

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017
FOR

FORT PITT THOMAS AVELING ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

FORT PITT THOMAS AVELING ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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FOR THE YEAR ENDED 31 AUGUST 2017

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FORT PITT THOMAS AVELING ACADEMIES
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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

MEMBERS

Marion Cogger
Terry Brown (resigned 3.5.17)
Roger Brown (resigned 3.5.17)
Denise Ford (resigned 3.5.17)
Helen Klimkowicz (resigned 3.5.17)
Wendy Rogers (resigned 3.5.17)
Darren Small (resigned 3.5.17)
Timothy Watts (resigned 3.5.17)
Kim Cleall-Harding (appointed 2.5.17)
Peter Gregory (appointed 2.5.17)
Veen Rama (appointed 2.5.17)

TRUSTEES

Marion Cogger (Chair)
Terry Brown (Vice Chair)
Roger Brown
Denise Ford
Helen Klimkowicz
Wendy Rogers
Darren Small
Timothy Watts
Michael Bailey (resigned 4.1.16)
Paul Jackson (Executive Head Teacher and Accounting Officer)
Julia Bell (Executive Head Teacher and Accounting Officer) (resigned 31.12.15)

Fort Pitt Grammar School – Local Governing Body

Marion Cogger	Chair
Nick Watkiss	Head Teacher
Alison Jeffreys	
Selina Dhesy	
Richard Hopkins	
Mirella Lombardo	
Nicky Archer	
Helen Klimkowicz	
Martin Stanford	
Timothy Watts	
Chris Spring	(resigned 5.7.17)
Ruth Du-Lieu	(appointed 5.7.17)
Emeka Madueke	(appointed 5.7.17)

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Thomas Aveling School – Local Governing Body

Darren Small	Chair
Paul Jackson	Head Teacher
Gill Clarke	(resigned 31.12.16)
Raffaella Rosina	(resigned 31.12.16)
Andrew Waters	
Tony Luff	(resigned 31.12.16)
Antonina Paneva	(resigned 31.12.16)
Helen Curston	
Lee Kyriacou	
David Travallion	
Wendy Nye	
Claire Wybourn	(appointed 1.1.17)
Dean Gardiner	(appointed 1.1.17)
Michael Bailey	(appointed 17.1.17)
Michael Gray	(appointed 1.1.17)
Suzanne Williams	(appointed 1.1.17)

The Robert Napier School – Local Governing Body

Terry Brown	Chair (appointed 1.9.16)
Carol Wrate	Vice Chair (resigned 31.7.17)
Andy Minchin	Head Teacher
Barbara Fincham	
Jane Dunnett	(resigned 31.8.17)
Syreeta Martin	(resigned 28.2.17)
Paul Chaplin	(resigned 23.11.17)
Miguel Martins	(appointed 1.9.16)
Patricia Emerick	(appointed 1.9.16)
Brenda Brocklehurst	(appointed 21.9.17)
Doreen East	(appointed 28.3.17)
Hayley Colwell	(appointed 28.3.17)
John Crockett	(appointed 13.11.17)
Matthew Wells	(appointed 13.11.17)
Priscilla Haselhurst	(appointed 13.10.17)
Sarah Hitchen	(appointed 1.3.17)
Stephen Dansie	(appointed 9.3.17)

Phoenix Junior Academy – Local Governing Body

Denise Ford	Chair
Roger Brown	Vice Chair
Pete Sears	Head Teacher
Mel Harris	
Samantha Wady	(resigned 31.8.17)
Laura Doyle	(resigned 11.10.17)
Verity Rock	(resigned 31.7.17)
Steve Quenby	(resigned 31.7.17)
Andrew Ost	
Sarah Phillipson	
Lee Preston	(resigned 31.8.17)
Carol Winn	
Kim Parnell	

FORT PITT THOMAS AVELING ACADEMIES
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REFERENCE AND ADMINISTRATIVE DETAILS
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Member Schools

Fort Pitt Grammar School
Thomas Aveling School
The Robert Napier School
Phoenix Junior School
Balfour Junior School

Other Addresses

Fort Pitt Grammar School
Fort Pitt Hill
Chatham
ME4 6TJ

Thomas Aveling School
Arethusa Road
Rochester
ME1 2UW

The Robert Napier School
Third Avenue
Gillingham
ME7 2LX

Phoenix Junior School
Glencoe Road
Chatham
ME4 5QD

Balfour Junior School
Balfour Road
Chatham
ME4 6QX

Websites

www.fortpitt.medway.sch.uk

www.thomasaveling.co.uk

www.robertnapier.org.uk

www.phoenixjuniors.co.uk

www.balfourjuniorschool.org.uk

FORT PITT THOMAS AVELING ACADEMIES
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2017

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2017. The trustees have adopted the provisions of 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) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education Funding Agency.

The Fort Pitt Thomas Aveling Academies operate one Junior and three Secondary Academies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academies 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 academies trust. The charitable company is known as Fort Pitt Thomas Aveling Academies.

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.

Trustees' Indemnities

Subject to the provision of the Companies Act 2006, the Trust intends to maintain trustees' and officers' liability insurance which gives appropriate cover for any liability incurred or legal action brought against them in connection with their acting in their capacity as directors of the Trust.

Principal activities

The principal activity of the Fort Pitt Thomas Aveling Academies (FPTA) is to provide excellent education opportunities to students and pupils, to nurture and care for their learning and well-being that will serve them during their lives and future careers. To support this aim, the FPTA academies have managed the four schools in the 2015/16 accounting year to ensure academic excellence and resources are managed and spent in line with DfE and EFA academy policies and financial regulations.

Method of recruitment and appointment or election of new trustees

The Directors may appoint up to 10 Board Members for the Local Governing Board of each school. The Directors may appoint Staff Board Members through such process as they may determine, provided that the total number of Board Members (including the Head Teacher) who are employees of the Academy Trust does not exceed one third of the total number of Board Members. The Head Teacher shall be treated for all purposes as being ex officio Board Member.

Subject to Article 57, the Parent Board Members shall be elected by parents of registered pupils at each of the academy schools. A Parent Board Member must be a parent of a pupil at the school at the time when he or she is elected. The Local Governing Board shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Board Members, including any question of whether a person is a parent of a registered pupil at the school. Any election of Parent Board Member which is contested shall be held by secret ballot.

The arrangements made for the election of a Parent Board Member shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he or she prefers, by having his or her ballot returned to the Trust by a registered pupil at the Academy.

Where a vacancy for a Parent Board Member is required to be filled by election, the Advisory Board shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he or she is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

FORT PITT THOMAS AVELING ACADEMIES
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REPORT OF THE TRUSTEES
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STRUCTURE, GOVERNANCE AND MANAGEMENT – continued

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trust subscribes to the Medway Governor Training Package and all courses and induction programmes are available to Trustees and Governors.

Organisational structure

The Directors of the Fort Pitt Thomas Aveling Academies, incorporating Fort Pitt Grammar School, The Thomas Aveling School, The Robert Napier School, Phoenix Junior Academy and Balfour Junior Academy, have overall responsibility for academic achievement, setting policy and the running of the Trust Schools, setting strategic direction and managing the overall resources for the delivery of the Academy's aims and objectives.

Paul Jackson, Executive Head Teacher, has overall management responsibility for the Trust and is accountable to the Directors. The Trust has overall responsibility for setting the Academy's budgets and for ensuring the Trust Schools are managed effectively and achieve best value. The Directors and the Executive Head Teacher devolve the day to day management of each school to the Local Governing Board and Head Teacher. A Director of the Trust is chair of each school's Local Governing Board.

