

Company Registration Number: 08634384 (England and Wales)

MVW ACADEMY
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

MVW ACADEMY
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members

The Reverend Francis Gimson
Peter David Loudwell
Rosemary Hawley MBE JP DL
Sally Louise Marsh
Sheila Anne Youings
Jennifer Bowman

Trustees

Sheila Anne Youings, Chair of Trustees
The Reverend Francis Gimson, The Incumbent
Rosemary Hawley MBE JP DL, Parochial Church Council Redlynch representative
Peter David Loudwell, Parochial Church Council Morgan's Vale representative
Graham Ivan Nagel-Smith, Head Teacher and Accounting Officer
Graham Fuller, Co-opted (resigned 14 April 2018)
Jennifer Bowman, Foundation SDBE representative
Gareth Shaw, Parent
Steven John Shields, Parent
Philip John Sack (appointed 1 September 2017)
Lloyd Jacob Perry (appointed 1 September 2017)
Ruth Webber (appointed 1 September 2017)
Jill Horsburgh (appointed 1 July 2018)
Verity Jaffray, Teaching Staff
Linda Long, Support Staff representative

Company registered number

08634384

Company name

MVW Academy

Principal and registered office

Morgans Vale Road, Redlynch, Salisbury, Wiltshire, SP5 2HU

Senior management team

Graham Ivan Nagel-Smith, Head Teacher and Accounting Officer
Linda Long, Support staff representative
Verity Jaffray, Teaching Staff

Independent auditors

James Cowper Kreston, 9th Floor, The White Building, 1-4 Cumberland Place, Southampton, Hampshire, SO15 2NP

Bankers

Lloyds Bank PLC, 38 Blue Boar Row, Salisbury, Wiltshire, SP1 1DB

Solicitors

Parker Bullen, 45 Castle Street, Salisbury, Wiltshire, SP1 3SS

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

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

The school became an Academy on 1st September 2013. The trust operates an Academy for pupils aged 2-11 years serving the catchment area of Redlynch Parish. It has a pupil capacity of 119 and had a roll of 106 on the school census date of 5th October 2017. The school has a nursery department for children from 2yrs – 4yrs, the numbers fluctuate during the year with 30 being our maximum number.

Structure, governance and management

a. CONSTITUTION

The academy is a charitable company limited by guarantee and an exempt charity. The charitable company's Trust deed is the primary governing document of the academy trust. The Trustees of MVW Academy are also the directors of the charitable company for the purpose of company law.

Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

b. MEMBERS' LIABILITY

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

c. TRUSTEES' INDEMNITIES

Subject to the provisions of the Companies Act 2006 s236, every Trustee or other officer of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by them in that capacity in defending any proceeding, whether civil or criminal in which judgment is given in favour or in which they are acquitted or in any connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of trust in relation to the affairs of the Academy Trust. MVW Academy has opted in to the DfE's pooled Risk Protection Arrangement (RPA).

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The management of the Academy is the responsibility of the Members and Trustees who are elected and co-opted under the terms of the Articles of Association. On 1st August 2013 the Members appointed all serving Governors to continue serving as Governors/Trustees of the newly formed Academy. These Governors were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election process.

e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Training and induction varies depending on the experience of the person. All but two of our Members are also Governors (both Members were also past Governor/trustees). We have an induction booklet for new Governors; a new Governor is given an existing named Governor as a guide and mentor. All Governors regularly attend appropriate training courses provided by either the Diocese or the Local Authority.

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

f. ORGANISATIONAL STRUCTURE

In our Articles of Association agreed on 1st August 2013, the Members of the Academy trust comprise of:

- SDBE member*
- The Incumbent
- PCC Member from St Mary's, Redlynch
- PCC member from St Birinus, Morgan's Vale
- Chair of Governors

*SDBE = Salisbury Diocesan Board of Education"

The Members meet 2/3 times a year and the full Governing Body meets 5 times a year at least once per term. In addition we have two sub committees, Finance, Staffing, and Buildings (FSB) and Curriculum Committee (CC) who also meet at least 5 times per year.

The trustees and Board of Governors devolve the day to day running of the school to the Headteacher and the senior management team (STM).

g. PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The starting pay for the Headteacher is determined by the recommended pay scales for a school of our size. Thereafter increases in pay are determined by recommended pay scale increases following the Headteachers Performance Management. The starting salary for new staff is agreed with the Head and Governors on appointment and any yearly increases agreed by the Head when he carries out Performance Management. However, any threshold pay rise for staff the Headteacher brings to the Governing body for approval.

h. TRADE UNION FACILITY TIME

There were no members of staff who were relevant union officials during the year.

i. RELATED PARTIES, AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

MVW Academy has a 'Friends of MVW' group made up of parents, grandparents and friends of the school, which raises funds for the school's use. They do not control or significantly influence decisions or operations of the school.

The Headteacher belongs to a group of local headteachers (Cluster group). They meet primarily to exchange ideas and support one another.

Objectives and Activities

a. OBJECTS AND AIMS

To advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school (the "Academy") with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices, and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement), and having regard to any advice of the Diocesan Board of Education.

