

By Brook Valley Academy Trust

**By Brook Valley Academy Trust
(A Company Limited by Guarantee)**

Annual Report and Financial Statements

Year Ended 31st August 2015

**Company Registration Number
8020467 (England and Wales)**

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By Brook Valley Academy Trust Ltd

Reference and Administrative Details

Governors/Directors

Governors	Appointed	Left
Anne Hilton	10/10/2013	
Anton Campbell	16/04/2015	
Bev Ball* - Headteacher	01/05/2012	
Chris Draper	12/09/2013	29/09/2015
David Else	10/10/2013	
David New	23/01/2014	
Deb Henshall	01/05/2012	
Elisabeth Ford	23/01/2014	
Ian Banister* - Chair	24/01/2013	
Ian Workman*	01/05/2012	31/08/2015
Joanne Jardim*	16/07/2015	
Jonathan Philpott	27/11/2014	
Keith Ernest*	24/11/2014	
Lynne Lawton*	10/10/2013	
Martin Lowe*	27/03/2014	
Owen Upton	01/05/2012	25/03/2015
Sarah Evans	01/05/2012	07/11/2014
Yvonne Towl - Vice Chair	16/05/2012	31/05/2015

* indicates those who are members of the finance and premises committee

Members

The Diocese of Bristol Academies Company

Company Secretary E Tyler

Senior Management Team

Headteacher	B Ball
Assistant Headteacher	D Henshall
Assistant Headteacher	J Jardim

By Brook Valley Academy Trust

Principal and Registered Office By Brook Valley C of E Primary School
The Street
Yatton Keynell
Chippenham
Wiltshire
SN14 7BA

Company Registration Number 8020467 (England and Wales)

Independent Auditor Monahans
38-42 Newport Street
Swindon
SN1 3DR

Solicitors Blake Morgan LLP
Seacourt Tower
West Way
Oxford
OX2 0FB

By Brook Valley Academy Trust

CHAIRMAN'S STATEMENT FOR THE PERIOD ENDING 31ST AUGUST 2015

In my chairman's statement last year I talked very much about a year of transition with the new classrooms being completed, the successful recruitment of new governors and the completion of my first year as chair.

This year was a very different story, we began the year expecting an Ofsted and SIAMS inspection and we were not to be disappointed. The Ofsted inspection took place in November and thanks to some excellent preparation the children, parents and governors came out of the experience with 'Outstanding'. The award was best underlined by the inspector's first judgement on the leadership and management of the school which said *"The headteacher, other leaders in school, all staff and governors share a drive to make By Brook the best it can be. Led by a highly effective teacher, they have worked together to improve the quality of teaching and to raise standards. They have been very successful"* which I believe neatly summarise where the school is today.

In February we had the SIAMs inspection where again hard work by teachers and the F&E group put us in a great position to be awarded 'Outstanding' which indicates to me that the ethos and values of By Brook that are so much on show in the school, supported by the teachers and governors is very much at the forefront of what we do.

Other notable events during the year were the promotion of our two assistant head teachers Mrs Jardim and Mrs Henshall to deputy heads which recognised the work they have done and the role they now fulfil in the school supporting Mrs Ball. This also allowed the governors to consider in April and then agree to Mrs Ball being seconded to Sherston Primary as their executive headteacher (on a fifty/fifty time basis) for a twelve month period with the confidence that in Mrs Ball absence the deputy heads would be able to fulfil extended roles for that same period.

As I did last year I feel I should share the impact I believe the school has had on our stakeholders, starting with the most important group:-

The Children

By Brook Valley is for the children, that's where the hard work pays off. As I go around the school I am always struck on the behaviour, engagement and ability of the children in every year group, it shines through in the classroom, school assemblies and plays; it also can be seen in the data highlighted in the principal's report. I again was delighted to attend the year 6 leaver's service and see 27 children confidently express their experiences at By Brook before moving on to senior school.

The Staff

The development and implementation of MaD over the last three years has clearly improved teaching within the school, clearly shown by the Ofsted report which said *"All teachers are committed to ensuring the pupils are able to benefit from the highest quality of teaching. They willingly share their expertise and show a determined drive to continue to improve their skills"*

We clearly have a very dedicated team working at By Brook, their willingness to go the extra mile with the children is clear to see in the classroom, assemblies and in all other aspects of school life. The governors wish to put on record how much they appreciate the time and energy spent by the whole staff in providing a rounded educational experience to the children.

The Parents

Once again FoBBVS have delivered some great events this year and through the money they have raised the school has benefitted in terms of equipment and funding for events. The governors would like to thank Dawn Ripley and her team for all the great work in 2015.

The support of the parents throughout the year has been outstanding and the results of the recent parent questionnaire demonstrate their appreciation for the work the school does with their children. We had 106 replies to our questionnaire with the overwhelming majority of parents "Strongly agree" or "Agree" with all statements within the questionnaire.

I have received feedback from parents saying that they have noticed an increase in the presence of governors around the school through attendance in the classroom, assemblies, attending parent evenings and other school events. I now feel confident that governors with that increased profile understand first-hand the issues that parents have and can then positively support the head and staff in resolving these issues.

The Governors

I would like to first start this part of the report with a vote of thanks to Yvonne Towl who stepped down at the end of the school year. Without the help and support of the Yvonne in the role of vice chair of governors and chair of T&L the governors would not have been able to put in place the necessary checks and balances that enabled the school to become 'Outstanding'. This was supported by the Ofsted report which stated "*The governors drive to make the school the best it can be has contributed strongly to the improvement process*" and is largely due to Yvonne's influence.

The introduction of more governor meetings, a focus on strategic issues and allowing the sub groups to work on their own action plans has proved successful and will continue into next year.

I wrote about the importance of succession planning last year and said that we had 15 governors in place with at least 50% having less than 12 months experience as a governor, during the year we have gained and lost governors and unfortunately we are down to 13 governors with a plan to have a recruitment drive in the early part of the school year.