The Trust's organisational structure will be changing in 2017. The Members and Directors will be separated with new Members being appointed to sit above the Trustees/Directors. This will further improve the level of scrutiny and independence. Directors will continue to maintain the strategic vision for the trust with significant responsibility delegated to Local Governing Boards but Members will take on overall responsibility for the Trust.

The Head Teachers of Fort Pitt Grammar School, The Thomas Aveling School, The Robert Napier School, Phoenix Junior Academy and Balfour Junior Academy are accountable to the Executive Head Teacher, their School's Local Governing Board and the Trustees for raising performance, achieving academic excellence and carrying out the Trust policies and procedures. The Head teachers manage their schools' finances in line with the strategic plans for the Trust and ensure effective controls are in place and secure best value for the goods and services purchased.

The Head teachers of the Trust schools are supported in the management of the school by their senior leadership teams. The Head teachers and senior leadership teams are collectively responsible to the Executive Head Teacher for the overall management of the Trust Schools, incorporating teaching and learning and the planning and use of assets and financial resources. Management responsibility is further delegated to Heads of Departments for accounting to the senior leadership teams and the Head teachers for student and teacher performance.

During the 2015/16 accounting year, the Trustees have focused on harmonising the strategic aims and direction of the newly formed Trust, following the merger of the Fort Pitt Grammar School Academy Trust and The Thomas Aveling Academy Trust. It has also focused on harmonising the respective policies and procedures and for ensuring improvements in teaching and learning across the Trust schools. In addition, the Executive Head Teacher and Trustees have been meeting with Balfour Juniors as part of the plans for Balfour to join the Trust in January 2017. This will increase the Trust to five schools and this addition will further strengthen Fort Pitt Thomas Aveling Academies.

Arrangements for setting pay and remuneration of key management personnel

These are in made accordance with the Trust main pay policy

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REPORT OF THE TRUSTEES
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STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

Organisational structure - continued

Connected Organisations, including Related Party Relationships

There are no connected organisations or related party relationships to report.

OBJECTIVES AND ACTIVITIES

Objects and aims

The Fort Pitt Thomas Aveling Academies' aims are specifically restricted to the following: to advance education for the public benefit in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing the Trust schools offering a broad and balanced curriculum. The aim of the Fort Pitt Thomas Aveling Academies is to strive to provide outstanding educational opportunities and achievement, raising attainment and achieving high standards of performance.

Objectives, Strategies and Activities

The main objectives for the 2016/17 accounting period have been;

- Continuing to use the available resources to achieve academic excellence
- Achieving a school environment that provides excellent community
- Ensuring excellent behaviour
- Continuing to deliver 'best value' for stakeholders

Public benefit

The Trust confirm that it has referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Social investments

The Directors recognise that equal opportunities are an integral part of good practice within the workplace. The Trust aims to establish equality of opportunity in all areas of its activities including the creation of a working environment in which the contribution and needs of all people are fully valued.

The Trust supports the involvement of the wider community within the school community by establishing strong links with neighbours, local churches, clubs and organisations.

Disabled Persons

The Trust's Accessibility Policy supports the aims to ensure provision for disabled students and staff. Ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all ground floor areas to the Trust buildings. Where appropriate, lifts have been installed to facilitate wheelchair and disabled access to the upper levels (or lower) of the buildings. The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust does this by adapting the physical environment by making support resources available and through training and career development.

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REPORT OF THE TRUSTEES
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STRATEGIC REPORT

Achievement and performance

There has been significant change in public policy in relation to Education during 2016/17, not least in the introduction of new syllabi and exams at both GCSE and A level. This will continue throughout the new academic year. Primary education has now completed the second year of much tougher assessments at the end of Key Stage 2 with schools now able to prepare pupils much better with increased knowledge of assessment requirements. There has been significant discussion at Government level regarding a new "fairer" funding formula but this has been delayed for introduction until September 2018.

Fort Pitt Grammar School

The school continues to achieve excellent examination results. At A level there was a pass rate of 99% A-E with 44% of *these* grades at A* - B. Retention rates of students has improved from 75% a few years ago to 98%. Destinations have also improved this year with a higher proportion of students entering high quality universities, including Cambridge and international universities.

At GCSE level, 94% of pupils achieved Level 4 or above in English and Maths, 100% of students achieved Level 4+ in English/English Literature and the proportion of students achieving 5 or more A*-A grades increased from 33% to 38% in one year. Our Progress 8 score also improved this year to 0.32, above average and places the school in the top 16% of schools nationally.

The re-structure and much tighter spending controls have resulted in the school reducing the deficit that developed in the previous academic year and has not impacted negatively on the quality of education offered at Fort Pitt. Increased 6th form numbers and retention between Y12 and Y13 will result in additional money coming into the school in the next financial year which will allow additional resources to be purchased to further enhance the education offered.

The school was awarded £3.99m capital funds in 2016 for a new Science building and following planning approval and demolition during the year the Science building is now well on the way to completion. Completion is expected in early 2018.

The Thomas Aveling School

Thomas Aveling students did very well in 2017 and posted another good year with 50% of students gaining grade 4 in both English and Maths with a number of students gaining the new grade 9 which is given out to the top 2% of students in the country.

At A level 100% of students passed their courses with an average overall grade of a C. Academic performance was up slightly on the previous year and vocational achievement was also up with the average grade being a distinction

Thomas Aveling School managed its finances efficiently during the year and the in-year surplus generated will be used to support the expected in-year deficit in 2017/18. The surplus in 2016/17 has been driven by a number of means including additional income to support SEN provisions in place and expenditure savings incorporating Salary cost reductions consequent to natural rotation of staff and in efficiency savings in resource management. In addition to these a pro-active site team also help to keep maintenance costs in check. Increases in general costs of employment are a major consideration going forwards with the advent of the new Apprentice levy and the trust will need to manage these carefully to ensure that a value gain is returned against allowable staff development and wider engagement of apprentice staff as a tangible and beneficial resource.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2017

STRATEGIC REPORT – continued

Achievement and performance - continued

The Thomas Aveling School - continued

Revenue funds have been used to support capital expenditure on improvements to the site facilities during the year including refurbishment of a food technology room and improvements to the Wireless infrastructure for the benefit of students and staff.

In order to maintain a favourable balance on funds the Academy continues to regularly review expenditure and reduce cost where possible. It is anticipated that financial pressures will continue to grow as a result of the expected reduction in income in 2017/18 due to a fall in sixth form student numbers in the current year. Increased expenditure due to changes to the national curriculum, including increased cost of replacement resources and in exam related charges are also expected.

The Robert Napier School

In 2017 only 20% of students gained a grade 4+ in Maths and English which was disappointing and not expected. New measures to improve results have been put in place and rigorous. The school's Progress 8 score remained fairly static at -0.09 which is categorised as close to average and is similar to last year. There is still a significant amount of improvement needed particularly in the progress of Maths to move the school into positive a progress 8 position. The gap between disadvantaged students and non-disadvantaged students has closed compared to 2016 but is still a major area of focus for the school. Other key areas for improvement - attendance and behaviour also continue to improve with some solid improvements in these measures but still need further improvement against average national benchmark figures. The school is now working toward its next Ofsted which should be in September 2018.

The school's reserves have been fully utilised to bridge the funding gap between income and expenditure and to help fund the necessary major restructure of staffing that took place during the course of the year. A reduction in GAG income as a result in a fall in roll in the previous year and lagged funding following increase in sixth form numbers have further stretched the finances during the year. Redundancy costs of the staffing restructure included in the accounts equated to £120k during the year and this has consequently been a major factor in shaping the financial position of the academy and the resultant deficit c/f of £117k at the end of the year.

The school has made necessary changes to the procurement process and expenditure plans and aims to reduce expenditure further to match reduced income levels before planned increases in student numbers will generate greater income in forthcoming years. It is the expectation that changes to the National formula funding will also have a positive effect in addressing the current funding gap.