The Academy provides free education and care for pupils of different abilities between the ages of 2-11 years. Our Academy prides itself on providing a happy and caring environment in which all children can express their individuality, whilst being aware of the needs of others. The school ethos is "Faith in Learning, Achievement for All", and whilst the school has a strong Church of England foundation, the children learn about other faiths and cultures in our world.

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

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The principal aims of the Academy for the year ending 31st August 2018 were:

- To improve attainment in writing for all pupils, especially boys and those vulnerable to under attainment.
- Ensure staff have the necessary structures, whereby they know and act upon their roles and their responsibilities in a timely manner – especially those in leadership roles.
- To enhance the outdoor areas of the school, and ensure that teachers take learning outdoors.
- Advertise and celebrate this "outdoor learning" aspect of the curriculum, so it can become a USP for MVW.

It was a welcome change to start Academic year 2017/18 without the building activity that has been a feature of the last couple of years. Looking back over the past year we wondered how we managed without the extra 3 classrooms that have been added. As usual though it was a busy year with work in the nursery changing the floor covering from carpet to vinyl, installing a washing machine and dishwasher to assist in the management of the introduction of 30 hours free childcare for three year olds. We had appointed two extra staff and have extended the nursery/reception outdoor area for play. Breakfast Club is flourishing and After School Club continues to runs to 4.15pm everyday.

We have replaced the old wooden fencing that surrounded the reception age play area with bright new fencing and have had a "quiet/spiritual area" constructed during the holidays. The latter will be planted during the first term of school and provide a quiet area for children to read/think/chat.

We had a SIAMS inspection in December 2017 and were delighted to retain our grading of "Outstanding", great ongoing work by the Head, teachers and our SDBE Governor.

Our appointed Accountants since 2013 resigned in February 2018 and we have appointed a new firm of Accountants "James Cowper Kreston" to carry out the work this year. One teacher resigned at the end of the 2017/18 academic year but we have been fortunate to appoint a new teacher who will start in KS1 in September. Our clerk to the Governors resigned in July 2018 but again we have been fortunate to appoint a new clerk who will commence duties in September 2018. Our co-opted Governor resigned in April this year due to family reasons, but we have appointed a new Governor who will sit on the FSC Committee and another member of FSB will commence as Chair of that committee in September 2018, so the Governing Body is again at full complement.

We held a "Blue Skies" evening in June 2018, this was attended by all Governors and staff to discuss objectives for the coming 5 years, the meeting was chaired by Neil Revell who is Lead Improvement Adviser at Salisbury Diocese Education Dept. The consensus centred on working towards "robustness of the child", this will be aided by the work of Forest Schools, which will be introduced regularly for all classes from September 2018.

A few of the pupil's experiences this year include:

- Visit to Stonehenge
- Visit to Seacity museum and an art gallery
- Girls football festival
- School Disco
- Book Week
- Visit to Fire Station
- Summer Music concert
- Swimming lessons
- Residential trip to Stratford on Avon
- Visit to Dinosaur Museum
- Year 5 Maths Challenge

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

- Rugby festival
- Junk Orchestra workshop
- Sports Relief event
- Visit to Salisbury Cathedral – spirituality day
- Visit to Longdown farm
- Helping at a tea party to thank volunteers who help the school
- Mini Marathon
- Visit to a climbing wall
- Visit to sculpture park
- International day – this year we chose Europe

Plus many others

c. PUBLIC BENEFIT

The Governors confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising this guidance when reviewing the Academy's aims and objectives, and in planning its future activities.

Achievements and performance

Strategic report

a. KEY PERFORMANCE INDICATORS

Reading continues to be strong throughout the school, and we continue to use Read, Write Inc., this system of teaching phonics was introduced at the beginning of January 2014 and is now well embedded amongst the staff. Our performance data always fluctuates as a result of size and make up of our cohorts. We use Big Maths and Little Maths (Nursery) throughout the school, which achieves solid results. KS1 achieved 85% ARE in maths, 83% in writing and 85% in reading. KS2 achieved 89% ARE in maths, 84% in writing and 95% in reading. Year 1 pupils achieved 100% in phonics which is a significant achievement as their GLD last year was 76%. Writing was the SDP focus for this year and there is work being carried out to improve boys writing in particular; whilst writing was up 8% for the whole school we will be keeping writing on the SDP to allow further developments to take place. It has been noted that small clusters of higher ability children in Years 3 and 5 are not currently on track to reach greater depth by the end of their key stage. Interventions have been put in place to get them back on track.

- Year 6 (19 pupils) – We had a larger number of children leaving this year and we were very pleased with the results. Six of these children had SEN but attained 95% (18/19) in reading, 89% SpaG and 89% in Maths (17/19). Of these 42% had greater depth in reading, 32% in SpaG and 32% in Maths.
- Year 5 (13 pupils) – currently working at ARE in Maths - 84%, Writing - 77% and Reading - 89%.
- Year 4 (6 pupils) – currently working at ARE in Maths - 83%, Writing - 66% and Reading - 66%.
- Year 3 (16 pupils) – currently working at ARE in Maths - 87%, Writing 87% and Reading - 100%.
- Year 2 (22 pupils) – currently working at ARE in Maths - 82%, Writing 77% and Reading - 77%.
- Year 1 (18 pupils) – currently working at ARE in Maths - 88%, Writing 88% and Reading - 94%.
- Year R (10 pupils) – they have achieved 70% GLD which is promising.

