the Trust. We believe there are compelling reasons why St John's and Fair Field would benefit from working together in a Multi Academy Trust.(MAT) The School Improvement Plans, already in operation, would underpin the entire MAT. A quality primary educational experience for pupils depends on the strong performance of both schools. We believe the robust leadership that has already been demonstrated will promote future growth of the Trust in the local area.

St. John's Infant and Nursery School is a Voluntary Controlled, Church of England school in the St. Alban's Diocese. Fair Field Junior School is the only school in a multi-academy trust set up in 2015. The schools teach the same children at different stages in their education and serve the same community. The schools are 600m apart and are linked for admissions, with over 95% of children moving to Fair Field after completing Early Years and KS1 at St. John's. A MAT incorporating both schools would enable a consistent approach across the curriculum as well as shared expertise across the schools

The Trust plans to grow and incorporate more schools. Already, it has strong relationships and works collaboratively with other local schools. It is the Trust's vision to grow in strength and capability as more schools join.

The Trust will ensure that member schools maintain their own identity but work together in key areas to accelerate school improvement. The Trust will develop subject specialism and expertise, an excellent training programme for staff at all levels, a dynamic curriculum based on experiences, a commitment to shared values and determination for all our pupils to achieve, regardless of background.

FAIR FIELD JUNIOR SCHOOL

TRUSTEES' REPORT (CONTINUED)

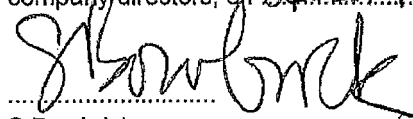
FOR THE YEAR ENDED 31 AUGUST 2019

Auditor

Insofar as the Trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 04.12.19 and signed on its behalf by:



S Bowbrick

Chair of Trustees

FAIR FIELD JUNIOR SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

Responsibility

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

The board of trustees has delegated to the Accounting Officer the day-to-day responsibility for ensuring financial controls conform with the requirements of both propriety and good financial management and operate in accordance with the requirements and responsibilities assigned to the Academy Trust in the funding agreement between Fair Field Junior School and the Secretary of State for Education. The Accounting Officer is 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 contained in the Trustees' Report and in the Statement of Trustees' Responsibilities.

During the period 1st September 2018 to August 31st 2019, in addition to attendance at LGB and committee meeting as set out below, the Trustees met formally 4 times.

During the period 1st September 2018 to August 31st 2019, the full Local Governing Body (LGB) of Fair Field Junior School (the Academy) met 4 times and there were 4 Resources and Personnel committee meetings.

Attendance at Trust, LGB and committee meeting for the year was:

Trustees	Trust	LGB	Resources & personnel committee
S Bowbrick	2	2	2
A Gardiner	4		4
I Connon	4	3	4
A Harvell	4	4	4
AAharon	4	4	4
N Mullett	2		
J Williams			
Other governors			
R Devlia		2	
P English		4	2
S Shah		4	
S Gray		2	
S Kotecha		2	
J Kilsby		1	
T Rockman		1	
B Darby			
C Goodwin			

FAIR FIELD JUNIOR SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Review of value for money

The accounting officer has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the 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 available. Supply contracts are reviewed periodically and competitive quotes from multiple suppliers are obtained for all major purchases. Staffing arrangements are kept under continuous review to ensure an appropriate mix of skills and experience and efficient use of resources.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The trust has an established system of internal control for itself and for Fair Field Junior School which has been in place for the period under review and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period under review and up to the date of approval of the annual report and accounts. 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 Resources 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 trustees continue to keep the frequency and extent of such review under consideration in accordance with the Academies Financial Handbook.