Phoenix Junior Academy

Phoenix enjoyed a year of consolidation and growth. Staffing has become more stable and progress has been made on increasing attendance, reducing persistent absence and improving attainment. This year the KS2 results increased by 9% to 34% and are currently starting to show real progress against national targets gaining the combined expected level in Writing Reading and Maths. Progress in other years is quickly improving which is very positive for the future results. They were a part of a successful trust wide visit by the DfE early in the year and have had many visits by independent bodies. Phoenix Junior Academy submitted an application to become a through primary this year (this has subsequently been turned down) which would have given an excellent platform for future growth.

The financial strategy for the school is to maintain a balanced in year budget whilst employing reserves for investment in supporting the pupils to achieve and enjoy learning. The overall financial position of the school remains very healthy with initial plans to use funds to invest in the school facilities to support the through school development plans for the site.

Whilst the rejection of the site development plan is extremely disappointing, it remains the focus and intent of the school therefore to invest in both the internal and external site facilities including plans for re-development of external play areas and the reception area.

A high proportion of pupils attending the school are from deprived backgrounds and student development strategies therefore continue to be supported by the school through the Pupil Premium monies.

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REPORT OF THE TRUSTEES
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STRATEGIC REPORT – continued

Balfour Junior Academy

Balfour Junior School was very proud to join the FPTA trust in January 2017 and continues to be a good school with rising rates of both attainment and progress. The newly restructured senior leadership team and effective staff body are enthusiastic in moving towards a closer and more effective working relationship with partner schools which will raise standards for all the children. Key stage 2 results improved by 10% this year to 59% combined, only 2% below the national average, this is against the backdrop of a necessary reorganisation taking place. Balfour Juniors remains ambitious for better and have set challenging targets for the coming year.

The academy is in a strong financial position – making sure that a balanced budget is maintained in addition to improving the facilities for the benefit of the pupils.

Trust Finances – Summary 2016/17

Schools have been under increasing pressure to continue to improve teaching and learning against a back-drop of considerable change to the national curriculum often in difficult and challenging environments and to keep within budget.

At a time when income levels in both real and tangible terms continue to fall and cost pressures have increased due to external influences including apparent Brexit related factors it is becoming increasingly difficult to maintain a balanced financial position.

Schools are expected to pay annually for the cost of living pay increases awarded by external bodies, increases in employer's contributions to the Teachers Pension scheme from 14.1% to 16.48%, increases of around 3% in the employers' National Insurance rates since 2015, introduction of the apprentice Levy of 0.5%, increases of up to 8% for staff on lower pay scales and above inflationary increases in goods and services on the back of Brexit and uncertainty. The schools also have to fund considerable redundancy costs necessitated by essential staff restructuring from within their own resources.

Maintaining standards during challenging times means Trust management and Head Teachers are having to keep everything under constant review, to be creative in providing a broad curriculum and to keep costs down.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Academy trust has adequate resources to continue in operational existence for the foreseeable future. The academy trust has a good pupil base and generally the schools are oversubscribed. The level of overall balances remains healthy and for this reason the Trustees continue 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:

Key financial performance indicators

	31.8.17	31.8.16
Total expenditure on operations per pupil enrolled	£6,552	£6,465
Wages & Salaries as a percentage of DfE/EfA revenue grant	69%	68%
Total Staff costs: (Excluding Supply) per pupil enrolled	£4,938	£4,752
Total staff costs as a percentage of total revenue and other government grants	91%	89%
LGPS deficit per pupil	£3,205	£3,005

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2017

STRATEGIC REPORT - continued
Financial review - continued

Reserves policy

The levels of reserves of the Academy Trust and individual Academies are reviewed by the Directors of the Trust on an annual basis, which review incorporates a critical analysis to ensure that income is matched to expenditure commitments and associated risk and that the nature of reserves held are commensurate with future commitments. The free reserves levels that are permissible to be held have been determined by the Directors of the Trust as necessary to provide sufficient working capital to manage delays in income and receipt of grants, payments of salary commitments and to provide a contingency to manage unexpected emergencies such as urgent repairs and maintenance. In this regard a restricted reserves balance of 5% of annual income is determined by the Directors to be of sufficient level at this time to manage risk against future uncertainties as may arise.

The financial statements show that the aggregate sum of £878,032 was held in restricted reserves and further a further aggregate sum of £848,874 was held in unrestricted reserve reserves by the individual schools within the Academy trust at the year-end 31st August 2017 in order to meet their specific needs, to support local development opportunities and form part of the wider Trust reserves.

Current restricted reserves balances held in excess of 5% will be used to support necessary re-structuring of individual Academies that will take place during 2017-18

Principal funding sources

The Trust income during the year was primarily obtained in the form of general Aggregate Grant from the EFA and incorporated pre-16 grant funds, post-16 grants and pupil premium funding. These are restricted funds as noted in the SOFA detail and intended to support specific activities of the Trust.

Investment policy

The Directors endeavour to optimise investment by earning interest on the Trust's bank deposits whilst maintaining instant access to funds. In the present financial climate, interest rates remain very low, with the Bank of England interest rate currently 0.5 per cent .having increased by 0.25% on 2 Nov 201. Rates are likely to continue at this rate for the present with possibility of further increases to 1% over the course of the 2017/18 accounting period. The investment policy is to carefully manage balances without taking undue risks.

The Trust continues to operate an overnight transfer facility with the banks where balances above £10k in the schools' general accounts are transferred to an interest earning account. Should a large payment go through the general account then the money is transferred back from the interest earning account to cover it.

The Trust will be reviewing its bank arrangements and investment policy in 2018. Presently three of the Trust Schools bank with Nat West and one school banks with Lloyds. In addition, two other banks serve the school voluntary funds in two schools (Co Op and Santander). Banking services provided to the Trust schools will be tendered and investment options provided to the Trustees.

Principal risks and uncertainties

The Directors are responsible for identifying risks faced by the Company, establishing procedures to mitigate these risks, and ensuring that employees are aware of these procedures and of the implications of failing to implement them. They are satisfied that these procedures are consistent with guidelines issued by the Charity Commission.

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REPORT OF THE TRUSTEES
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STRATEGIC REPORT - continued

The major strategic risks to which the Fort Pitt Thomas Aveling Academies is exposed are as follows:

- The risk to the school's future viability from market forces (pupils, competitors, staff)
- Changes in management, affecting strategic direction
- Major fraud, both internally and externally
- Policy changes introduced by the DfE
- Further reduction in 6th form funding will jeopardise the viability of many secondary school 6th forms
- Changes to data protection regulations and enforcement of GDPR on 25th May 2018
- Changes in the national funding formula with the introduction of 'fairer funding'

The above risks, together with the risk of critical damage and urgent maintenance requirements of buildings within the Academy Trust have been reviewed by the Directors and procedures are being put in place for managing the risks.

Balfour having joined the trust on 1st January 2017 has strengthened the position of the Five schools now within the Fort Pitt Thomas Aveling Academies Trust to deliver robust services and manage the available resources in execution of the stated intent of the Trust to provide for the education of the Trust Pupils. This has further reinforced FPTA as a leading Trust within Medway.

Future plans

Discussions with other local schools and Academies within the local area are ongoing and the Trust will continue to explore opportunities to welcome other educational establishments into the Trust on the basis of willing and like-minded partners who share the same goals and values to deliver a quality education to students in the Local area. Development of a hearing Impaired unit at one of the sites within the Trust and potential review of the through school provision at Phoenix provide further development opportunities for the Trust to deliver a first class education to the students that it serves.