The governors we lost had enormous experience and the governors now have no more than three years' experience at most, however the introduction of a clear induction process has somewhat mitigated the time needed for governors to understand their role and influence in the school.

The Trust

We enter 2015-16 with the school in a strong and more effective position to offer the best educational experience to children in the area. The increasing numbers of children (197) in the school has helped improve the school budget and through sound financial management we are now in a position to actually identify areas where spending is required to continue supporting the fabric of the school and the children and staff within it.

The next few years will continue to be challenging with an ever-changing education environment and potentially reduced funds. The trustees and governors recognise the need to always look forward and keep By Brook Valley at the forefront of education in the local area.

By Brook Valley Academy Trust

The trustees and governing body would like to thank everyone involved for their hard work, diligence and overall contribution to the school and I look forward to another successful year in 2016.

I Banister
Chair of Governors
1st September 2015

Principal's Report

For the period ended 31st August 2015

2014-15 was a very successful year for By Brook Valley CE Primary School. Its success was acknowledged with Outstanding judgements in all areas from both Ofsted (Nov 2014) and SIAMS (March 2015).

School Organisation

This year we have continued to operate with seven classes. Our number on role is continuing to grow and reached 192 at the end of the school year.

School Leadership

The Senior Leadership Team of Head and two Assistant Heads continues to rigorously pursue excellence in teaching and learning. A continued focus in 2014-15 on the mentoring and development of teachers and teaching has raised standards of teaching and learning further and achieved an 'Outstanding' judgement from Ofsted in November 2014.

Our Inclusion Manager / Special needs co-ordinator is having a very positive impact on improved provision, tracking and accountability for the progress of children with SEN as well as those in receipt of pupil premium. In addition to this she has significantly strengthened links with parents who have SEN children, involving them fully in their child's educational provision. Targeted CPD, organised by the Inclusion Manager, improved outcomes for children through enhanced staff skills and the introduction of new intervention programmes. The Inclusion Manager and Senior Leadership Team continue to hold termly meetings with teachers on pupil progress and attainment. This ensures that all children and all groups of learners are making at least expected progress, many better than expected.

Governor monitoring, evaluation and challenge of school development and improvement has been further strengthened through committee action plans linked to the School Improvement and Development Plan. Governor succession planning, focusing on skill gaps, induction for new governors and wider involvement in training opportunities has strengthened their school leadership and secured a clear focus of achieving the best possible outcomes for children. This area was judged 'Outstanding' by Ofsted November 2014.

Attainment

Attainment continues to be good throughout the school. The school ensures accuracy of all teacher assessments through cluster and /or LA moderation. This includes baseline assessments on entry into the foundation Phase and Year 1. In the summer of 2015 the school's foundation stage and key stage 2 assessments were also moderated by the LA. This confirmed the accuracy of our teacher assessments.

All staff have professional development to maximise outcomes for children.

In September 2014, a new curriculum and assessment without levels was introduced for Years 1,3,4,and 5.

July 2015 School Overview of Attainment

End of Foundation Stage Attainment:

63% children achieved a good level of development (or above) in all Prime areas and in Literacy and Maths. (LA 66%, national 2014 60%). Early writing will be a focus for next year. Total average points were 35.4 (34.1 in LA, 33.8 national 2014)

Phonics

There was significant improvement in the % of Year 1 children achieving the expected standard in the phonics screening check. 2014-15, 96% of Year 1 achieved the required standard (74% nationally) and 100% of Y2 children who resat the assessment passed.

Key Stage 1 and 2 Attainment

PERCENTAGE OF PUPILS AT EACH LEVEL (% may not total 100 due to rounding)

READING

Year	NOR	1C	1B	1A	2C	2B	2A	3	4	5	6
2 (KS1)	29		3			17	34	45			
6 (KS2)	26							8	31	62	

WRITING

Year	NOR	1C	1B	1A	2C	2B	2A	3	4	5	6
2(KS1)	29		3		21	28	24	24			
6 ((KS2)	26							15	39	42	4
GPS (KS2)	26							19	15	58	8

MATHS

Year	NOR	1C	1B	1A	2C	2B	2A	3	4	5	6
2 (KS1)	29		3			17	48	31			
6 (KS2)	26							8	42	35	15

Parent Partnership

During 2014-15 three Parent Forums were held. One of these was led by the Governing body. Through these parents have been informed about the work of the governing body, the new curriculum and the school's new assessments for 2015-16. As a result of feedback and suggestions from parents we have:

Our priorities for 2015-16 include:

- To achieve above expected progress for all children and all groups of learners through focusing in on particular areas with specific cohorts e.g. early writing, GPS and phonics across the school
- Support teachers to further develop and maintain the high percentage of outstanding teaching
- To support parents in understanding the assessment process for the new curriculum through producing information leaflets and holding further information sessions
- To effectively implement our new assessment system.
- Review and improve our teaching of Sex and Relationships Education and improve opportunities for competition in sport.

Bev Ball (Principal)
September 2015.

By Brook Valley Academy Trust Trustee's Report

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2014 to 31st August 2015. The annual report serves the purpose of both a trustee's report, and a director's report under company law.

The trust operates a single academy, The By Brook Valley C of E Primary School, for pupils aged 4 to 11, serving a catchment area which includes the villages of Biddestone, Nettleton and Burton, Castle Combe and Yatton Keynell. The school has a pupil capacity of 210 and had a roll of 197 in the school census in October 2015.

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 are also the directors of the charitable company for the purposes of company law. The charitable company is known as By Brook Valley Academy Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details on Page 3.

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

In accordance with normal commercial practice the academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring while on Academy business. The insurance policy provides cover up to £10,000,000 on any one claim.

Method of Recruitment and Appointment or Election of Trustees

Governors are subject to retirement by rotation but are eligible for re-election at the meeting at which they retire.

The Chair and Vice Chair are elected by the Governing Body, annually, at the first meeting of the year, from within their own number.