All children who do not make GLD/ARE will be receiving additional support.

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

We had 55 boys and 49 girls. 10 pupils had Free school meals, 15 had Pupil Premium, 2 were statemented as Special Educational Needs, 20 received Special Educational Needs support. We also had 1 Looked after child and 3 children with English as an additional language.

We start the new academic year with pupil numbers standing at:

- Nursery, 9
- FS1 (3-4 yrs):11
- FS2 (4-5yrs): 14
- KS1: 28
- KS2: 58

Total = 120 School aged children = 100

Attendance this year was 95.5% which is slightly lower than last year which was 96.03%. Our target attendance is 96.5%.

There were no changes to the teaching staff in the 2017/18 academic year, we did have periods of sickness amongst the TA staff, but we have a bank of TA's and teachers acting as TA's who supplement and support the teaching staff. The children went on lots of trips, enjoyed varied sports and even managed great results, in fact KS2 had better than predicted results which was great. In September this year 30 hour funding was introduced for 3yr olds. This made a big difference to our Nursery day which previously only ran until 12.30pm and is now extended to match the school day of 3.15pm. We managed to recruit staff to cover the differing ages and number of children requirement and our staff are to be applauded for their flexibility and commitment. The nursery copes with a changing demand during the year as children turn 3yrs, and the requirement of parents fluctuate. Last year being the first of the 30 hour funding was very much a learning curve, which the staff passed with flying colours. The nursery staff take part in the Bristol Standards accreditation which is an ongoing evaluation scheme, which we were awarded in 2016 and has a major update every 2 years. We were very pleased that Bristol Standards was reached again this year. So well done to all the nursery staff.

Staff training this year has included: Maths and Literacy network, Safeguarding for Nursery ,Health & Safety Course, Adoption Conference, LAC course, Mental Health Awareness, Safer recruitment, Forest schools training and Cluster Meetings (regular meetings for Heads of local schools).

The Breakfast Club that we started in the previous academic year continues to attract a regular attendance of 12-20 pupils each day. We canvassed our parents again this year to ask if there was a need for an afternoon club to run to a later time than the current 4.15pm but only 3 or 4 parents expressed an interest. We presume that parents who require child care until 5.30 or 6pm already have care in place, however we will continue to monitor the demand.

b. GOING CONCERN

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

Financial review

a. FINANCIAL REVIEW

Our GAG income for 18/19 will be based on 106 pupils which is up from the previous year, when our GAG was based on 101 pupils. Our GAG income for 2017/18 was £442,082, which was £1,882 down on the previous year. This was slightly offset by an increase in the sports premium, and the pupil premium increase. We had an

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FOR THE YEAR ENDED 31 AUGUST 2018

overspend of £10,124.73 on staffing, and a slight overspend on administration. However, we had a profit of £10,954.05 on the nursery.

We spent quite heavily on the nursery this year, we replaced and extended the fencing for the nursery and reception play area, we had a kitchen area built in the nursery and purchased a washing machine and dishwasher. We built a quiet play area for children to read/chat/or contemplate and had the slide resited after it was displaced by the previous year's building works. Snagging work was completed on the previous year's building works. We purchased new blackout blinds for the school hall and new cloakroom units for KS2.

b. MATERIAL INVESTMENTS POLICY

As stated under the Reserves Policy we are a small school and our aim is to spend the public monies with which we are entrusted for the direct educational benefit of our pupils. The school does not consider the investment of surplus funds as a primary activity; rather it is the result of good stewardship. Our guidelines on investment are that where the cash flow identifies a base level of cash funds that will be surplus to requirements, for at least a 12 week period, the surplus may be invested in an interest bearing account in a UK regulated bank. For our school we use the Lloyds Bank.

c. PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Academy remain the same as in previous years namely:

Financial: the Academy has considerable reliance on government funding as almost all funding is ultimately government funded, and whilst the current level of funding is expected to continue, there is no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Pupils: the continuing success of the Academy is heavily reliant on the continuing success of its pupils and its good reputation in its locality. To mitigate this risk the Governors, Headteacher and Staff ensure that pupil success and achievement are closely monitored and reviewed, and that the school continue to have a positive profile in the local community.

Safeguarding and Child Protection: the Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring staff, the operation of child protection policies and procedures, health, safety and discipline.

Staffing: the success of the Academy is reliant on the quality of its staff. The Governors monitor and review policies and procedures to ensure the continued development of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds: the Academy has appointed an external adviser to carry out checks on its financial systems and records as required by the Academy Financial Handbook. Financial staff receive training to keep them up to date with financial practice requirements and to develop their skills.