FAIR FIELD JUNIOR SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Review of effectiveness

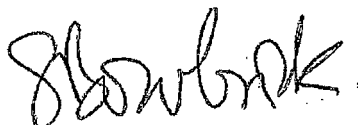
The accounting officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

Approved by order of the board of trustees on 04.12.19 and signed on its behalf by:



A Aharon
Acting Executive Headteacher and
Accounting Officer



S Bowbrick
Chair of Trustees

FAIR FIELD JUNIOR SCHOOL

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2019

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

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

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

A Aharon
Accounting Officer



FAIR FIELD JUNIOR SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees (who are also the directors of Fair Field Junior School for the purposes of company law) are responsible for preparing the trustees' report and the accounts 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 accounts for each financial year. Under company law the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

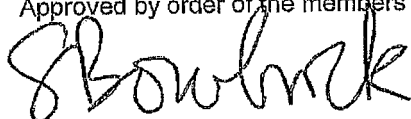
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 04.12.19..... and signed on its behalf by:



S Bowbrick
Chair of Trustees

FAIR FIELD JUNIOR SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIR FIELD JUNIOR SCHOOL

FOR THE YEAR ENDED 31 AUGUST 2019

Opinion

We have audited the accounts of Fair Field Junior School for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019.

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the Trustees have not disclosed in the accounts 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 accounts are authorised for issue.

Other information

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

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

FAIR FIELD JUNIOR SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIR FIELD JUNIOR SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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 are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

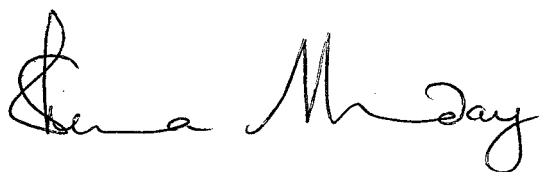
FAIR FIELD JUNIOR SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIR FIELD JUNIOR SCHOOL (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of UHY Hacker Young (East) Limited

19th December 2019

Chartered Accountants
Statutory Auditor

PO Box 501
The Nexus Building
Broadway
Letchworth Garden City
Herts
SG6 9BL

FAIR FIELD JUNIOR SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FAIR FIELD JUNIOR SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2019

In accordance with the terms of our engagement letter dated 26 October 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Fair Field Junior School during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Fair Field Junior School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Fair Field Junior School and 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 Fair Field Junior School and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Fair Field Junior School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Fair Field Junior School's funding agreement with the Secretary of State for Education dated December 2014 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament 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 2018 to 2019 issued by 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.

FAIR FIELD JUNIOR SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FAIR FIELD JUNIOR SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

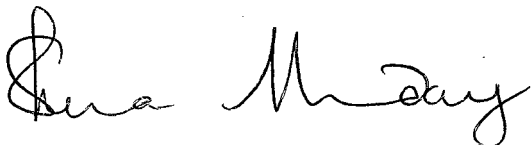
FOR THE YEAR ENDED 31 AUGUST 2019

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence available to us, relevant to our consideration of regularity
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us auditors of the Academy
- testing of a sample of payroll payments to staff
- testing of a sample of payments to suppliers and other third parties
- testing of a sample of grants received and other income streams
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

Conclusion

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



Reporting Accountant

UHY Hacker Young (East) Limited

Dated: 19th December 2019

FAIR FIELD JUNIOR SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £	Total 2019 £	Total 2018 £
Income and endowments from:					
Donations and capital grants	3	3,682	7,772	17,296	28,750
Charitable activities:					
- Funding for educational operations	4	39,916	1,027,261	-	1,067,177
Other trading activities	5	36,387	31,430	-	67,817
Investments	6	131	-	-	131
Total		<u>80,116</u>	<u>1,066,463</u>	<u>17,296</u>	<u>1,163,875</u>
Expenditure on:					
Raising funds	7	31,701	2,170	-	33,871
Charitable activities:					
- Educational operations	8	68,255	1,072,962	58,911	1,200,128
Total	7	<u>99,956</u>	<u>1,075,132</u>	<u>58,911</u>	<u>1,233,999</u>
Net expenditure		(19,840)	(8,669)	(41,615)	(70,124)
Transfers between funds	16	7,796	(19,129)	11,333	-
Other recognised gains/(losses)					
Actuarial (losses)/gains on defined benefit pension schemes	18	-	(107,000)	-	(107,000)
Net movement in funds		(12,044)	(134,798)	(30,282)	(177,124)
Reconciliation of funds					
Total funds brought forward		22,755	(77,561)	2,799,728	2,744,922
Total funds carried forward		<u>10,711</u>	<u>(212,359)</u>	<u>2,769,446</u>	<u>2,567,798</u>