The Governors who were in office at 31st August 2014 and served throughout the period, except where shown are listed in the Reference and Administrative Details section.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Governors is dependent on their existing experience. Where necessary induction training is provided on charity and educational, legal and financial matters.

All new Governors are given a tour of the school and the opportunity to meet staff and pupils. All Governors are provided with copies of policies, procedures, minutes, accounts, Budget, plans, and other documents that they will require to undertake their role as Governors. Induction tends to be informal and is tailored specifically to the individual.

Organisational Structure

The organisational structure of the Academy Trust consists of four levels:

- Full Governing Body (Directors & Trustees)
- Members
- Senior Leadership Team
- School Staff

The aim of this structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the school by the use of budgets and making major decisions about the direction of the school, capital expenditure and senior staff appointments.

The Senior Leadership Team consists of the Headteacher and two Assistant Headteachers. These managers control the school at an executive level, implementing the policies laid down by the Governors, and reporting back to them. The Headteacher is responsible for appointment of staff, though all senior appointments also require the approval of the Governing Body. The Headteacher, assisted by the School Business Manager, is responsible for authorisation of expenditure within agreed budgets.

Connected Organisations including Related Party Relationships

The Church of England via the Diocese of Bristol Academies Company is a foundation member of the academy trust.

The school is a member of the Chippenham Partnership of Schools.

Objectives and Activities

Objects and Aims

The Principle object and activity of the Charitable Company, as outlined in the Trusts' Articles of Association, is the operation of the By Brook Valley C of E Primary School to advance, for the Public Benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

Aims, Activities, Achievements and Performances

The Aims and Activities and Achievements and Performance for 2014/15 are summarised in the Principal's Report.

Public Benefit

The trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charities Commission in defining the strategic direction of the Academy.

Strategic Report

Achievements and Performance and Key Performance Indicators

The Achievements and Performance and KPI for 2014/15 are summarised in the Principal's Report above.

Going Concern

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

Financial Review

Most of the Academy's income is obtained from the Education Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31st August 2015 are shown as restricted funds in the statement of financial activities.

In the year, total income of £819,000 was received and £911,000 expenditure incurred.

Financial Objectives

The Academy's financial objectives are

- To ensure best value in respect of financial decisions, and
- To ensure that all resources are used to promote pupil achievement

Reserves Policy

The governors aim to maintain free reserves to ensure that there is sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. As at 31st August 2015, the Academy had free reserves (total funds less the amount held in fixed assets and restricted funds) of £56,000.

The governors acknowledge the pension reserve deficit of £83,000 (2015: £70,000) and have increased the contributions in order to gradually reduce this deficit.

Investment Policy

The school's investment policy requires that the Finance Officer monitors cash flow and the current account balance to ensure immediate financial commitments can be met (payroll and payments runs) and that the current account has adequate balances to meet forthcoming commitments. In practice a working balance of between £50,000 and £90,000 is likely to be maintained and the school will normally seek to avoid its current account going overdrawn. During the period under review, this policy was followed. Any change in Policy requires the approval of Governors via the Finance and Premises Committee.

Risk Management Objectives and Policies

The Governors understand and have complied with their duty and have identified and reviewed the risks to which the Academy is likely to be exposed. They have ensured that appropriate controls are in place to provide reasonable assurance against fraud and error.

The Major Risks to which the Academy is likely to be exposed have been assessed, in particular those relating to teaching and learning, the provision of facilities, and all other operational aspects of the school and its finances. The Governors continue to monitor internal systems to assess risk faced by the school, both in operational (eg Health and Safety, Teaching and Learning, Behaviour and School Trips) and in relation to the control of Finances.

Principle Risks and Uncertainties

A Risk Register is in place, which is subject to an annual review. In addition, a Business Continuity Plan has been developed. The highest risk items are identified and control procedures agreed by the Governing Body.

The Academy has an effective and robust system of internal controls in place working to the guidance of the Academies Financial Handbook including the following policies:

- Finance Manual (containing all policies relating to control of income and expenditure and procurement)
- Best Value Statement
- Depreciation Policy
- Write off of debt/disposal of equipment Policy

A Management Accounts report is provided to the Full Governing Body each month. The Finance Committee meets at least once per term to discuss the schools financial position in depth and, in turn, the Finance Committee briefs the Full Governing Body at the subsequent Trustees Meeting. The Governing Body has appointed a Responsible Officer, whose role is described in the Risk and Control Framework below.

A system is in place for backing up school data. During the year under review the Business Continuity Plan was rewritten and approved by Governors. This included a provision for the restoration of school data in the event of a critical incident and an improvement in the backup procedure that allows for data to be stored securely offsite on a daily basis. There is also a Fixed Asset Register and separate inventory for non-capital assets. These are reviewed on a regular basis.

Health and Safety inspections are carried out termly and Health & Safety risk assessments are carried out annually and reviewed regularly. Reports are submitted to the Finance and Premises Committee regularly.

The Governing Body strives to ensure that all Academy financial transactions and educational responsibilities are managed within stringent guidelines as set by all relevant authorities (eg DFE, EFA).

Plans for Future Periods

The plans for future periods are outlined in the Principal's report. The Academy will continue to maintain the high levels of performance of its pupils at all levels.

Funds held as Custodian Trustee on behalf of others

There are currently no funds held as Custodian Trustee or on the behalf of others.

Auditor

Insofar as the trustees are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on November 26th 2015 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to read 'Ian Banister', is written over a horizontal dotted line.