Financial controls have been strengthened in 2016/17 to mitigate the principal risks and essential reviews of staffing and restructuring have been implemented as necessary. Through our auditors, a six monthly report on the schools' financial controls and procedures have been provided and recommendations made to improve the controls even further will be implemented as part of the management action. Further reviews will be planned during the course of the year as directed by the Trustees in order to help identify potential weaknesses, improve controls and provide further opportunity to reduce inefficiencies.

The plans for the enlarged trust will be to ensure that policy procedures are consistent across the trust schools and for contracts and purchasing arrangements to be further harmonised.

The trust core management functions covering finance, HR and procurement are will be further reviewed for best value to ensure economies of scale are achieved for the benefit of the trust schools.

FUNDS HELD AS CUSTODIAN FOR OTHERS

The Academy holds no funds as custodian trustee on behalf of others. During the year covered by this report neither the Academy Trust nor its trustees held any funds as a custodian trustee on behalf of any other charitable organisation.

AUDITORS

In so far 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.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 12 December 2017 and signed on the board's behalf by:



Terry Brown - Chair of Trustees

FORT PITT THOMAS AVELING ACADEMIES
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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Fort Pitt Thomas Aveling Academies 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 of loss.

The board of the trustees has delegated the day-to-day responsibility to the Principal, 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 Fort Pitt Thomas Aveling Academies 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 Directors' report and in the directors' responsibilities statement. The Trustees have met 6 times during the year. Attendance by the Trustees has been as follows;

	Attended	Out of a possible
Director Meetings		
Marion Cogger, Vice Chair	5	6
Terry Brown, Chair*	5	6
Roger Brown	5	6
Denise Ford	6	6
Helen Klimkowicz	3	6
Wendy Rogers	6	6
Darren Small	5	6
Timothy Watts	5	6

During the 2016/17 accounting year, there were no resignations as directors of the trust.

*Terry Brown was elected Chair of the Trust in November 2017 and Marion Cogger was elected as Vice-Chair.

Governance Reviews

Following the merger of Fort Pitt Grammar School Academy Trust with the Thomas Aveling School in September 2015, the FPTA trustees have been developing the governance structure across the Trust and its schools and have begun harmonising policy and procedures. As the Trust was growing, and to prevent the number of Directors becoming too large, it was considered that requiring a Director of the Trust to be appointed as Chair of each LGB would not be necessary, unless needed to support a struggling school and Local Governing Body. In Dec 2017 the Trustees have decided that a gradual process of appointing independent Trustees unattached to school LGBs, should begin, with the ultimate aim of providing complete separation and accountability between the tiers of Governance.

The trust meetings are structured to fulfil the audit committee role. The Trustees are very aware that the trust schools receive over £18m income, the main source being the Education Funding Agency. In accounting for this income the directors are fully committed to their responsibilities for ensuring this money is invested in the students' learning and well-being.

FORT PITT THOMAS AVELING ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017

Review of Value for Money

As Accounting Officer, the Executive Head Teacher has responsibility for ensuring the FPTA Academies delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider society 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.

The Accounting Officer has delivered improved value for money during the year and some examples of this are; further renegotiation of energy prices, centralisation of the IT network support function and pooling IT purchasing to deliver price reductions from greater economies of, centralising the payroll and HR functions to provide more economic and efficient support the Robert Napier School, Fort Pitt Grammar school and Phoenix Junior Academy with forthcoming extension to incorporate both Thomas Aveling and Balfour Junior Academy during the year and to tender for and implement key financial forecasting software designed to provide an effective budgetary tool and for the extended development of scenario and risk analysis for MATs.

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 Fort Pitt Thomas Aveling Academies (A Company Limited by Guarantee) for the period 1 September 2016 to 31 August 2017 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 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and 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.

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017

The Risk and Control Framework - continued

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 McCabe Ford Williams, the external auditor, to perform additional checks on behalf of the Trust. In particular, the checks carried out in the period included the testing and review of:

- payroll and personnel systems;
- purchase processing systems and tendering procedures;
- completeness of EFA income;
- completeness of other income;
- sales processing and debtors ledger;
- balance sheet control accounts;
- expense claims; and
- petty cash reconciliations.

On a six monthly basis, the Financial Director reports to the Board of Trustees concerning the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The Board of Trustees confirms that the internal reviewer function has been fully delivered in line with the EFA's requirements and that no material internal control issues were identified during those visits.

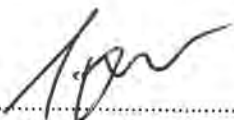
Review of Effectiveness

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

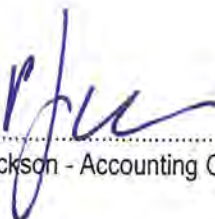
- the work of the external auditor
- additional checks undertaken by McCabe Ford Williams, and
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resources Committee, RO, Academy's Auditor and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 12 December 2017 and signed on its behalf by:



.....
Terry Brown - Chair of Trustees



.....
Mr P Jackson - Accounting Officer

FORT PITT THOMAS AVELING ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2017

As Accounting Officer of Fort Pitt Thomas Aveling Academies I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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



.....
Mr P Jackson - Accounting Officer

Date: 12 December 2017

FORT PITT THOMAS AVELING ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

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

The trustees (who act as governors of Fort Pitt Thomas Aveling Academies 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 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

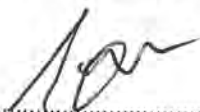
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the Education and Skills Funding Agency and Department for Education have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 12 December 2017 and signed on its behalf by:



.....
Terry Brown - Chair of Trustees

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FORT PITT THOMAS AVELING ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

Opinion

We have audited the financial statements of Fort Pitt Thomas Aveling Academies (the 'charitable company') for the year ended 31 August 2017, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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.

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 2017 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, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FORT PITT THOMAS AVELING ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)**

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 Report of the Trustees (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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.

Responsibilities of trustees

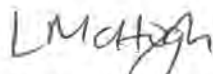
As explained more fully in the Statement of Trustees' Responsibilities set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.



Liam McHugh FCA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE
Date: 12 December 2017

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
FORT PITT THOMAS AVELING ACADEMIES
AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 26 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Fort Pitt Thomas Aveling Academies during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective Responsibilities of Fort Pitt Thomas Aveling Academies's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Shirley High School's funding agreement with the Secretary of State for Education dated 1 October 2010 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure. The work undertaken to draw to our conclusion includes:

- Review of the internal control environment which is designed to ensure compliance with regulations;
- Review of the accounting officer's consideration of issues surrounding regularity, propriety and compliance;
- Review of the work and reports of the external auditor performing additional system checks during the period;
- Analytical procedures regarding declaration of potential conflicts of interest by key staff and the Board of Trustees and the occurrence of transactions with connected parties;
- Review of fixed asset transactions against the requirements of the funding agreement between Shirley High School and the Secretary of State for Education and the Academies Financial Handbook;
- Testing of grants and other income for application in accordance with the terms and requirements attached;
- Review of the academy trust's activities to check they are in line with the Academies Framework and the academy trust's charitable objectives;
- Review of bank statements, minutes of meetings and financial transactions for indications of any items which may be improper;
- Review of bank accounts to check that they are operated within the terms of the academy trust's governing document and borrowing limits imposed by the funding agreement are not exceeded;

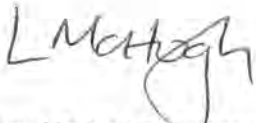
**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
FORT PITT THOMAS AVELING ACADEMIES
AND THE EDUCATION FUNDING AGENCY**

Approach – continued

- Testing of expenditure, including expense claims for signs of transactions for personal benefit;
- Review of any extra-contractual payments made to staff;
- Review of procurement activity during the period.