FAIR FIELD JUNIOR SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2018		Funds	General	Fixed asset	2018
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	5,233	7,792	16,666	29,691
Charitable activities:					
- Funding for educational operations	4	41,782	1,037,150	-	1,078,932
Other trading activities	5	37,474	11,316	-	48,790
Investments	6	134	-	-	134
Total		<u>84,623</u>	<u>1,056,258</u>	<u>16,666</u>	<u>1,157,547</u>
Expenditure on:					
Raising funds	7	33,662	1,789	-	35,451
Charitable activities:					
- Educational operations	8	48,305	1,061,092	48,948	1,158,345
Total	7	<u>81,967</u>	<u>1,062,881</u>	<u>48,948</u>	<u>1,193,796</u>
Net income/(expenditure)		2,656	(6,623)	(32,282)	(36,249)
Transfers between funds	16	-	(51,945)	51,945	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	18	-	53,000	-	53,000
Net movement in funds		2,656	(5,568)	19,663	16,751
Reconciliation of funds					
Total funds brought forward		20,099	(71,993)	2,780,065	2,728,171
Total funds carried forward		<u>22,755</u>	<u>(77,561)</u>	<u>2,799,728</u>	<u>2,744,922</u>

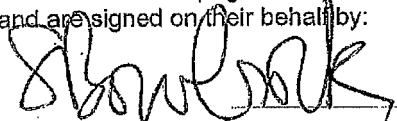
FAIR FIELD JUNIOR SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	12		2,769,447		2,799,729
Current assets					
Debtors	13	77,612		53,523	
Cash at bank and in hand		158,410		195,153	
		<u>236,022</u>		<u>248,676</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(77,671)		(84,483)	
Net current assets			158,351		164,193
Net assets excluding pension liability			2,927,798		2,963,922
Defined benefit pension scheme liability	18		(360,000)		(219,000)
Net assets			<u>2,567,798</u>		<u>2,744,922</u>
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			2,769,446		2,799,728
- Restricted income funds			147,641		141,439
- Pension reserve			(360,000)		(219,000)
Total restricted funds			<u>2,557,087</u>		<u>2,722,167</u>
Unrestricted income funds	16		10,711		22,755
Total funds			<u>2,567,798</u>		<u>2,744,922</u>

The accounts on pages 19 to 41 were approved by the Trustees and authorised for issue on 04.12.19... and are signed on their behalf by:



S Bowbrick
Chair of Trustees

Company Number 09434766

FAIR FIELD JUNIOR SCHOOL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	19		(25,541)		50,176
Cash flows from investing activities					
Dividends, interest and rents from investments		131		134	
Capital funding received from sponsors and others		17,296		16,666	
Purchase of tangible fixed assets		(28,629)		(68,612)	
Net cash used in investing activities			(11,202)		(51,812)
Cash flows from financing activities					
Repayment of long term bank loan		-		(710)	
Net cash used in financing activities			-		(710)
Net decrease in cash and cash equivalents in the reporting period			(36,743)		(2,346)
Cash and cash equivalents at beginning of the year			195,153		197,499
Cash and cash equivalents at end of the year			158,410		195,153

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

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

1.1 Basis of preparation

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

Fair Field Junior School meets the definition of a public benefit entity under FRS 102.

1.2 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 charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

1.3 Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income

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

Donations

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

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Other income

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

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold buildings	42 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	5 years straight line

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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.

1.6 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 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. 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 cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 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.

1.10 Pensions benefits

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

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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 projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate..

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

1.11 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 the Education Funding Agency where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

1.12 Concessionary loans

Government loans are classified as concessionary loans and are initially recognised as a liability at the amount received, with the carrying amount being adjusted in subsequent years to reflect repayments made and any accrued interest payable.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The depreciation charged on tangible fixed assets other than freehold land is carried out over the expected useful life of the asset as estimated by the trustees of the academy. The useful life of freehold buildings of 42 years is based on the expected life estimation from the valuation of land and buildings on conversion.