Mr Ian Banister

Chair of Governors

By Brook Valley Academy Trust

Governance Statement

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between By Brook Valley Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. Including the AGM, the board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governors	Category	Appointed	Left	Meetings Attended
Anne Hilton	Trustee	10/10/2013		4 of 6
Anton Campbell	Trustee	16/04/2015		2 of 2
Bev Ball - Headteacher	Trustee	01/05/2012		6 of 6
Chris Draper	Trustee	12/09/2013	29/09/2015	1 of 6
David Else	Trustee	10/10/2013		5 of 6
David New	Trustee	23/01/2014		4 of 6
Deb Henshall	Trustee	01/05/2012		6 of 6
Elisabeth Ford	Trustee	23/01/2014		5 of 6
Ian Banister - Chair	Trustee	24/01/2013		6 of 6
Ian Workman	Trustee	01/05/2012	31/08/2015	3 of 6
Joanne Jardim	Trustee	16/07/2015		1 of 1
Jonathan Philpott	Trustee	27/11/2014		3 of 5
Keith Ernest	Trustee	24/11/2014		5 of 5
Lynne Lawton	Trustee	10/10/2013		5 of 6
Martin Lowe	Trustee	27/03/2014		4 of 6
Owen Upton	Trustee	01/05/2012	25/03/2015	0
Sarah Evans	Trustee	01/05/2012	07/11/2014	1 of 1
Yvonne Towl - Vice Chair	Trustee	16/05/2012	31/05/2015	5 of 6

Governance Review

The Chairman and Headteacher met with representatives of the Diocese of Bristol in November 2014 to discuss the composition of the current board with a view to reviewing the existing governance structure. As a result of this meeting a slight change in operating emphasis was made, with the current trustees becoming members as well as trustees and directors, and all governors becoming directors and trustees.

The governors continue to monitor their own performance during the year, one such way this is measured is the continued inclusion of a standing item at the end of each sub-committee meeting requesting that the committee reviews and records the impact of the meeting and how the meeting has "added value". These discussions are included in minutes and fed back to Full Governing Body meetings. The impact of this has been to ensure a constant process of self-evaluation, challenge and an improvement in the formal documentation of this process and the way in which it is fed back to the board.

Review of Value for Money

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

The Accounting Officer considers how the academy'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. The Accounting Officer for the academy has delivered improved value for money during the year by:

Cleaning Contract:

Five contractors were invited to tender, and only one declined to participate. The tender documents were independently assessed by the School Business Manager, and the Chair of the Finance Committee. The tenders were assessed using the criteria identified in the original tender specification, namely:

- Cleaning/Innovation (40%)
- Technical Merit (5%)
- Price & Cost Effectiveness (45%)
- After Sales & Technical Support (5%)
- Added Value (5%)

The percentages in parentheses indicates the level of weighting assigned to each category. These were also explicit in the tender specification. The weightings were selected to indicate that by far the most important criteria for this tender were ensuring the standards of cleaning are improved and maintained and to ensure the service was competitively priced and provides value for money.

External Doors

3 quotes were obtained for doors to replace the rotten doors to the Group Room, Ospreys Classroom and Hawks Classroom.

The School Business Manager recommended that the mid-range quote from the schools maintenance contractors was accepted based on the fact that the school had prior

experience of their working standards, and that they would be able to complete the work out of hours as keyholders.

Server

The School Business Manager obtained 5 quotations for a replacement server in response to the following: a server failure in November 2014; the age of the server and software; the recognition in the Business Continuity Plan and Risk Register that there was an increased risk of future server failure and the significant impact this would have on the school.

Together with the outgoing IT Technician, a thorough investigation was carried out into both cloud based and physical server options, and also looking into back-up solutions. The proposal decided upon was the most cost effective, particularly as the school had the provider in place as their ICT technicians, and they would therefore be monitoring the performance of the servers.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in By Brook Valley Trust for the period up to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period up to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body
- Regular reviews by the Finance & Premises 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 (including asset purchasing or capital investment) guidelines
- Delegation of authority and segregation of duties and
- Identification and management of risks

In addition, the governors have considered the guidance for public listed companies contained within the Turnbull Report and have adopted these guidelines as best practice. Accordingly they have set policies on internal controls and compiled a risk register which covers the following:

- The type of risks the Academy faces
- The level of risks which they regard as acceptable
- The likelihood of risks materialising
- The Academy's ability to reduce the incidence and impact on the Academy's operations of risks that do materialise
- The costs of operating particular controls relative to the benefits obtained
- Embedded the control system into the Academy's operations so that it becomes part of the culture of the Academy
- Developed systems to respond quickly to evolving risks arising from factors within the Academy and to changes in the external environment, and
- Included procedures for reporting failings immediately to appropriate levels of management and the governors together with details of corrective action being taken.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed an accounting technician supplied by the Wiltshire Learning Trust as part of a bought in service as an external reviewer, to perform additional checks.

This role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a quarterly basis, these reports are submitted to the board of trustees, through the Finance and Premises Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

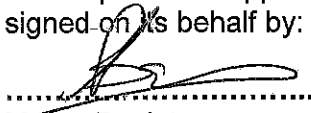
Review of Effectiveness

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

- The work of the independent external reviewer provided by Wiltshire Learning Trust.
- The work of the Finance and Health & Safety Officer who has responsibility for developing and maintaining the internal control framework.
- The recommendations and comments made by the auditors of the Academy's financial statements in their management letter and reports.

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

This report was approved by order of the board of trustees on 26th November 2015 and signed on its behalf by:


.....
Mr Tan Banister
Chair of Governors


.....
Mrs Bev Ball
Accounting Officer

By Brook Valley Academy Trust

**Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2015**

As accounting officer of By Brook Valley Academy Trust I have considered my responsibility to notify the charitable company board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the charitable company and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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 EFA.

.....B.M. Ball.....

B Ball - Accounting Officer

Date: 2-12-15.....

By Brook Valley Academy Trust

Statement of Trustees Responsibilities

for the Year Ended 31 August 2015

The trustees (who act as governors of By Brook Valley Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

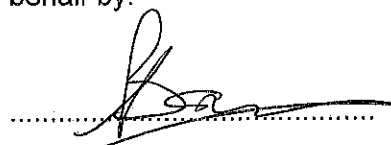
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

Approved by order of the board of trustees on 26th November 2015 and signed on it's behalf by:



Mr Ian Banister - Trustee

Report of the Independent Auditors to the Members of
By Brook Valley Academy Trust

We have audited the financial statements of By Brook Valley Academy Trust for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2014 to 2015 issued by the Education Funding Agency (EFA).