Failures in Governance and/or Management: the risk would be from potential failure to effectively manage the Academy's finances, and non-compliance with regulations, legislation and statutory returns etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate any such risks.

d. RESERVES POLICY

We are a small school therefore our budget deals with relatively small numbers. Our reserves policy is to ensure that there is sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as building repair, plus extra staffing requirements such as maternity cover. The level of reserves held at the year end was £66,772, and of this £20,540 represents unrestricted reserves and £46,232 restricted reserves, excluding the pension obligation. We have reviewed these reserve levels and believe that they are sufficient. Any money, like the contingency fund, which is not immediately required, is put into a deposit account.

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

FUNDRAISING

Fund raising at MVW Academy is on a very minimal level, and is restricted to "Friends of the School" which is a body made up of parents of pupils at the school. They raise funds of about £5,000 pa, money which is spent on school items or events. They hold various events during the school year, their activities are social fundraisers, aimed primarily at parents and friends of the school.

Plans for future periods

a. FUTURE DEVELOPMENTS

Our plans for the future centre on moving our school from Ofsted's judgment of "Good with Outstanding elements" to "Outstanding". This entails building on the foundations we have in place whilst maintaining a happy, well balanced, well behaved, caring school environment.

Our plans for the coming year include creating better use of our outside areas for learning, establishing a designated area(s) for the use of Forest Schools, starting a gardening club for pupils, celebrating 150 years of the granting of the school's Education Certificate, and exploring ways to help children become more resilient and able to deal effectively with modern life.

b. FUNDS HELD AS CUSTODIAN

MVW Academy does not hold any funds on behalf any other person, charity, or business.

c. DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Trustees are aware:

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

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

.....
Sheila Anne Youings
Chair of Trustees

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Sheila Anne Youngs, Chair of Trustees	5	5
The Reverend Francis Gimson, The Incumbent	4	5
Rosemary Hawley MBE JP DL, Parochial Church Council Redlynch representative	4	5
Graham Ivan Nagel-Smith, Head Teacher and Accounting Officer	5	5
Graham Fuller, Co-opted	3	3
Jennifer Bowman, Foundation SDBE representative	5	5
Gareth Shaw, Parent	5	5
Steven John Shields, Parent	4	5
Philip John Sack	5	5
Lloyd Jacob Perry	3	5
Ruth Webber	2	5
Jill Horsburgh	0	1
Verity Jaffray, Teaching Staff	2	5
Linda Long, Support Staff representative	2	5

We had 1 Governor resign during 2017/18, but are pleased to report that we have recruited 1 new Governor; therefore we have a full complement of Governor/Trustees and feel that we have a balanced skill set across the Governing Board. Sadly our co-opted governor Mr Graham Fuller resigned in April 2017, the Chair Sheila Youngs chaired the FSB meetings for the remainder of the year, however Mr Philip Sack has been appointed Chair of FSB from September 2018. The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The governing body has formally met 5 times during the year. Attendance during the year at meetings of the governing body was as follows:

Governors - Finance, Staffing and Buildings

The Finance, Staffing and Buildings Committee is a sub-committee of the main governing body. Its purpose is to review the financial position of the Academy and the system of internal controls.

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GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Sheila Anne Youings, Chair of Trustees	5	5
Philip John Sack	5	5
Steven John Shields, Parent	5	5
Graham Ivan Nagel-Smith, Head Teacher and Accounting Officer	5	5
Lloyd Jacob Perry	3	5
Graham Fuller, Co-opted	2	3
Jill Horsburgh	1	1

Governors - Curriculum and Standards

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Rosemary Hawley, MBE JP DL, Parochial Church Council Redlynch representative	4	5
Jennifer Bowman, Foundation SDBE representative	5	5
Sheila Anne Youings, Chair of Trustees	5	5
Graham Ivan Nagel-Smith, Head Teacher and Accounting Officer	5	5
Gareth Shaw, Parent	5	5
Ruth Webber	4	5
Lloyd Jacob Perry	1	1

REVIEW OF VALUE FOR MONEY

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

The Accounting Officer considers how the academy's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

- Ensuring that three quotes are always obtained for significant purchases to gain the best price for resources and services so our income goes further and supports more of the items children require to learn effectively.
- Reviewing our contracts and services to ensure we have the best quality support, environment and infrastructure to support the learning of the children.
- Collaborating with local schools to secure more cost effective resources and services or to attract better quality resources and services.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

All of the Members bar two act as Governors, and being a small school in a village community, we are all very involved in the life of the school. Our role is to support and guide the school and leave the day-to-day running of the school to the Headteacher. That being said all trustees are often in school and the Head communicates any issues within school at an early stage so that potential problems are dealt with before they can escalate.

Our system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims, and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks being realised and the impact should they be realised, and to manage them effectively,

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GOVERNANCE STATEMENT (continued)

efficiently, and economically. The system of internal control has been in place in MVW Academy for the period 1 September 2017 to 31 August 2018 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 is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

The academy'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, Staffing and Buildings Committee (FSB) of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mr. Graham Fuller, a Trustee, to carry out a programme of internal checks. He carried out this role from September 2017 until April 2018 when he resigned. The role was performed by the Chair, Sheila Youings for the remainder of the academic year. The reviewer's role is to perform a range of additional checks on the Academy Trust's financial systems. .