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 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Liam McHugh FCA (Reporting Accountant)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

Date: 12 December 2017

FORT PITT THOMAS AVELING ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2017

				31.8.17	31.8.16	
	Notes	Unrestricted fund £	Restricted funds £	Restricted fixed asset funds £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	3	146,595	282,232	1,577,389	2,006,216	2,137,503
Transfer from another Academy						
Trust/conversion from LA	2	285,419	(507,000)	3,887,000	3,665,419	13,867,717
Charitable activities						
Funding for the academy's educational operations	4	470,064	18,823,588	-	19,293,652	18,411,342
Other trading activities	5	302,528	-	-	302,528	569,710
Investment income	6	7,412	-	-	7,412	10,712
Total		1,212,018	18,598,820	5,464,389	25,275,227	34,996,984
EXPENDITURE ON						
Raising funds	8	20,857	47,702	-	68,559	16,282
Charitable activities						
Academy's educational operations		806,555	20,125,957	1,095,135	22,027,647	21,188,863
Total	7	827,412	20,173,659	1,095,135	22,096,206	21,205,145
NET INCOME/(EXPENDITURE)		384,606	(1,574,839)	4,369,254	3,179,021	13,791,839
Transfers between funds	22	(182,965)	58,140	124,825	-	-
Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit schemes		-	534,000	-	534,000	(4,185,000)
Net movement in funds		201,641	(982,699)	4,494,079	3,713,021	9,609,839
RECONCILIATION OF FUNDS						
Total funds brought forward		647,233	(8,940,269)	47,059,840	38,766,804	29,159,965
TOTAL FUNDS CARRIED FORWARD		848,874	(9,922,968)	51,553,919	42,479,825	38,766,804

CONTINUING OPERATIONS

All of the Academy's activities derive from acquisitions during the previous financial period and continuing operations during the above two financial periods.

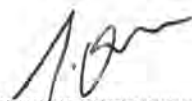
The notes form part of these financial statements

FORT PITT THOMAS AVELING ACADEMIES
(A COMPANY LIMITED BY GUARANTEE) (REGISTERED NUMBER: 07401701)

BALANCE SHEET
AT 31 AUGUST 2017

	Notes	31.8.17 £	31.8.16 £
FIXED ASSETS			
Tangible assets	14	49,711,023	45,294,823
CURRENT ASSETS			
Stocks	15	1,113	1,698
Debtors	16	1,528,116	748,911
Cash at bank and in hand		<u>3,835,960</u>	<u>3,673,658</u>
		5,365,189	4,424,267
CREDITORS			
Amounts falling due within one year	17	<u>(1,777,387)</u>	<u>(1,082,286)</u>
NET CURRENT ASSETS		<u>3,587,802</u>	<u>3,341,981</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		53,298,825	48,636,804
CREDITORS			
Amounts falling due after more than one year	17	(9,000)	(11,000)
PENSION LIABILITY	23	<u>(10,810,000)</u>	<u>(9,859,000)</u>
NET ASSETS		<u>42,479,825</u>	<u>38,766,804</u>
FUNDS	22		
<i>Unrestricted funds:</i>			
General funds		848,874	647,233
<i>Restricted funds:</i>			
Fixed asset funds		51,553,919	47,059,840
General funds		887,032	918,731
Pension reserve		<u>(10,810,000)</u>	<u>(9,859,000)</u>
		<u>41,630,951</u>	<u>38,119,571</u>
TOTAL FUNDS		<u>42,479,825</u>	<u>38,766,804</u>

The financial statements were approved by the Board of Trustees on 12 December 2017 and were signed on its behalf by:



 Terry Brown - Chair of Trustees

The notes form part of these financial statements

FORT PITT THOMAS AVELING ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

		31.08.17	31.08.16
	Notes	£	£
Cash flows from operating activities			
Net cash provided by operating activities	1	210,891	309,363
Cash flows from financing activities	2	(10,975)	(19,950)
Cash flows from investing activities	2	(37,614)	1,605,357
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		<u>162,302</u>	<u>1,894,770</u>
Cash and cash equivalents at 1 September		<u>3,673,658</u>	<u>1,778,888</u>
Cash and cash equivalents at 31 August		3,835,960	3,673,658

The notes form part of these financial statements

FORT PITT THOMAS AVELING ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES		
	31.8.17	31.8.16
	£	£
Net income for the reporting period (as per the statement of financial activities)	3,179,021	13,791,839
Adjustments for:		
Depreciation (note 14)	1,093,215	1,090,733
Capital grants from DfE/ESFA (note 3)	(1,577,389)	(2,054,441)
Transfer of fixed assets from other school (note 2)	(3,887,000)	(14,767,959)
Interest received (note 6)	(7,412)	(10,712)
Defined benefit pension scheme obligation inherited	507,000	1,581,000
Defined benefit pension scheme cost less contributions payable (note 23)	755,000	328,000
Defined benefit pension scheme finance cost (note 23)	223,000	194,000
Loans inherited from Thomas Aveling	-	41,925
Decrease/(increase) in stocks	585	(1,698)
(Increase) in debtors	(779,205)	(185,276)
Increase in creditors	704,076	301,952
Net cash provided by operating activities	<u>210,891</u>	<u>309,363</u>
 2. CASHFLOWS FROM FINANCING ACTIVITIES		
	31.8.17	31.8.16
	£	£
Repayments of borrowing	(10,975)	(19,950)
Net cash inflow for returns on investments and servicing of finance	<u>(10,975)</u>	<u>(19,950)</u>
 3. CASHFLOWS FROM INVESTING ACTIVITIES		
	31.8.17	31.8.16
	£	£
Dividends, interest and rents from investments (note 6)	7,412	10,712
Purchase of tangible fixed assets (note 14)	(1,622,415)	(459,796)
Capital grants from DfE/ESFA (note 3)	1,577,389	2,054,441
Net cash used in investing activities	<u>(37,614)</u>	<u>1,605,357</u>
 4. ANALYSIS OF CASH AND CASH EQUIVALENTS		
	31.8.17	31.8.16
	£	£
Cash in hand and at bank	<u>3,835,960</u>	<u>3,673,658</u>

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

1. ACCOUNTING POLICIES

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

Fort Pitt Thomas Aveling Academies meets the definition of a public benefit entity under FRS 102.

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 company 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. The academy has a consistent pupil roll and is always over-subscribed. The academy produces its annual budgets with prudent figures for both income and expenditure. For this reason, the trustees continue to adopt the going concern basis in preparing the financial statements.

Income

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES - continued

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 year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 22.

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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES - continued

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. 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.

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.

Allocation and apportionment of costs

Charitable activities are those costs incurred directly in the provision of education. These are split between direct costs and support costs. Direct costs are those which are attributable to the provision of education and support costs are costs in support of expenditure of the provision of education.

Costs of generating funds are those costs incurred in the provision of activities and services ancillary to the provision of education.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. 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 as detailed in notes 16 and 17. 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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

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 trust'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 estimated useful life, as follows:

Buildings	straight line over 50 years
Land	over the term of the lease not depreciated if owned
Furniture and Equipment	straight line over 5 years
Computers	straight line over 3 years
Motor Vehicles	straight line over 5 years
Improvements to Property	straight line over 50 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.

Stocks

Stocks are valued at the lower of cost and net realisable value, on a first in first out basis, after making due allowance for obsolete and slow moving items.

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.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education and 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 and Skills Funding Agency and Kent County Council.

Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES - continued

Property transferred upon conversion to an Academy

Upon becoming an Academy, the company received title to the freehold of the school buildings for no consideration. The freehold property has been valued using the depreciated replacement cost method. This reflects that the asset is specialised and follows the assumptions set out in GN6 of the RICS Professional Standards. The valuation has been undertaken on the Special Assumption of Instant Build, in accordance with the Charity SORP. The property has been brought into the restricted fixed asset fund as a donation within the Statement of Financial Activities.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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.