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page twenty, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 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 Academies Accounts Direction 2014 to 2015 issued by the EFA.

Opinion on other matter prescribed by the Companies Act 2006


In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the Independent Auditors to the Members of
By Brook Valley Academy Trust

Matters on which we are required to report by exception

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

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


Steven Fraser (Senior Statutory Auditor)
for and on behalf of Monahans
Statutory Auditors
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Date:



**Independent Reporting Accountant's Assurance Report on Regularity to
By Brook Valley Academy Trust and the Education Funding Agency**

In accordance with the terms of our engagement and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by By Brook Valley Academy Trust during the period 1 September 2014 to 31 August 2015 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 By Brook Valley Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to By Brook Valley Academy Trust and the EFA 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 By Brook Valley Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of By Brook Valley Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of By Brook Valley Academy Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 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 2014 to 2015 issued by the EFA. 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 charitable company's income and expenditure.

In planning and conducting our work we had due regard to professional guidance, including the Academies Accounts Direction 2014 to 2015 and the ICAEW Assurance Sourcebook. The work undertaken to draw to our conclusion, includes, but is not limited to:

- Enquiry of senior management and the Academy's Trustees.
- Inspection and review of the accounting records, meeting minutes, prior year regularity report, internal control procedures, management representations and declarations of interest.
- Observation and re-performance of the financial controls
- Review of the results of the Academy's process of independent checking of financial controls, systems, transactions and risks

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 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them


Monahans
Chartered Accountants
38-42 Newport Street
Swindon
Wiltshire
SN1 3DR

Date: 10th December 2015

By Brook Valley Academy Trust

Statement of Financial Activities
for the Year Ended 31 August 2015

		Unrestricted funds £'000	Restricted funds £'000	Fixed asset fund £'000	Total 2015 funds £'000	Total 2014 funds £'000
Notes						
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	3	-	-	3	10
Activities for generating funds	3	20	-	-	20	8
Incoming resources from charitable activities						
Academy's educational operations	4	<u>42</u>	<u>751</u>	<u>3</u>	<u>796</u>	<u>754</u>
Total incoming resources		65	751	3	819	772
RESOURCES EXPENDED						
Charitable activities						
Academy's educational operations	6	33	771	100	904	797
Governance costs	7	<u>-</u>	<u>7</u>	<u>-</u>	<u>7</u>	<u>7</u>
Total resources expended	5	<u>33</u>	<u>778</u>	<u>100</u>	<u>911</u>	<u>804</u>
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS						
		32	(27)	(97)	(92)	(32)
Gross transfers between funds	18	<u>(23)</u>	<u>19</u>	<u>4</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources before other recognised gains and losses		9	(8)	(93)	(92)	(32)
Other recognised gains/losses						
Actuarial gains/losses on defined benefit schemes		<u>-</u>	<u>(1)</u>	<u>-</u>	<u>(1)</u>	<u>(33)</u>
Net movement in funds		9	(9)	(93)	(93)	(65)
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>47</u>	<u>(64)</u>	<u>3,023</u>	<u>3,006</u>	<u>3,071</u>
TOTAL FUNDS CARRIED FORWARD		<u>56</u>	<u>(73)</u>	<u>2,930</u>	<u>2,913</u>	<u>3,006</u>

The notes form part of these financial statements

By Brook Valley Academy Trust

Statement of Financial Activities - continued
for the Year Ended 31 August 2015

CONTINUING OPERATIONS

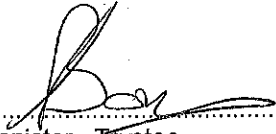
All incoming resources and resources expended arise from continuing activities.

The notes form part of these financial statements

By Brook Valley Academy Trust
Registered Company Number: 08020467 (England and Wales)
Balance Sheet
At 31 August 2015

	Notes	2015 £'000	2014 £'000
FIXED ASSETS			
Tangible assets	11	2,928	3,023
CURRENT ASSETS			
Stocks	12	1	4
Debtors	13	28	32
Cash at bank and in hand		<u>99</u>	<u>82</u>
		128	118
CREDITORS			
Amounts falling due within one year	14	(60)	(65)
NET CURRENT ASSETS		<u>68</u>	<u>53</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,996	3,076
PENSION LIABILITY	19	(83)	(70)
NET ASSETS		<u>2,913</u>	<u>3,006</u>
FUNDS	18		
Unrestricted funds		56	47
Restricted funds:			
Fixed asset funds		2,930	3,023
General funds		10	6
Pension reserve		<u>(83)</u>	<u>(70)</u>
Total restricted funds		<u>2,857</u>	<u>2,959</u>
TOTAL FUNDS		<u>2,913</u>	<u>3,006</u>

The financial statements were approved by the Board of Trustees on 26th November 2015 and were signed on its behalf by:



 I Banister, Trustee

The notes form part of these financial statements

By Brook Valley Academy Trust

Cash Flow Statement
for the Year Ended 31 August 2015

	Notes	2015 £'000	2014 £'000
Net cash inflow from operating activities	21	21	315
Capital expenditure and financial investment	22	(4)	(456)
Increase/(decrease) in cash in the period		<u>17</u>	<u>(141)</u>

**Reconciliation of net cash flow to movement
in net debt**

	23		
Increase/(decrease) in cash in the period		<u>17</u>	<u>(141)</u>
Change in net debt resulting from cash flows		<u>17</u>	<u>(141)</u>
Movement in net debt in the period		17	(141)
Net debt at 1 September		<u>82</u>	<u>223</u>
Net debt at 31 August		<u>99</u>	<u>82</u>

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming resources

All incoming resources are recognised when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund

Donations

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

Other income

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

Donated goods, facilities and services

The value of donated services and gifts in kind provided to the Academy are recognised at an estimate of their gross value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy's policies.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

All resources expended are inclusive of irrecoverable VAT.