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

2 Critical accounting estimates and areas of judgement

(Continued)

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 17, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical assumptions for LGPS

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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

For 2018-19 there have been some specific issues which have impacted on the actuarial assumptions and closing pension scheme liability of all LGPS employers:

(1) The "McCloud/Sargeant judgement". This relates to legal rulings regarding age discrimination arising from public sector pension scheme transitional arrangements. Actuarial evidence suggested that the impact of making an allowance for this judgement would be material, and so the academy trust asked the actuary to make an allowance in the figures.

In order to quantify the constructive obligation the actuary has made calculations using an approximate approach. One critical assumption under this method is that salaries will increase at least CPI plus 1.5%. Further, the approximate approach does not take into account the specific age profile of the employer's pension scheme members.

The impact of McCloud/Sargeant has been to increase the constructive obligation at 31 August 2019. This is reflected as a past service cost, within staff costs, and detailed in note 18, of £ 1,000. There will also be an increase in the cost of benefits from 1 September 2019.

(2) Guaranteed Minimum Pension (GMP). GMP is a portion of pension that was accrued by individuals who were contracted out of the State Second Pension between 6 April 1978 and 6 April 1997. In October 2018 the High Court ruled in the Lloyds Bank case that equalisation for the effect of unequal GMPs between genders is required. As a result of an on-going debate on how this impacts on public service pension schemes, there has been national debate about the point at which a past service cost is triggered. Briefing notes provided by the actuary have indicated that a 'trigger event' is yet to occur for the LGPS and so no allowance has been made for GMP in the LGPS liability included within these financial statements. It is, in any case, considered likely that any impact would be immaterial.

(3) Discount rates. There has been a change in financial assumptions over the period, including the discount rate. The discount rate has been reduced significantly which has resulted in a less positive balance sheet position than if the discount rate at the start of the period had been used. The impact comes through as part of the actuarial movement shown on Statement of Financial Activities.

(4) Mortality assumptions. Details of the changes in mortality assumptions are shown in note 21. The actuary calculations use a model prepared by the Continuous Mortality Investigation (CMI) which is updated on an annual basis, incorporating the latest mortality data in the national population. This year the mortality assumptions use an updated CMI model which now anticipates a significant reduction in projected life expectancies. The lower life expectancy assumptions result in a more positive balance sheet position than if the mortality rates at the start of the period had been used, and the impact comes through as part of the actuarial movement shown on Statement of Financial Activities.

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

2 Critical accounting estimates and areas of judgement

(Continued)

Critical areas of judgement

The Trustees do not believe there are any areas of judgement that have a significant effect on amounts recognised in the financial statements, apart from those involving estimation and assumptions as disclosed above in Critical accounting estimates and assumptions.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Private sponsorship	-	5,772	5,772	7,792
Capital grants	-	17,296	17,296	6,666
Other donations	3,682	2,000	5,682	15,233
	<u>3,682</u>	<u>25,068</u>	<u>28,750</u>	<u>29,691</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
DfE / ESFA grants				
General annual grant (GAG)	-	901,244	901,244	910,248
Other DfE / ESFA grants	-	85,054	85,054	82,285
	<u>-</u>	<u>986,298</u>	<u>986,298</u>	<u>992,533</u>
Other government grants				
Other government income	-	1,974	1,974	400
	<u>-</u>	<u>1,974</u>	<u>1,974</u>	<u>400</u>
Other funds				
Other incoming resources	39,916	38,989	78,905	85,999
	<u>39,916</u>	<u>38,989</u>	<u>78,905</u>	<u>85,999</u>
Total funding	<u>39,916</u>	<u>1,027,261</u>	<u>1,067,177</u>	<u>1,078,932</u>

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Music tuition	21,463	2,170	23,633	26,080
Other income	14,924	29,260	44,184	22,710
	<u>36,387</u>	<u>31,430</u>	<u>67,817</u>	<u>48,790</u>

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Short term deposits	131	-	131	134

7 Expenditure

	Staff costs £	Non Pay Premises £	Expenditure Other £	Total 2019 £	Total 2018 £
Expenditure on raising funds					
- Direct costs	6,716	-	27,155	33,871	35,451
Academy's educational operations					
- Direct costs	737,991	50,074	83,200	871,265	840,008
- Allocated support costs	156,617	59,984	112,262	328,863	318,337
	901,324	110,058	222,617	1,233,999	1,193,796