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

- testing of the payroll system
- testing of the purchase system
- testing of control account/bank reconciliations

On a termly basis, the reviewer reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

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

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GOVERNANCE STATEMENT (continued)

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Staffing and Buildings Committee 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 _____ and signed on their behalf, by:

.....
Sheila Anne Youings
Chair of Trustees

.....
Graham Ivan Nagel-Smith
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

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.

.....
Graham Ivan Nagel-Smith
Accounting Officer

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on

and signed on its behalf by:

.....
Sheila Anne Youings
Chair of Trustees

MVW ACADEMY
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MVW ACADEMY

OPINION

We have audited the financial statements of MVW Academy (the 'academy') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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

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

MVW ACADEMY
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MVW ACADEMY

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the academy or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

MVW ACADEMY
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MVW
ACADEMY**

USE OF OUR REPORT

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Louise Hallsworth FCA (Senior statutory auditor)

for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor

9th Floor
The White Building
1-4 Cumberland Place
Southampton
Hampshire
SO15 2NP
Date:

MVW ACADEMY
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO MVW
ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 4 October 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by MVW Academy during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF MVW ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of MVW Academy's funding agreement with the Secretary of State for Education dated 30 August 2013, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

CONCLUSION

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

During the year the school failed to meet a number of requirements set out in the financial handbook musts, namely publishing the list of relevant business and pecuniary interest of trustees, members and local governors on the school's website as well as not updating companies house within the required statutory time period.

James Cowper Kreston

Chartered Accountants and Statutory Auditor

9th Floor
The White Building
1-4 Cumberland Place
Southampton
Hampshire
SO15 2NP

Date:

MVW ACADEMY
(A company limited by guarantee)

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

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	As restated Total funds 2017 £
Note	£	£	£	£	£
INCOME FROM:					
Donations and capital grants	2	-	-	5,171	530,432
Charitable activities	3	33,996	541,315	-	541,605
Other trading activities	4	8,917	-	-	6,018
Investments	5	52	-	-	134
TOTAL INCOME	42,965	541,315	5,171	589,451	1,078,189
EXPENDITURE ON:					
Charitable activities		45,276	561,652	78,201	624,247
TOTAL EXPENDITURE	6	45,276	561,652	78,201	624,247
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS					
Transfers between Funds	18	(2,311) (18,594)	(20,337) -	(73,030) 18,594	(95,678) -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		(20,905)	(20,337)	(54,436)	(95,678)
Actuarial gains on defined benefit pension schemes	22	-	33,000	-	64,000
NET MOVEMENT IN FUNDS		(20,905)	12,663	(54,436)	(62,678)
RECONCILIATION OF FUNDS:					
Total funds brought forward		41,445	(18,431)	3,396,809	3,234,697
Prior year adjustment (Note 17)		-	-	-	(332,816)
TOTAL FUNDS CARRIED FORWARD		20,540	(5,768)	3,342,373	3,419,823

MVW ACADEMY
(A company limited by guarantee)
REGISTERED NUMBER: 08634384

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	As restated 2017 £
FIXED ASSETS					
Tangible assets	14		3,342,373		3,387,792
CURRENT ASSETS					
Debtors	15	12,475		70,646	
Cash at bank and in hand		109,897		107,116	
		<u>122,372</u>		<u>177,762</u>	
CREDITORS: amounts falling due within one year	16	(55,600)		(74,731)	
NET CURRENT ASSETS			<u>66,772</u>		103,031
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,409,145</u>		3,490,823
Defined benefit pension scheme liability	22		(52,000)		(71,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>3,357,145</u></u>		<u><u>3,419,823</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	18	46,232		52,569	
Restricted fixed asset funds	18	3,342,373		3,396,809	
Restricted income funds excluding pension liability		3,388,605		3,449,378	
Pension reserve		(52,000)		(71,000)	
Total restricted income funds			<u>3,336,605</u>		3,378,378
Unrestricted income funds	18		<u>20,540</u>		41,445
TOTAL FUNDS			<u><u>3,357,145</u></u>		<u><u>3,419,823</u></u>

The financial statements on pages 20 to 41 were approved by the Trustees, and authorised for issue, on and are signed on their behalf, by:

.....
Sheila Youngs
Chair of Trustees

Date:

MVW ACADEMY
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	As restated 2017 £
Cash flows from operating activities			
Net cash provided by operating activities	20	35,511	536,636
Cash flows from investing activities:			
Interest from investments		52	134
Proceeds from the sale of tangible fixed assets		(32,782)	(608,719)
Net cash used in investing activities		(32,730)	(608,585)
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		107,116	179,065
Cash and cash equivalents carried forward	21	109,897	107,116

MVW ACADEMY
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

MVW Academy constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

MVW ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.4 Income

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

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

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

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

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

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

1.5 Expenditure

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

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

All expenditure is inclusive of irrecoverable VAT.