Charitable activities

These are costs incurred on the Academy's educational operations.

Governance costs

These include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

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 lives, as follows:

Long leasehold buildings 50 years
Property improvements 10 years
Fixtures, fittings and equipment 3 years
ICT equipment 3 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

The leasehold land and buildings (being the school building) were transferred to the academy on a 125 year lease from Wiltshire Council. The property is included at the insurance valuation upon conversion. Other assets on transfer have been valued at cost when purchased shortly prior to the formation of the academy.

Stocks

Stock consists of purchased goods for resale including uniforms as well as other items held for future use. Stocks are valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Taxation

The Academy 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 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.

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy 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/Department for Education/other funders 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/Department for Education.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

1. ACCOUNTING POLICIES - continued

Pension benefits

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy.

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 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 quinquennial valuations using a prospective benefit method. As stated in Note 19, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy 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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Leased assets

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

2. VOLUNTARY INCOME

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Donations	<u>3</u>	<u>-</u>	<u>3</u>	<u>10</u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Other income	7	-	7	4
Consultancy	<u>13</u>	<u>-</u>	<u>13</u>	<u>4</u>
	<u>20</u>	<u>-</u>	<u>20</u>	<u>8</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Grants	<u>-</u>	<u>747</u>	<u>747</u>	<u>710</u>
Carried forward	-	747	747	710

By Brook Valley Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Brought forward	-	747	747	710
School trips	-	7	7	7
Afterschool club	38	-	38	33
Other income	<u>4</u>	<u>-</u>	<u>4</u>	<u>4</u>
	<u>42</u>	<u>754</u>	<u>796</u>	<u>754</u>

An analysis of grants received is given below:

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
DfE/EFA revenue grant				
General Annual Grant(GAG)	-	676	676	657
Other DfE/EFA grants	<u>-</u>	<u>67</u>	<u>67</u>	<u>27</u>
	-	743	743	684
DfE/EFA capital grant				
DfE/EFA capital grants	-	3	3	24
Other government grant				
Special educational needs	<u>-</u>	<u>1</u>	<u>1</u>	<u>2</u>
	<u>-</u>	<u>747</u>	<u>747</u>	<u>710</u>

5. RESOURCES EXPENDED

	Staff costs £'000	Non-pay expenditure Premises £'000	Other costs £'000	2015 Total £'000	2014 Total £'000
Charitable activities					
Academies educational operations					
Direct costs	516	-	62	578	546
Allocated support costs	<u>111</u>	<u>112</u>	<u>103</u>	<u>326</u>	<u>251</u>
	627	112	165	904	797
Governance costs including allocated support costs	<u>-</u>	<u>-</u>	<u>7</u>	<u>7</u>	<u>7</u>
	<u>627</u>	<u>112</u>	<u>172</u>	<u>911</u>	<u>804</u>

By Brook Valley Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

5. RESOURCES EXPENDED - continued

Net resources are stated after charging/(crediting):

	2015 £'000	2014 £'000
Auditors' remuneration	5	5
Auditors' remuneration for non-audit work	2	2
Depreciation - owned assets	102	63
Operating leases - equipment	<u>1</u>	<u>1</u>

Included within resources expended are the following transactions. Individual transactions exceeding £5,000 are identified separately:

	Total	Individual items above £5,000	
		Amount	Reason
Ex-gratia/compensation payments	-	-	-
Gifts made by the trust	-	-	-
Fixed asset losses	-	-	-
Stock losses	-	-	-
Unrecoverable debts	-	-	-
Cash losses	-	-	-

6. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Direct costs				
Teaching and educational support staff	-	516	516	477
Depreciation	-	6	6	4
Technology costs	-	8	8	18
Educational supplies	4	38	42	40
Staff development	-	6	6	6
Educational consultancy	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>
	4	574	578	546
Allocated support costs				
Support staff costs	26	85	111	94
Depreciation	-	96	96	59
Technology costs	-	5	5	4
Recruitment and support	-	1	1	3
Maintenance of premises and equipment	-	15	15	16
Cleaning	-	24	24	21
Rates and water	-	9	9	5
Energy costs	-	12	12	14
Insurance	-	13	13	17
Catering	3	28	31	8
Other support costs	<u>-</u>	<u>9</u>	<u>9</u>	<u>10</u>
	29	297	326	251
	<u>33</u>	<u>871</u>	<u>904</u>	<u>797</u>

By Brook Valley Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

7. GOVERNANCE COSTS

	Unrestricted funds £'000	Restricted funds £'000	2015 Total funds £'000	2014 Total funds £'000
Auditors' remuneration	-	5	5	5
Auditors' remuneration for non-audit work	-	2	2	2
	<u>-</u>	<u>7</u>	<u>7</u>	<u>7</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

One or more trustees have been paid remuneration or have 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 role as trustees. The value of trustees' remuneration was as follows:

B Ball (Principal and trustee):

Remuneration £60,000 - £65,000 (2014: £60,000 - £65,000)

Employer's pension contribution £5,000 - £10,000 (2014: £5,000 - £10,000)

D Hensell (staff trustee):

Remuneration £40,000 - £45,000 (2014: £30,000 - £35,000)

Employer's pension contribution £5,000 - £10,000 (2014: £0 - £5,000)

J Jardim (staff trustee - appointed July 2015):

Remuneration £5,000 - £10,000

Employer's pension contribution £0 - £5,000

Trustees' expenses

During the year ended 31 August 2015, travel and subsistence expenses totalling £Nil (2014 - £516) were reimbursed to trustees (2014 - 2). Related party transactions involving the trustees are set out in note 20.