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Fees payable to auditor for:		
- Audit	8,250	7,340
- Other services	1,000	2,010
Depreciation of tangible fixed assets	58,911	48,948
Net interest on defined benefit pension liability	7,000	7,000

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Direct costs				
Educational operations	1,043	870,222	871,265	840,008
Support costs				
Educational operations	67,212	261,651	328,863	318,337
	68,255	1,131,873	1,200,128	1,158,345

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

8 Charitable activities

(Continued)

	2019 £	2018 £
Analysis of support costs		
Support staff costs	156,617	142,057
Depreciation	8,837	7,342
Technology costs	3,058	4,762
Premises costs	59,984	75,110
Other support costs	82,992	71,860
Governance costs	17,375	17,206
	<u>328,863</u>	<u>318,337</u>

Governance costs are expenses relating to the strategic management and administration of the academy. These include audit and accountancy fees, clerking, legal fees, governor and trustee training and other professional services.

9 Staff

Staff costs

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	641,488	561,595
Social security costs	48,337	42,504
Pension costs	150,141	129,412
Staff costs	<u>839,966</u>	<u>733,511</u>
Agency staff costs	55,632	136,507
Staff development and other staff costs	5,726	5,480
Total staff expenditure	<u>901,324</u>	<u>875,498</u>

Agency staff costs includes amounts payable to St John VC Infant & Nursery School and the services of A Aharon.

Staff numbers

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

	2019 Number	2018 Number
Teachers	14	12
Administration and support	19	18
Management	5	5
	<u>38</u>	<u>35</u>

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

9 Staff

(Continued)

The number of persons employed, expressed as a full time equivalent, was as follows:

	2019 Number	2018 Number
Teachers	10	9
Administration and support	8	8
Management	3	4
	<u>21</u>	<u>21</u>

Higher paid staff

There were no employees whose annual remuneration was £60,000 or more.

Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £140,251 (2018: £148,096).

A Aharon, the acting Executive Head and Accounting Officer is not included in the figure above. Her services were purchased through an arrangement with St John's Infant & Nursery School, her appointed school. The total cost to the Academy of this service in the year was £46,536 (2018: £49,401).

10 Trustees' remuneration and expenses

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

A Aharon (acting Executive Head and Trustee)

During the period ended 31 August 2019, expenses totalling £375 (2018: £117) were reimbursed in respect of academy purchases.

The value of trustees' remuneration and other benefits for A Aharon was £nil as the academy purchased her services through an arrangement with her appointed school, as detailed in note 9, Key management personnel.

11 Trustees and officers insurance

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

12 Tangible fixed assets

	Freehold buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2018	2,825,560	66,064	80,364	2,971,988
Additions	-	27,370	1,259	28,629
At 31 August 2019	2,825,560	93,434	81,623	3,000,617
Depreciation				
At 1 September 2018	103,577	40,912	27,770	172,259
Charge for the year	30,513	14,205	14,193	58,911
At 31 August 2019	134,090	55,117	41,963	231,170
Net book value				
At 31 August 2019	2,691,470	38,317	39,660	2,769,447
At 31 August 2018	2,721,983	25,152	52,594	2,799,729

13 Debtors

	2019 £	2018 £
VAT recoverable	19,387	11,450
Other debtors	17,277	21,058
Prepayments and accrued income	40,948	21,015
	77,612	53,523

14 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	8,504	5,515
Other taxation and social security	23,691	22,801
Other creditors	27,313	51,557
Accruals and deferred income	18,163	4,610
	77,671	84,483

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

15	Deferred income	2019 £	2018 £
	Deferred income is included within:		
	Creditors due within one year	18,163	4,610
		<u>18,163</u>	<u>4,610</u>
	Deferred income at 1 September 2018	4,610	728
	Released from previous years	(4,610)	(728)
	Resources deferred in the year	18,163	4,610
		<u>18,163</u>	<u>4,610</u>
	Deferred income at 31 August 2019	18,163	4,610

Included in deferred income are balances related to pupil dinner money, donations and rates relief.