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

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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

Buildings	-	Straight line over 50 years
Motor vehicles	-	5 years straight line
Computer equipment, fixture & fittings	-	3 years straight line

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

1.7 Cash at Bank and in hand

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

1.8 Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy 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. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 16. 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. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

MVW ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.9 Taxation

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

1.10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy 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 22, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

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

1. ACCOUNTING POLICIES (continued)

1.11 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The academy 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 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	-	-	-	5,000
Capital Grants	-	5,171	5,171	525,432
	<hr/>	<hr/>	<hr/>	<hr/>
	-	5,171	5,171	530,432
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2017	5,000	525,432	530,432	
	<hr/>	<hr/>	<hr/>	

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	444,282	444,282	443,964
Other DfE/ESFA Grants	-	38,582	38,582	49,007
	<u>-</u>	<u>482,864</u>	<u>482,864</u>	<u>492,971</u>
Other government grants				
Local Authority Grants	-	58,451	58,451	18,323
	<u>-</u>	<u>58,451</u>	<u>58,451</u>	<u>18,323</u>
Other funding				
Catering Income	7,617	-	7,617	4,701
Sale of school uniforms	659	-	659	998
Parental contributions - school trips, pre-school and fund raising	25,270	-	25,270	23,937
Income from insurance claims	450	-	450	675
	<u>33,996</u>	<u>-</u>	<u>33,996</u>	<u>30,311</u>
	<u>33,996</u>	<u>541,315</u>	<u>575,311</u>	<u>541,605</u>
Total 2017	<u>30,311</u>	<u>511,294</u>	<u>541,605</u>	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Mini Morgans Nursery and other income	8,917	-	8,917	6,018
	<u>8,917</u>	<u>-</u>	<u>8,917</u>	<u>6,018</u>
Total 2017	<u>6,018</u>	<u>-</u>	<u>6,018</u>	

MVW ACADEMY
(A company limited by guarantee)

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

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest received	52	-	52	134
	<u>52</u>	<u>-</u>	<u>52</u>	<u>134</u>
Total 2017	134	-	134	
	<u>134</u>	<u>-</u>	<u>134</u>	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	As restated Total 2017 £
Activities:					
Direct costs	407,763	71,933	54,706	534,402	458,681
Support costs	41,622	53,161	55,944	150,727	165,566
	<u>449,385</u>	<u>125,094</u>	<u>110,650</u>	<u>685,129</u>	<u>624,247</u>
Total 2017 as restated	392,408	133,516	98,323	624,247	
	<u>392,408</u>	<u>133,516</u>	<u>98,323</u>	<u>624,247</u>	

7. DIRECT COSTS

	Total 2018 £	As restated Total 2017 £
Technology costs	4,115	3,495
Educational supplies	29,803	24,390
Staff development	1,854	2,698
Other direct costs	18,934	10,830
Wages and salaries	318,209	277,307
National insurance	24,410	22,863
Pension cost	65,144	45,232
Depreciation	71,933	71,866
	<u>534,402</u>	<u>458,681</u>
Total 2017 as restated	458,681	
	<u>458,681</u>	

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

8. SUPPORT COSTS

	Total 2018	Total 2017
	£	£
Pension finance cost	2,000	3,000
Technology costs	2,244	2,896
Recruitment and support	-	185
Maintenance of premises and equipment	18,404	21,569
Cleaning	15,525	10,666
Rent and rates	2,940	1,169
Energy costs	5,182	5,193
Insurance	3,709	16,730
Security and transport	1,133	805
Other support costs	45,276	45,149
Governance cost	6,424	5,680
Wages and salaries	33,507	31,704
National insurance	1,142	1,038
Pension cost	6,973	14,264
Depreciation	6,268	5,518
	150,727	165,566
	150,727	165,566
Total 2017	165,566	

During the year ended 31 August 2018, the academy incurred the following Governance costs: £6,424 (2017: £5,680)

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018	As restated 2017
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	78,201	77,384
Auditors' remuneration - audit	4,000	3,650
Auditors' remuneration - other services	1,540	650
	83,741	81,684

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

10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	350,470	308,806
Social security costs	25,552	23,901
Operating costs of defined benefit pension schemes	72,117	59,496
	<hr/>	<hr/>
	448,139	392,203
Supply teacher costs	1,246	205
	<hr/>	<hr/>
	449,385	392,408
	<hr/> <hr/>	<hr/> <hr/>

b. Staff numbers

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

	2018	2017
	No.	No.
Teachers	5	4
Administration and support	23	20
Management	3	3
	<hr/>	<hr/>
	31	27
	<hr/> <hr/>	<hr/> <hr/>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (included employer pension contributions) received by the key management personnel for their services to the academy trust was £121,086 (2017: £119,606).

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

11. TRUSTEES' REMUNERATION AND EXPENSES

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

		2018	2017
		£	£
Linda Long, staff trustee	Remuneration	10,000-15,000	10,000-15,000
	Pension contributions paid	0-5,000	0-5,000
Verity Jaffray, staff trustee	Remuneration	30,000-35,000	30,000-35,000
	Pension contributions paid	5,000-10,000	5,000-10,000
Graham Ivan Nagel-Smith, Head Teacher	Remuneration	55,000-60,000	55,000-60,000
	Pension contributions paid	5,000-10,000	5,000-10,000

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £41 to Trustees).