The net book value of freehold property, included within fixed assets, is based on assumptions in relation to the useful life of property and the residual value of the assets. The element of freehold property which relates to land is deemed not to have a finite life and is not depreciated. The element of freehold property which does not relate to land is depreciated on a straight line basis of 50 years, and it is assumed that the asset has no residual value. Any changes in these assumptions will have an impact on the carrying amount of fixed assets.

Critical areas of judgement

The trustees do not consider there to be any critical areas of judgement, other than those relating to estimation above, which have a significant effect on the amounts recognised in the financial statements.

FORT PITT THOMAS AVELING ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

2. TRANSFER FROM LOCAL AUTHORITY

On 1 January 2017 Balfour Junior School, became part of Fort Pitt Thomas Aveling Academies and its assets and liabilities were transferred in for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total Funds £
Tangible fixed assets				
Land and buildings	-	-	3,877,000	3,877,000
Other tangible fixed assets	-	-	10,000	10,000
Budget surplus on unrestricted funds	285,419	-	-	285,419
LGPS pension surplus/(deficit)	-	(507,000)	-	(507,000)
	<u>285,419</u>	<u>(507,000)</u>	<u>3,887,000</u>	<u>3,665,419</u>

The above net assets include £285,419 that was transferred as cash.

3. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £	Restricted funds £	31.8.17 Total funds £	31.8.16 Total funds £
Donations	146,595	282,232	428,827	83,062
Grants	-	1,577,389	1,577,389	2,054,441
	<u>146,595</u>	<u>1,859,621</u>	<u>2,006,216</u>	<u>2,137,503</u>

Grants received, included in the above, are as follows:

	31.8.17 £	31.8.16 £
Devolved Capital Grant	80,863	72,908
Academies Capital Maintenance Fund	1,496,526	1,981,533
	<u>1,577,389</u>	<u>2,054,441</u>

FORT PITT THOMAS AVELING ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.17 Total funds £	31.8.16 Total funds £
DfE/ESFA revenue grant				
General Annual Grant(GAG)	-	17,067,377	17,067,377	16,865,897
Other DfE/ESFA grants	-	<u>1,421,114</u>	<u>1,421,114</u>	<u>981,053</u>
	-	18,488,491	18,488,491	17,846,950
Other government grant				
Local Authority grants	-	<u>195,579</u>	<u>195,579</u>	<u>177,171</u>
	-	<u>18,684,070</u>	<u>18,684,070</u>	<u>18,024,121</u>
Other income from the academy trust's educational operations	<u>470,064</u>	<u>139,518</u>	<u>609,582</u>	<u>387,221</u>
	<u>470,064</u>	<u>18,823,588</u>	<u>19,293,652</u>	<u>18,411,342</u>

5. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	31.8.17 Total funds £	31.8.16 Total funds £
Hire of facilities	59,326	-	59,326	63,480
Other income	242,396	-	242,396	279,911
Additional income	<u>806</u>	-	<u>806</u>	<u>226,319</u>
	<u>302,528</u>	-	<u>302,528</u>	<u>569,710</u>

6. INVESTMENTS

	Unrestricted funds £	Restricted funds £	31.8.17 Total funds £	31.8.17 Total funds £
Interest received	<u>7,412</u>	-	<u>7,412</u>	<u>10,712</u>
	<u>7,412</u>	-	<u>7,412</u>	<u>10,712</u>

FORT PITT THOMAS AVELING ACADEMIES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

7. EXPENDITURE

		Non-pay expenditure		31.8.17	31.8.16
	Staff costs	Premises	Other costs	Total	Total
	£	£	£	£	£
Raising funds					
Costs incurred by trading for a fundraising purpose	-	-	68,559	68,559	16,282
Charitable activities					
Academies educational operations					
Direct costs	12,680,344	-	1,773,318	14,453,662	13,199,101
Allocated support costs	<u>4,366,350</u>	<u>803,502</u>	<u>2,404,133</u>	<u>7,573,985</u>	<u>7,989,762</u>
	<u>17,046,694</u>	<u>803,502</u>	<u>4,246,010</u>	<u>22,096,206</u>	<u>21,205,145</u>
Net income/(expenditure) is stated after charging/(crediting):				31.8.17	31.8.16
				£	£
Auditors' remuneration				21,000	16,000
Auditors' remuneration for non audit work				3,125	2,000
Auditors' remuneration – other audit costs				9,600	4,500
Depreciation - owned assets				<u>1,093,215</u>	<u>1,090,733</u>

8. RAISING FUNDS

Costs incurred by trading for a fundraising purpose

	Unrestricted funds	Restricted funds	31.8.17 Total funds	31.8.16 Total funds
	£	£	£	£
Purchases	<u>20,857</u>	<u>47,702</u>	<u>68,559</u>	<u>16,282</u>
	<u>20,857</u>	<u>47,702</u>	<u>68,559</u>	<u>16,282</u>

9. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	31.8.17 Total funds	31.8.16 Total funds
	£	£	£	£
Direct costs	600,702	13,852,960	14,453,662	13,199,101
Support costs	<u>205,853</u>	<u>7,368,132</u>	<u>7,573,985</u>	<u>7,989,762</u>
	<u>806,555</u>	<u>21,221,092</u>	<u>22,027,647</u>	<u>21,188,863</u>

FORT PITT THOMAS AVELING ACADEMIES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

9. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued

	31.8.17 Total £	31.8.16 Total £
Analysis of support costs		
Support staff costs	4,366,350	4,982,671
Depreciation	1,093,215	1,090,733
Technology costs	96,481	227,560
Premises costs	803,502	745,609
Other support costs	1,180,712	920,689
Governance costs	<u>33,725</u>	<u>22,500</u>
Total support costs	<u><u>7,573,985</u></u>	<u><u>7,989,762</u></u>

10. TRUSTEES' REMUNERATION AND BENEFITS

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. The value of the trustees' remuneration, was as follows:

Mr P Jackson (principal)		
Remuneration	£105,000 - £110,000	(2016: £100,000 - £105,000)
Employer's pension contributions	£15,000 - £20,000	(2016: £15,000 - £20,000)
Julia M Bell (resigned 31.12.15)		
Remuneration	Not a trustee	(2016: £20,000 - £25,000)
Employer's pension contributions	Not a trustee	(2016: £0 - £5,000)

Trustees' expenses

There were trustees' expenses paid for the year ended 31 August 2017 of £nil (2016: £48).

FORT PITT THOMAS AVELING ACADEMIES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

11. STAFF COSTS

	31.8.17	31.8.16
	£	£
Wages and salaries	12,612,568	12,192,309
Social security costs	1,109,515	964,501
Other pension costs	2,723,740	2,307,417
Apprenticeship levy	<u>20,235</u>	<u>-</u>
	16,466,058	15,464,227
Supply teacher costs	393,712	436,314
Staff restructuring costs	<u>186,924</u>	<u>123,092</u>
	<u>17,046,694</u>	<u>16,023,633</u>

Included in staff restructuring costs are non-statutory/non contractual severance payments totalling £25,000. This was one individual payment of £25,000.

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

	31.8.17	31.8.16
Teachers and educational support	197	199
Administration and support	156	183
Management	<u>35</u>	<u>23</u>
	<u>388</u>	<u>405</u>

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

	31.8.17	31.8.16
£60,001 - £70,000	7	4
£70,001 - £80,000	-	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£100,001 - £110,000	2	1
£110,001 - £120,000	<u>-</u>	<u>1</u>
	<u>10</u>	<u>8</u>

Seven of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2017, pension contributions for these staff amounted to £86,561 (2016: £82,754). Two of the above employees participated in the Local Government Pension Scheme, pension contributions amounted to £26,014 (2016: £13,062).

The key management personnel of the academy trust comprise the trustees and the senior leadership team made up of the Executive Principal, Head Teachers and finance support staff. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £2,148,130 (2016: £612,684).