16	Funds	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
	Restricted general funds					
	General Annual Grant (GAG)	-	901,244	(909,935)	(7,796)	(16,487)
	Other DfE / ESFA grants	-	85,054	(82,285)	-	2,769
	Other government grants	-	1,974	(400)	-	1,574
	Other restricted funds	141,439	78,191	(48,512)	(11,333)	159,785
	Pension reserve	(219,000)	-	(34,000)	(107,000)	(360,000)
		<u>(77,561)</u>	<u>1,066,463</u>	<u>(1,075,132)</u>	<u>(126,129)</u>	<u>(212,359)</u>
	Restricted fixed asset funds					
	DfE group capital grants	2,799,728	17,296	(58,911)	11,333	2,769,446
		<u>2,799,728</u>	<u>17,296</u>	<u>(58,911)</u>	<u>11,333</u>	<u>2,769,446</u>
	Total restricted funds	2,722,167	1,083,759	(1,134,043)	(114,796)	2,557,087
		<u>2,722,167</u>	<u>1,083,759</u>	<u>(1,134,043)</u>	<u>(114,796)</u>	<u>2,557,087</u>
	Unrestricted funds					
	General funds	22,755	80,116	(99,560)	7,796	11,107
	Gratuities	-	-	(396)	-	(396)
		<u>22,755</u>	<u>80,116</u>	<u>(99,956)</u>	<u>7,796</u>	<u>10,711</u>
	Total funds	2,744,922	1,163,875	(1,233,999)	(107,000)	2,567,798
		<u>2,744,922</u>	<u>1,163,875</u>	<u>(1,233,999)</u>	<u>(107,000)</u>	<u>2,567,798</u>

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

16 Funds

(Continued)

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

General Annual Grant

The General Annual Grant (GAG) must be used for the normal running costs of the academy. 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 2019.

Other DfE / EFA grants

This represents other funding for various purposes including pupil premium, sports funding, training and other pupil related activities.

Other government grants

This represents funding received from local government for various specific purposes including special educational needs children and education other than at school.

Other restricted funds

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant.

Pensions Reserve

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme.

Restricted fixed asset fund

The restricted fund asset fund was funded predominantly by the funds inherited on conversion to an academy from the local authority following the transfer of the land and buildings.

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

16 Funds

(Continued)

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	-	910,248	(910,248)	-	-
Other DfE / ESFA grants	-	82,285	(82,285)	-	-
Other government grants	-	400	(400)	-	-
Other restricted funds	164,007	63,325	(33,948)	(51,945)	141,439
Pension reserve	(236,000)	-	(36,000)	53,000	(219,000)
	<u>(71,993)</u>	<u>1,056,258</u>	<u>(1,062,881)</u>	<u>1,055</u>	<u>(77,561)</u>
Restricted fixed asset funds					
DfE group capital grants	2,780,065	6,666	(48,948)	51,945	2,789,728
Private sector capital sponsorship	-	10,000	-	-	10,000
	<u>2,780,065</u>	<u>16,666</u>	<u>(48,948)</u>	<u>51,945</u>	<u>2,799,728</u>
Total restricted funds	<u>2,708,072</u>	<u>1,072,924</u>	<u>(1,111,829)</u>	<u>53,000</u>	<u>2,722,167</u>
Unrestricted funds					
General funds	20,099	84,623	(81,667)	-	23,055
Gratuities	-	-	(300)	-	(300)
	<u>20,099</u>	<u>84,623</u>	<u>(81,967)</u>	<u>-</u>	<u>22,755</u>
Total funds	<u>2,728,171</u>	<u>1,157,547</u>	<u>(1,193,796)</u>	<u>53,000</u>	<u>2,744,922</u>

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	2,769,446	2,769,447
Current assets	20,813	215,210	-	236,022
Creditors falling due within one year	-	(77,671)	-	(77,671)
Defined benefit pension liability	-	(360,000)	-	(360,000)
Total net assets	20,813	(222,461)	2,769,446	2,567,798
Balance to allocate	(10,102)	10,102	-	-
Per balance sheet	10,711	(212,359)	2,769,446	2,567,798
	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	2,799,729	2,799,729
Current assets	23,091	225,586	(1)	248,676
Creditors falling due within one year	(336)	(84,147)	-	(84,483)
Defined benefit pension liability	-	(219,000)	-	(219,000)
Total net assets	22,755	(77,561)	2,799,728	2,744,922

18 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £14,380 (2018: £11,901) were payable to the schemes at 31 August 2019 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' 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.