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:

Governors' liability - up to £10,000,000 on any loss and any one membership year;

Professional indemnity - unlimited;

Employee and third party dishonesty - £500,000 any one loss and any one membership year.

The cost for the year ended 31 August 2018 was included in the total insurance cost.

13. OTHER FINANCE COST

	2018	2017
	£	£
Interest income on pension scheme assets	6,000	3,000
Interest on pension scheme liabilities	(8,000)	(6,000)
	(2,000)	(3,000)

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**NOTES TO THE FINANCIAL STATEMENTS
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14. TANGIBLE FIXED ASSETS

	Buildings £	Computer equipment, fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 September 2017 (as previously stated)	3,934,278	34,825	7,300	3,976,403
Prior year adjustment	(341,000)	-	-	(341,000)
At 1 September 2017 (as restated)	3,593,278	34,825	7,300	3,635,403
Additions	10,115	22,667	-	32,782
At 31 August 2018	3,603,393	57,492	7,300	3,668,185
Depreciation				
At 1 September 2017 (as previously stated)	221,964	32,179	4,380	258,523
Prior year adjustment	(10,912)	-	-	(10,912)
At 1 September 2017 (as restated)	211,052	32,179	4,380	247,611
Charge for the year	71,933	4,808	1,460	78,201
At 31 August 2018	282,985	36,987	5,840	325,812
Net book value				
At 31 August 2018	3,320,408	20,505	1,460	3,342,373
At 31 August 2017 (as restated)	3,382,226	2,646	2,920	3,387,792

15. DEBTORS

	2018 £	2017 £
VAT repayable	6,880	27,348
Other debtors	487	-
Prepayments and accrued income	5,108	43,298
	<u>12,475</u>	<u>70,646</u>

16. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Other taxation and social security	6,928	6,190
Other creditors	-	308
VAT payable	27,734	-
Accruals and deferred income	20,938	68,233
	<u>55,600</u>	<u>74,731</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. CREDITORS: Amounts falling due within one year (continued)

	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	10,452	9,815
Resources deferred during the year	11,155	10,452
Amounts released from previous years	(10,452)	(9,815)
	11,155	10,452
Deferred income at 31 August 2018	11,155	10,452

At the balance sheet date the academy was holding funds received in advance for universal infant free school meals to be supplied in the Autumn term 2018.

17. PRIOR YEAR ADJUSTMENT

To ensure compliance with the Accounts Direction 2018, land owned by the Diocese of Salisbury has been removed from fixed assets. The land was valued at £341,000 on conversion to academy status on 1st September 2013.

18. STATEMENT OF FUNDS

	Balance at 1 September 2017 As restated £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	41,445	42,965	(45,276)	(18,594)	-	20,540
	41,445	42,965	(45,276)	(18,594)	-	20,540
Restricted funds						
General Annual Grant (GAG)	52,569	444,282	(450,619)	-	-	46,232
Other ESFA/DfE grants	-	38,582	(38,582)	-	-	-
Local authority grants	-	58,451	(58,451)	-	-	-
Pension reserve	(71,000)	-	(14,000)	-	33,000	(52,000)
	(18,431)	541,315	(561,652)	-	33,000	(5,768)
	(18,431)	541,315	(561,652)	-	33,000	(5,768)
Restricted fixed asset funds						
Restricted Fixed Asset Funds	3,396,809	5,171	(78,201)	18,594	-	3,342,373
Total restricted funds	3,378,378	546,486	(639,853)	18,594	33,000	3,336,605
Total of funds	3,419,823	589,451	(685,129)	-	33,000	3,357,145

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

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

18. STATEMENT OF FUNDS (continued)

Unrestricted funds

These funds are for the general use of the academy and may be used towards meeting any of the charitable objectives of the academy trust at the discretion of the trustees.

Restricted funds

The General Annual Grant represents funding received from the ESFA during the year in order to fund the continuing activities of the academy.

Other DfE/ESFA grants include pupil premium to cater for disadvantaged pupils, and Universal Infant Free School Meals funding.

Local authority grants include pre-school funding from Wiltshire Council.

Restricted funds also include the LGPS pension scheme provisions of £52,000.

Restricted fixed asset funds

These funds represent fixed assets transferred on conversion to academy status from Wiltshire Council together with DfE/ESFA capital grants which include Devolved Formula Capital and Condition Improvement Funding (CIF) which must be used for capital purposes. The fund represents the net book value of the tangible fixed assets.