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

12. 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 £2,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Restricted fixed asset funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	3,617	79,445	2,054,441	2,137,503
Transfer from another Academy Trust	330,339	(1,273,422)	14,810,800	13,867,717
Charitable activities				
Funding for the academy's educational operations	178,429	18,232,913	-	18,411,342
Other trading activities	468,057	101,653	-	569,710
Investment income	10,654	58	-	10,712
Total	991,096	17,140,647	16,865,241	34,996,984
EXPENDITURE ON				
Raising funds	16,282	-	-	16,282
Charitable activities				
Academy's educational operations	211,466	19,886,664	1,090,733	20,404,988
Total	227,748	19,886,664	1,090,733	21,205,145
NET INCOME/(EXPENDITURE)	763,348	(2,746,017)	15,774,508	13,791,839
Transfers between funds	(150,000)	22,472	127,528	-
Other recognised gains/(losses)				
Actuarial gains/losses on defined benefit schemes	-	(4,185,000)	-	(4,185,000)
Net movement in funds	613,348	(6,908,545)	15,902,036	9,606,839
RECONCILIATION OF FUNDS				
Total funds brought forward	33,885	(2,031,724)	31,157,804	29,159,965
TOTAL FUNDS CARRIED FORWARD	647,233	(8,940,269)	47,059,840	38,766,804

FORT PITT THOMAS AVELING ACADEMIES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

14. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixtures and fittings £	Computer equipment £	Total £
COST				
At 1 September 2016	46,492,096	1,677,773	427,439	48,597,308
Additions	1,509,401	64,613	48,401	1,622,415
Transfer on conversion	<u>3,877,000</u>	<u>7,600</u>	<u>2,400</u>	<u>3,887,000</u>
At 31 August 2017	<u>51,878,497</u>	<u>1,749,986</u>	<u>478,240</u>	<u>54,106,723</u>
DEPRECIATION				
At 1 September 2016	2,766,029	218,413	318,043	3,302,485
Charge for year	<u>847,769</u>	<u>159,747</u>	<u>85,699</u>	<u>1,093,215</u>
At 31 August 2017	<u>3,613,798</u>	<u>378,160</u>	<u>403,742</u>	<u>4,395,700</u>
NET BOOK VALUE				
At 31 August 2017	<u>48,264,699</u>	<u>1,371,826</u>	<u>74,498</u>	<u>49,711,023</u>
At 31 August 2016	<u>43,726,068</u>	<u>1,459,359</u>	<u>109,396</u>	<u>45,294,823</u>

Included in land and buildings is freehold land of £6,220,087 (2016 - £6,220,087)

15. STOCKS

	31.8.17	31.8.16
	£	£
Clothing	<u>1,113</u>	<u>1,698</u>

FORT PITT THOMAS AVELING ACADEMIES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.17	31.8.16
	£	£
Trade debtors	403,966	98,406
Prepayments and accrued income	605,307	523,345
Other debtors	<u>518,843</u>	<u>127,160</u>
	<u>1,528,116</u>	<u>748,911</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.17	31.8.16
	£	£
Loans	2,000	10,975
Trade creditors	636,146	248,715
Social security and other taxes	283,705	286,066
Other creditors	265,033	138,511
Accruals and deferred income	<u>590,503</u>	<u>398,019</u>
	<u>1,777,387</u>	<u>1,082,286</u>

CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.17	31.8.16
	£	£
Other loans (see note 18)	<u>9,000</u>	<u>11,000</u>

FORT PITT THOMAS AVELING ACADEMIES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

18. LOANS

An analysis of the maturity of loans is given below:

	31.8.17	31.8.16
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>2,000</u>	<u>10,975</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>6,000</u>	<u>2,000</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>3,000</u>	<u>6,000</u>
Amounts falling due in more than five years:		
Other loans more than 5 years	<u>-</u>	<u>3,000</u>

The loans are from Salix and are provided on the following terms. The original loan was for £71,800 and is repayable over a 10 year duration, with five years remaining. Loan repayments of £1,000 every six months will pay off this loan.

19. OPERATING LEASE COMMITMENTS

At 31 August 2017 the academy had annual commitments under non cancellable operating leases as follows:

	31.8.17	31.8.16
	£	£
Other		
Amounts due within one year	59,324	50,220
Amounts due between one and two years	46,875	27,774
Amounts due between two and five years	85,946	20,396
Amounts due in more than five years	<u>1,584</u>	<u>-</u>
	<u>193,729</u>	<u>98,390</u>

FORT PITT THOMAS AVELING ACADEMIES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

20. 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.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

				31.8.17	31.8.16
	Unrestricted fund	Restricted funds	Restricted fixed asset funds	Total funds	Total funds
	£	£	£	£	£
Fixed assets	-	-	49,711,023	49,711,023	45,294,823
Current assets	848,874	2,673,419	1,842,896	5,365,189	4,424,267
Current liabilities	-	(1,777,387)	-	(1,777,387)	(1,082,286)
Long term liabilities	-	(9,000)	-	(9,000)	(11,000)
Pension liability	-	(10,810,000)	-	(10,810,000)	(9,859,000)
	<u>848,874</u>	<u>(9,922,968)</u>	<u>51,553,919</u>	<u>42,479,825</u>	<u>38,766,804</u>

FORT PITT THOMAS AVELING ACADEMIES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

22. MOVEMENT IN FUNDS

	At 1.9.16 £	Net movement in funds £	Transfers between funds £	At 31.8.17 £
Unrestricted funds				
General fund	647,233	384,606	(182,965)	848,874
Restricted general funds				
General Annual Grant	552,316	32,973	58,140	643,429
Other DfE/ESFA grants	173,554	(111,947)	-	61,607
Other Government grants	13,700	(13,700)	-	-
Pension reserve	(9,859,000)	(951,000)	-	(10,810,000)
School voluntary fund	179,161	2,835	-	181,996
	(8,940,269)	(1,040,839)	58,140	(9,922,968)
Restricted fixed asset funds				
Inherited assets	40,309,385	2,986,211		43,295,596
DfE/ESFA capital grants	6,198,123	1,473,534	(32,649)	7,639,008
Capital expenditure from GAG	552,332	(90,491)	157,474	619,315
	47,059,840	4,369,254	124,825	51,553,919
TOTAL FUNDS	38,766,804	3,713,021	-	42,479,825

£182,965 was transferred out of unrestricted general funds to help cover the cost of capital expenditure and other overspends on GAG.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

22. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,212,018	(827,412)	-	384,606
Restricted general funds				
General Annual Grant	17,067,377	(17,034,404)	-	32,973
Other DfE/ESFA grants	1,421,114	(1,533,061)	-	(111,947)
Pension reserve	(507,000)	(978,000)	534,000	(951,000)
Other government grants	195,579	(209,279)	-	(13,700)
School voluntary fund	421,750	(418,915)	-	2,835
	18,598,820	(20,173,659)	534,000	(1,040,839)
Restricted fixed asset funds				
Inherited assets	3,887,000	(900,789)	-	2,986,211
DfE/ESFA capital grants	1,577,389	(103,855)	-	1,473,534
Capital expenditure from GAG	-	(90,491)	-	(90,491)
	5,464,389	(1,095,135)	-	4,369,254
TOTAL FUNDS	<u>25,275,227</u>	<u>(22,096,206)</u>	<u>534,000</u>	<u>3,713,021</u>

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

General Annual Grant (GAG)

Funds must be used for the normal running costs of the Academy Trust.

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

Other restricted general funds

Funding is provided by Government grants in addition to the GAG which must be used for the provision of education for special needs purposes and other specified activities.

Restricted fixed asset funds

Funding is provided by way of Government grants or capital expenditure from the GAG in order to acquire specified fixed assets for use by the Academy Trust in achieving its educational objectives.