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Pension and similar obligations

(Continued)

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £74,756 (2018: £58,569).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 5.5-12.5% for employers and 14-18% 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.

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Pension and similar obligations (Continued)

Total contributions made	2019 £	2018 £
Employer's contributions	48,000	41,000
Employees' contributions	11,000	9,000
Total contributions	59,000	50,000

Principal actuarial assumptions	2019 %	2018 %
Rate of increase in salaries	2.4	2.5
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	1.8	2.8

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

	2019 Years	2018 Years
Retiring today		
- Males	21.5	22.5
- Females	23.7	24.9
Retiring in 20 years		
- Males	22.3	24.1
- Females	25	26.7

The academy trust's share of the assets in the scheme	2019 Fair value £	2018 Fair value £
Equities	231,770	201,930
Bonds	184,470	133,350
Property	37,840	30,480
Other assets	18,920	15,240
Total market value of assets	473,000	381,000

The actual return on scheme assets was £35,000 (2018: £18,000).

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

18 Pension and similar obligations		(Continued)
Amount recognised in the Statement of Financial Activities	2019 £	2018 £
Current service cost	74,000	70,000
Past service cost	1,000	-
Interest income	(11,000)	(8,000)
Interest cost	18,000	15,000
Benefit changes, curtailments and settlements gains or losses	(1,000)	-
Total operating charge	<u>81,000</u>	<u>77,000</u>
Changes in the present value of defined benefit obligations		2019 £
At 1 September 2018		600,000
Current service cost		74,000
Interest cost		18,000
Employee contributions		11,000
Actuarial loss/(gain)		131,000
Benefits paid		(2,000)
Past service cost		1,000
At 31 August 2019		<u>833,000</u>
Changes in the fair value of the academy trust's share of scheme assets		2019 £
At 1 September 2018		381,000
Interest income		11,000
Actuarial gain		24,000
Employer contributions		48,000
Employee contributions		11,000
Benefits paid		(2,000)
At 31 August 2019		<u>473,000</u>

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Reconciliation of net expenditure to net cash flows from operating activities

	2019 £	2018 £
Net expenditure for the reporting period	(70,124)	(36,249)
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(17,296)	(16,666)
Investment income receivable	(131)	(134)
Defined benefit pension costs less contributions payable	27,000	29,000
Defined benefit pension net finance cost	7,000	7,000
Depreciation of tangible fixed assets	58,911	48,948
(Increase) in debtors	(24,089)	(3,425)
(Decrease)/increase in creditors	(6,812)	21,702
Net cash (used in) / generated by operating activities	(25,541)	50,176

20 Commitments under operating leases

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

	2019 £	2018 £
Amounts due within one year	1,067	1,067
Amounts due in two and five years	1,067	2,134
	2,134	3,201

FAIR FIELD JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

21 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees or members of the academy trust have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

During the year A Aharon's (acting Executive Head and Trustee) services were purchased through a service level agreement with St John's VC Infant & Nursery School. The total cost for the year ended 31 August 2019 was £46,910 (2018: £49,401).

During the year the trust provided SENCO Services to St Johns VC infant & Nursery School. The charge for this service was £27,816 (2018: £9,335) representing the cost to the trust of the staff member concerned.

During the year the trust provided Finance Services to St Johns VC Infant & Nursery School. The charge for this service was £1,444 (2018: £nil) representing the cost to the trust of the staff member concerned.

During the year the trust received hiring income of £1,955 (2018: £1,567) from Cherished Kids Ltd, a company related by virtue of R Chotal and D Smith being directors and shareholders. During the year the trust funded sessions at Cherished Kids for a small number of PPG pupils at a cost of £472 (2018: £nil).

E Labbett, sister in law of S Bowbrick, a trustee, is employed by the academy trust. E Labbett's appointment was made in open competition and S Bowbrick was not involved in the decision making process regarding appointment. E Labbett is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

In entering into these transactions, the academy trust has complied with the requirements of the Academies Financial Handbook 2018.

22 Members' liability

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