Fund transfers

During the year funds were transferred from unrestricted to restricted fixed assets to fund capital purchases within the year.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 As restated £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 As restated £
General funds						
General Funds	58,122	41,463	(45,557)	(12,583)	-	41,445
Restricted funds						
General Annual Grant (GAG)	13,850	443,964	(405,245)	-	-	52,569
Other ESFA/DfE grants	-	49,007	(66,738)	17,731	-	-
Local authority grants	-	18,323	(18,323)	-	-	-
Pension reserve	(124,000)	-	(11,000)	-	64,000	(71,000)
	<u>(110,150)</u>	<u>511,294</u>	<u>(501,306)</u>	<u>17,731</u>	<u>64,000</u>	<u>(18,431)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	2,953,909	525,432	(77,384)	(5,148)	-	3,396,809
Total of funds	<u><u>2,901,881</u></u>	<u><u>1,078,189</u></u>	<u><u>(624,247)</u></u>	<u><u>-</u></u>	<u><u>64,000</u></u>	<u><u>3,419,823</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Balance at 1 September 2016					Balance at 31 August 2018
	As restated £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	As restated £
Unrestricted funds						
General Funds	58,122	84,428	(90,833)	(31,177)	-	20,540
Restricted funds						
General Annual Grant (GAG)	13,850	888,246	(855,864)	-	-	46,232
Other ESFA/DfE grants	-	87,589	(105,320)	17,731	-	-
Local authority grants	-	76,774	(76,774)	-	-	-
Pension reserve	(124,000)	-	(25,000)	-	97,000	(52,000)
	<u>(110,150)</u>	<u>1,052,609</u>	<u>(1,062,958)</u>	<u>17,731</u>	<u>97,000</u>	<u>(5,768)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	2,953,909	530,603	(155,585)	13,446	-	3,342,373
Total Restricted funds	<u>2,843,759</u>	<u>1,583,212</u>	<u>(1,218,543)</u>	<u>31,177</u>	<u>97,000</u>	<u>3,336,605</u>
Total of funds	<u><u>2,901,881</u></u>	<u><u>1,667,640</u></u>	<u><u>(1,309,376)</u></u>	<u><u>-</u></u>	<u><u>97,000</u></u>	<u><u>3,357,145</u></u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	3,342,373	3,342,373
Current assets	20,540	101,832	-	122,372
Creditors due within one year	-	(55,600)	-	(55,600)
Provisions for liabilities and charges	-	(52,000)	-	(52,000)
	<u>20,540</u>	<u>(5,768)</u>	<u>3,342,373</u>	<u>3,357,145</u>

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

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds	Restricted funds	Restricted fixed asset funds as restated	Total funds
	2017 £	2017 £	2017 £	2017 £
Tangible fixed assets	-	-	3,387,792	3,387,792
Current assets	41,445	127,300	9,017	177,762
Creditors due within one year	-	(74,731)	-	(74,731)
Provisions for liabilities and charges	-	(71,000)	-	(71,000)
	<u>41,445</u>	<u>(18,431)</u>	<u>3,396,809</u>	<u>3,419,823</u>

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

	2018 £	As restated 2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(95,678)	453,942
Adjustment for:		
Depreciation charges	78,201	77,384
Interest received	(52)	(134)
Decrease/(increase) in debtors	58,171	(54,862)
(Decrease)/increase in creditors	(19,131)	49,306
Defined benefit pension scheme finance cost	14,000	11,000
Net cash provided by operating activities	<u>35,511</u>	<u>536,636</u>

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	109,897	107,116
Total	<u>109,897</u>	<u>107,116</u>

22. PENSION COMMITMENTS

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

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NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (continued)

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £35,528 (2017 - £33,278).

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

Under the definitions set out in FRS 102, the TPS is an unfunded 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

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

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £29,000 (2017 - £22,000), of which employer's contributions totalled £24,000 (2017 - £18,000) and employees' contributions totalled £5,000 (2017 - £4,000). The agreed contribution rates for future years are 25% for employers and between 5.5% and 12.5% for employees.

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

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.70 %	2.70 %
Rate of increase for pensions in payment / inflation	2.40 %	2.40 %

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

	2018	2017
Retiring today		
Males	22.5	22.5
Females	24.9	24.9
Retiring in 20 years		
Males	24.1	24.1
Females	26.7	26.7

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	184,000	150,000
Bonds	36,000	30,000
Corporate bonds	34,000	27,000
Cash and other liquid assets	5,000	4,000
	<hr/>	<hr/>
Total market value of assets	259,000	211,000
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £14,000 (2017 - £25,000).

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22. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Current service cost	(36,000)	(26,000)
Interest income	6,000	3,000
Interest cost	(8,000)	(6,000)
	<hr/>	<hr/>
Total	(38,000)	(29,000)
	<hr/>	<hr/>
Actual return on scheme assets	14,000	25,000
	<hr/>	<hr/>

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

	2018 £	2017 £
Opening defined benefit obligation	282,000	286,000
Current service cost	36,000	26,000
Interest cost	8,000	6,000
Employee contributions	5,000	4,000
Actuarial gains	(19,000)	(39,000)
Benefits paid	(1,000)	(1,000)
	<hr/>	<hr/>
Closing defined benefit obligation	311,000	282,000
	<hr/>	<hr/>

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

	2018 £	2017 £
Opening fair value of scheme assets	211,000	162,000
Interest income	6,000	3,000
Actuarial losses	14,000	25,000
Employer contributions	24,000	18,000
Employee contributions	5,000	4,000
Benefits paid	(1,000)	(1,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	259,000	211,000
	<hr/>	<hr/>

23. 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.

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24. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

25. CONTROLLING PARTY

There is no overall controlling party.