Unrestricted funds

Unrestricted funds can be used for any purpose at the discretion of the Academy Trust.

FORT PITT THOMAS AVELING ACADEMIES
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

22. MOVEMENT IN FUNDS - continued

Analysis of academies by fund balance

Fund balances at 31 August 2017 were allocated as follows:

	31.8.17	31.8.16
	£	£
Fort Pitt Grammar School	2,294	(30,065)
Thomas Aveling School	999,983	752,694
Robert Napier School	(117,107)	349,455
Phoenix Junior Academy	592,578	493,880
Balfour Junior Academy	258,158	-
	<u>1,735,906</u>	<u>1,565,964</u>
Total before fixed assets and pension reserve		
Restricted fixed asset fund	51,553,919	47,059,840
Pension liability	<u>(10,810,000)</u>	<u>(9,859,000)</u>
Total	<u>42,479,825</u>	<u>38,766,804</u>

Analysis of academies by cost

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

	Teaching and educational support costs	Other support staff costs	Educational supplies	Other costs (excluding depreciation)	Total 31.8.17	Total 31.8.16
	£	£	£	£	£	£
Fort Pitt Grammar School	2,464,753	1,015,224	192,864	884,597	4,557,438	4,212,461
Thomas Aveling School	3,834,854	1,072,406	183,938	966,361	6,057,559	6,166,995
Robert Napier School	4,592,947	1,211,401	153,926	906,320	6,864,594	7,733,285
Phoenix Junior Academy	861,068	201,185	42,901	210,581	1,315,735	1,479,671
Balfour Junior Academy	926,722	111,134	27,096	164,713	1,229,665	-
MAT	-	755,000	-	223,000	978,000	522,000
	<u>12,680,344</u>	<u>4,366,350</u>	<u>600,725</u>	<u>3,355,572</u>	<u>21,002,991</u>	<u>20,114,412</u>

Despite the fact there are no central services provided, the pension adjustments are included in the above MAT figure. This is because the actuary provides a consolidated pension report, meaning any adjustments required cannot be reflected against the individual schools within the MAT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

23. PENSION AND SIMILAR OBLIGATIONS

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Kent County Council. 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 of the LGPS 31 March 2016.

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

Teachers' pension scheme

Introduction

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

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

23. PENSION AND SIMILAR OBLIGATIONS
- continued

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 (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
- 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 underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

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

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

Local government pension scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £752,000 (2016: £832,000), of which employer's contributions totalled £577,000 and employees' contributions totalled £175,000 (2016: £638,000 and £194,000). The agreed contribution rates for future years are 20.1 per cent for employers and range between 5.5 and 12.5 per cent for employees depending on pensionable pay.

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 2017

23. PENSION AND SIMILAR OBLIGATIONS
- continued

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.8.17	31.8.16
	£	£
Present value of funded obligations	(20,735,000)	(17,975,000)
Fair value of plan assets	<u>9,925,000</u>	<u>8,116,000</u>
	<u>(10,810,000)</u>	<u>(9,859,000)</u>
Deficit	<u>(10,810,000)</u>	<u>(9,859,000)</u>
Liability	<u>(10,810,000)</u>	<u>(9,859,000)</u>

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

	Defined benefit pension plans	
	31.8.17	31.8.16
	£	£
Current service cost	1,839,000	961,000
Net interest from net defined benefit asset/liability	218,000	194,000
Administrative expenses	<u>5,000</u>	<u>5,000</u>
	<u>2,062,000</u>	<u>1,160,000</u>
Actual return on plan assets	<u>1,430,000</u>	<u>968,000</u>

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actuarial remeasurements for the current year are recognised in the Statement of Financial Activities. The cumulative amount of actuarial remeasurements recognised in the Statement of Financial Activities since the adoption of the relevant pensions accounting is a £4,133,000 loss (2016: £4,667,000 loss).

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
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23. PENSION AND SIMILAR OBLIGATIONS
- continued

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

	Defined benefit pension plans	
	31.8.17	31.8.16
	£	£
Defined benefit obligation	(17,975,000)	(8,082,000)
Current service cost	(1,332,000)	(949,000)
Contributions by scheme participants	(175,000)	(194,000)
Interest cost	(409,000)	(466,000)
Changes in financial assumptions	(82,000)	(4,881,000)
Benefits paid	144,000	138,000
Past service costs	-	(12,000)
Business combinations	(906,000)	(3,529,000)
	<u>(20,735,000)</u>	<u>(17,975,000)</u>

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

	Defined benefit pension plans	
	31.8.17	31.8.16
	£	£
Fair value of scheme assets	8,116,000	4,511,000
Return on assets less interest	616,000	696,000
Contributions by employer	577,000	638,000
Contributions by scheme participants	175,000	194,000
Interest on assets	191,000	272,000
Administrative expenses	(5,000)	(5,000)
Benefits paid	(144,000)	(138,000)
Business combinations	399,000	1,948,000
	<u>9,925,000</u>	<u>8,116,000</u>

The estimated value of employer contributions for the year ending 31 August 2018 is £616,000 (2017: £638,000).

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

23. PENSION AND SIMILAR OBLIGATIONS
- continued

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.8.17	31.8.16
Equities	70%	68%
Gilts	1%	1%
Other bonds	10%	11%
Property	12%	14%
Cash	3%	2%
Target return portfolio	4%	4%

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

	31.8.17	31.8.16
Discount rate	2.6%	2.2%
Future salary increases	4.2%	4.1%
Future pension increases	2.7%	2.3%
CPI Increases	2.7%	2.3%
Commutation of pension 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:

	31.8.17	31.8.16
Retiring today		
Males	23.0	22.9
Females	25.1	25.3
Retiring in 20 years		
Males	25.2	25.2
Females	27.4	27.7

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption:

	£	£	£
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	20,299,000	20,735,000	21,180,000
Projected service cost	1,273,000	1,301,000	1,329,000
Adjustment to mortality age rating assumption	+ 1 year	None	- 1 year
Present value of total obligation	21,455,000	20,735,000	20,040,000
Projected service cost	1,342,000	1,301,000	1,261,000

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2017

23. PENSION AND SIMILAR OBLIGATIONS
- continued

Amounts for the current and previous period are as follows:

	31.8.17	31.8.16
	£	£
Defined benefit pension plans		
Defined benefit obligation	(20,735,000)	(17,975,000)
Fair value of scheme assets	9,925,000	8,116,000
Deficit	(10,810,000)	(9,859,000)
Experience adjustments on scheme assets	(1,275,000)	-

The academy's share of the assets and liabilities in the scheme and expected rates of return were:

	Fair value at 31.8.17	Fair value at 31.8.16
	£	£
Equities	6,967,000	5,491,000
Gilts	69,000	73,000
Other bonds	956,000	867,000
Property	1,218,000	1,138,000
Cash	315,000	194,000
Target return portfolio	<u>380,000</u>	<u>353,000</u>
Total market value of assets	9,925,000	8,116,000
Present value of scheme liabilities		
- Funded	<u>(20,735,000)</u>	<u>(17,975,000)</u>
Deficit in the scheme	<u>(10,810,000)</u>	<u>(9,859,000)</u>

24. RELATED PARTY DISCLOSURES

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 a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account:

Mrs L Maile, married to a member of the key management personnel, received a salary of £23,092 in respect of her employment within the academy trust.

Mr M Roche, married to a member of the key management personnel, received a salary of £46,108 in respect of his employment within the academy trust.

25. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. In the accounting period ended 31 August 2017 the trust received £55,030 (2016: £46,818) and disbursed £55,030 (2016: £46,818) from the fund. An amount of £nil (2016: £nil) is included in other creditors relating to undistributed funds that is repayable to ESFA.