By Brook Valley Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

9. STAFF COSTS

	2015	2014
	£'000	£'000
Wages and salaries	502	460
Social security costs	29	27
Other pension costs	<u>87</u>	<u>74</u>
	618	561
Supply teacher costs	<u>9</u>	<u>10</u>
	<u>627</u>	<u>571</u>

The average number of persons (including senior management team) employed by the charitable company during the year expressed as full time equivalents was as follows:

	2015	2014
Teachers	6	5
Administration and support	7	7
Management	<u>3</u>	<u>3</u>
	<u>16</u>	<u>15</u>

The number of employees whose emoluments fell within the following bands was:

	2015	2014
£60,001 - £70,000	<u>1</u>	<u>1</u>

The above employee participated in the Teacher's Pension Scheme. During the year ended 31 August 2015 employer's pension contributions for this staff member amounted to £9,000 (2014: £9,000).

The average number of persons employed by the Academy during the year was:

	2015 Number	2014 Number
Teachers	10	7
Administration and support	14	13
Management	<u>3</u>	<u>3</u>
	<u>27</u>	<u>23</u>

Included in staff restructuring costs are non-statutory / non-contractual severance payments totalling £Nil.

10. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the insurance.

By Brook Valley Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2015**

11. TANGIBLE FIXED ASSETS

	Long leasehold £'000	Improvements to property £'000	Fixtures and fittings £'000	Computer equipment £'000	Totals £'000
COST					
At 1 September 2014	2,561	566	12	3	3,142
Additions	-	-	-	7	7
At 31 August 2015	<u>2,561</u>	<u>566</u>	<u>12</u>	<u>10</u>	<u>3,149</u>
DEPRECIATION					
At 1 September 2014	91	20	5	3	119
Charge for year	<u>40</u>	<u>56</u>	<u>4</u>	<u>2</u>	<u>102</u>
At 31 August 2015	<u>131</u>	<u>76</u>	<u>9</u>	<u>5</u>	<u>221</u>
NET BOOK VALUE					
At 31 August 2015	<u>2,430</u>	<u>490</u>	<u>3</u>	<u>5</u>	<u>2,928</u>
At 31 August 2014	<u>2,470</u>	<u>546</u>	<u>7</u>	<u>-</u>	<u>3,023</u>

Included in Leasehold land and buildings is land of £601,000 (2014: £601,000) which is not depreciated.

12. STOCKS

	2015 £'000	2014 £'000
Oil	-	3
Uniforms	<u>1</u>	<u>1</u>
	<u>1</u>	<u>4</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £'000	2014 £'000
Trade debtors	4	2
VAT	2	15
Prepayments and accrued income	<u>22</u>	<u>15</u>
	<u>28</u>	<u>32</u>

By Brook Valley Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£'000	£'000
Trade creditors	12	-
Social security and other taxes	9	9
Accruals and deferred income	<u>39</u>	<u>56</u>
	<u>60</u>	<u>65</u>

Deferred income

	£'000
Deferred income at 1 September 2014	22
Resources deferred in the year	28
Amounts released from previous years	<u>(22)</u>
Deferred Income at 31 August 2015	<u>28</u>

At the balance sheet date the academy trust was holding funds received in advance for the 15/16 school year.

15. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Other operating leases	
	2015	2014
	£'000	£'000
Expiring:		
Between one and five years	<u>-</u>	<u>1</u>

16. MEMBERS' LIABILITY

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

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Fixed asset fund	Total	2015 funds	Total	2014 funds
	£'000	£'000	£'000		£'000		£'000
Fixed assets	-	-	2,928		2,928		3,023
Current assets	56	70	2		128		118
Current liabilities	-	(60)	-		(60)		(65)
Pension liability	<u>-</u>	<u>(83)</u>	<u>-</u>		<u>(83)</u>		<u>(70)</u>
	<u>56</u>	<u>(73)</u>	<u>2,930</u>		<u>2,913</u>		<u>3,006</u>

By Brook Valley Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

18. MOVEMENT IN FUNDS

	At 1.9.14 £'000	Net movement in funds £'000	Transfers between funds £'000	At 31.8.15 £'000
Unrestricted funds				
Unrestricted fund	47	32	(23)	56
Restricted fixed asset funds				
DfE/EFA capital grants	480	(49)	-	431
Fixed assets on conversion	2,469	(38)	-	2,431
Other capital grants	3	(3)	-	-
Fixed assets purchased from GAG	71	(7)	4	68
	3,023	(97)	4	2,930
Restricted general funds				
Pension fund	(70)	(13)	-	(83)
DfE/EFA grants	6	4	-	10
General Annual Grant (GAG)	-	(19)	19	-
	(64)	(28)	19	(73)
Total restricted funds	2,959	(125)	23	2,857
TOTAL FUNDS	<u>3,006</u>	<u>(93)</u>	<u>-</u>	<u>2,913</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
Unrestricted funds				
Unrestricted fund	65	(33)	-	32
Restricted fixed asset funds				
DfE/EFA capital grants	3	(52)	-	(49)
Fixed assets purchased from GAG	-	(7)	-	(7)
Fixed assets on conversion	-	(38)	-	(38)
Other capital grants	-	(3)	-	(3)
	3	(100)	-	(97)
Restricted general funds				
DfE/EFA grants	67	(63)	-	4
Other government grants	1	(1)	-	-
Other restricted income	7	(7)	-	-
General Annual Grant (GAG)	676	(695)	-	(19)
Pension fund	-	(12)	(1)	(13)
	751	(778)	(1)	(28)
Total restricted funds	754	(878)	(1)	(125)
TOTAL FUNDS	<u>819</u>	<u>(911)</u>	<u>(1)</u>	<u>(93)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

18. MOVEMENT IN FUNDS - continued

General Annual Grant - the GAG is applied in strict accordance with the terms of the Model Funding Agreement. 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 2015.

Other DfE/EFA grants - these include the pupil premium which is used to assist pupils from low income families, PE sports grant to fund improvements to the provision of PE and sports for primary pupils, and the grant towards the universal free school meals provision.

Other government grants - this is the special educational needs funding from Wiltshire County Council.

Other income - this is the monies received and expended on school trips plus donations received that are restricted.

Pension reserve - this deficit represents the net shortfall in funds in the Local Government Pension Scheme in relation to employees past and present.

DfE/EFA capital grants - this represents funding specifically provided to support capital expenditure on fixed assets.

Other capital grants/donations - this represents the donation received for the purchase of fixed assets.

Fixed assets on conversion - this represents the value of land, buildings and other assets transferred from the Local Authority to the academy on conversion less depreciation.

Capital expenditure from GAG - this represents the cost less depreciation of assets purchased from the GAG.

The following transfers have been made in the year:

£4,000 transferred from the 'GAG' to 'Capital expenditure from GAG' being the cost of capital additions in the period funded by the GAG.

£23,000 transferred from unrestricted funds to the GAG to cover the GAG deficit in the year.

19. PENSION AND SIMILAR OBLIGATIONS

The Academy'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 Wiltshire Pension Fund. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2013.

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

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

19. PENSION AND SIMILAR OBLIGATIONS
- continued

Teachers' pension scheme
Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years 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 (currently 14.1%);
- 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; and
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employers pension costs paid to TPS in the period amounted to £47,000 (2014: £45,000)

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £36,000, of which employer's contributions totalled £28,000 and employees' contributions totalled £8,000. The agreed contribution rates for future years are 17.9% for employers and 5.5% - 5.8% 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.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

19. PENSION AND SIMILAR OBLIGATIONS
- continued

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
Present value of funded obligations	(272)	(219)
Fair value of plan assets	<u>189</u>	<u>149</u>
	<u>(83)</u>	<u>(70)</u>
Deficit	<u>(83)</u>	<u>(70)</u>
Liability	<u><u>(83)</u></u>	<u><u>(70)</u></u>

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
Current service cost	40	29
Interest cost	9	7
Expected return	<u>(9)</u>	<u>(7)</u>
	<u>40</u>	<u>29</u>
Actual return on plan assets	<u>7</u>	<u>18</u>

The actual gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £48,000 loss (2014 - £47,000 loss).

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
Opening defined benefit obligation	(219)	(134)
Current service cost	(40)	(29)
Contributions by scheme participants	(8)	(7)
Interest cost	(9)	(7)
Actuarial losses/(gains)	<u>4</u>	<u>(42)</u>
	<u><u>(272)</u></u>	<u><u>(219)</u></u>

By Brook Valley Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

19. PENSION AND SIMILAR OBLIGATIONS
- continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
Opening fair value of scheme assets	149	101
Contributions by employer	28	25
Contributions by scheme participants	8	7
Expected return	9	7
Actuarial gains/(losses)	(5)	9
	<u>189</u>	<u>149</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2015	2014
	£'000	£'000
Equities	134	106
Bonds	28	25
Property	23	15
Cash	4	3
	<u>189</u>	<u>149</u>

The expected return on assets were:

	at 31 August 2015	at 31 August 2014
	% p.a.	% p.a.
Equities	3.8%	6.3%
Bonds	3.8%	3.4%
Property	3.8%	4.5%
Cash	3.8%	3.3%

The expected return on assets is based on the long-term future expected investment return for each asset class.

The estimated value of employer contributions for the year ended 31 August 2016 is £28,000.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	2015	2014
Discount rate	3.8%	3.7%
Expected return on scheme assets	3.8%	5.6%
Future salary increases	4.6%	4.5%
Future pension increases	2.7%	2.7%
Inflation (CPI)	2.7%	2.9%
Commutation of pensions to lump sums	50%	50%

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

	At 31 August 2015	At 31 August 2014
Current pensioners		
Males	22.3 years	22.3 years

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2015**

**19. PENSION AND SIMILAR OBLIGATIONS
- continued**

Females	24.5 years	24.5 years
Future pensioners*		
Males	24.1 years	24.1 years
Females	26.9 years	26.9 years

* Figures assume members aged 45 as at the last formal valuation date.

Amounts for the current and previous two periods are as follows:

	2015 £'000	2014 £'000	2013 £'000
Defined benefit pension plans			
Defined benefit obligation	(272)	(219)	(134)
Fair value of scheme assets	189	149	101
Deficit	(83)	(70)	(33)
Experience adjustments on scheme liabilities	-	4	-
Experience adjustments on scheme assets	(5)	9	5

The sensitivity regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumption at 31 August 2015	Approximate % increase to Employer Liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	17%	45
1 year increase in member life expectancy	3%	8
0.5% increase in the Salary Increase Rate	10%	27
0.5% increase in the Pension Increase Rate	6%	16

20. RELATED PARTY DISCLOSURES

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest.

All transactions involving such organisations are conducted at arm's length / conducted at cost and in accordance with the trust's financial regulations, the Academies Financial Handbook and normal procurement procedures.

The following related party transactions took place in the period of account:

B Ball, the head teacher and governor, received £2,874 (2014: £2,528) in the period for commission on consultancy services provided to other schools.

21. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £'000	2014 £'000
Net outgoing resources	(92)	(32)
Depreciation charges	102	63
Capital grants from DfE/EFA	(3)	(24)
FRS 17 pension finance income	-	4
Decrease/(increase) in stocks	3	(2)
Decrease in debtors	4	310
Decrease in creditors	(5)	(4)
Carried forward	9	315

By Brook Valley Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2015

21. RECONCILIATION OF NET OUTGOING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES - continued

	2015	2014
	£'000	£'000
Brought forward	9	315
Difference between pension charge and cash contributions	<u>12</u>	<u>-</u>
Net cash inflow from operating activities	<u><u>21</u></u>	<u><u>315</u></u>

22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2015	2014
	£'000	£'000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(7)	(480)
Capital grants from DfE/EFA	<u>3</u>	<u>24</u>
Net cash outflow for capital expenditure and financial investment	<u><u>(4)</u></u>	<u><u>(456)</u></u>

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.14	Cash flow	At 31.8.15
	£'000	£'000	£'000
Net cash:			
Cash at bank and in hand	82	17	99
	<u>82</u>	<u>17</u>	<u>99</u>
Total	<u><u>82</u></u>	<u><u>17</u></u>	<u><u>99</u></u>