



DISS HIGH SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

DISS HIGH SCHOOL
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members

Ms J Dennis
Mr J Wooddissee (resigned 1 August 2018)
Mr S Drake

Trustees

Dr J Hunt, Headteacher
Mrs J Dennis, Vice Chairman
Mr J Wooddissee, Chairman (resigned 1 August 2018)
Mrs V Attenborough
Mrs J Botwright
Miss S Browne
Mr S Drake, Chairman
Mrs L Hamill
Mr D Johnson
Lieutenant Colonel K Kiddie
Mr S Wells
Mr P Wiltshire (resigned 17 October 2018)
Mr L Zaal (resigned 26 January 2018)
Mrs C Jacobs
Ms K Jarocki (appointed 4 September 2017)
Mr M Nolan (appointed 4 September 2017)
Mrs E Shawcross (appointed 5 February 2018, resigned 17 October 2018)
Mrs J Shawcross (appointed 1 October 2018)
Mr Brown (appointed 26 November 2018)

Company registered number

07692440

Company name

Diss High School

Principal and registered office

Walcot Road, Diss, Norfolk, IP22 4DH

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

Advisers (continued)

Responsible Officer

Miss S Browne

Senior management team for the year ended 31 August 2018

Dr J Hunt, Headteacher
Mrs A Chilvers, Deputy Headteacher
Mr K Brinkley, Deputy Headteacher
Mr R Budds, Director of Sixth Form
Miss V Pitman, Assistant Headteacher
Mrs J Lincoln, School Business Manager

Independent auditors

MA Partners LLP, 7 The Close, Norwich, Norfolk, NR1 4DJ

DISS HIGH SCHOOL
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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 Diss High School ("the Academy") for the year 1 September 2017 to 31 August 2018. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Academy operates an academy for pupils aged 11 to 19 serving a catchment area in Diss. It has a pupil capacity of 1,200 and had a roll of 880 in the school census on January 2018.

Our school welcomes pupils from all backgrounds. Pupils are admitted at the age of 11+ without formal examination. Pupils from the following areas have traditionally joined the school each year: Burston, Diss, Roydon, Lopham, Bressingham, Dickleburgh, Garboldisham, Scole and Tivetshall. Admission to the Sixth Form is on the basis of interview and appropriate success at GCSE.

Structure, governance and management

a. CONSTITUTION

The Academy is a charitable company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy.

The Trustees of Diss High School are also the directors of the charitable company for the purpose of company law. The Trustees are also referred to as Governors, these words are used interchangeably in this document.

The charitable company is known as Diss High.

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

The Academy has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000.

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The Members may appoint up to 6 Governors.

The Members may appoint Staff Governors through such process as they may determine, provided that the total number of Governors (including the Headteacher) who are employees of the Academy does not exceed one third of the total number of Governors.

The Headteacher shall be treated for all purposes as being an ex officio Governor.

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

Subject to Article 57, *"The number of Parent Governors required shall be made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies"*, the Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he is elected.

The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot.

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

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

The number of Parent Governors required shall be made up by Parent Governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies.

In appointing a Parent Governor the Governing Body shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

The Governors may appoint up to 3 Co-opted Governors. A 'Co-opted Governor' means a person who is appointed to be a Governor by being co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy as a Co-opted Governor if thereby the number of Governors who are employees of the Academy would exceed one third of the total number of Governors (including the Headteacher).

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

The training and induction provided for new Trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All new Trustees will be given a tour of the School and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. All Trustees have access to "The Key for Governors" an online resource for School Governors.

f. ORGANISATIONAL STRUCTURE

The structure consists of three levels: the Trustees, The Senior Leadership Team and Department/Subject Leaders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

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

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

The Senior Leaders are the Headteacher, the Deputy Headteacher, three Assistant Headteachers and the School Business Manager. These managers control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Management Team always contain a Trustee. Some spending control is devolved to members of the Management Team, with limits above which a Senior Leader must countersign.

The Management Team includes the Senior Leadership Team, the five Heads of Year and the twenty three Curriculum Area Managers. These managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

g. PAY POLICY FOR KEY MANAGEMENT PERSONNEL

Academy Trustees do not receive remuneration from the Academy. Arrangements for the Senior Leadership Team remuneration and pay follow the agreed Pay and Conditions Policy which is based on the School Teachers Pay and Conditions Document ("STPCD"). The Headteacher's pay range is based on the school group size as outlined in the STPCD. Progress on this pay range is decided by the Headteacher's Performance Management Appraisal team of Governors who are advised by an external consultant. Senior Leadership teaching posts are similarly appraised against agreed targets, with remuneration based on the Leadership Pay School in the STPCD. Benchmarking for these key personnel is achieved through the national recommended pay scales.

h. TRADE UNION FACILITY TIME

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time **£**

Total cost of facility time	38,633	
Total pay bill	3,865,203	
Percentage of total pay bill spent on facility time	1	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

i. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Diss High School Fund is a registered charity (1038598) with Trustees in common. The charity funds are raised mainly by modest 'profits' from the sale of items of school stationery, equipment and uniform. Funds are used to make occasional purchases of items for school use to support mentoring and youth schemes, items for the student common rooms and charities chosen by the students.

Objectives and Activities

a. OBJECTS AND AIMS

The Academy's object ("**the Object**") is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The Academy's objectives for the year as set out in the school improvement plan are:

1. To enhance and sustain the quality of teaching.
2. To strengthen pupils' personal development, welfare and safety.
3. To improve outcomes for pupils.
4. To provide a relevant and appropriate curriculum for all pupils.

c. PUBLIC BENEFIT

In setting the Academy's objectives and planning its activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The following activities are undertaken to further the Academy's purposes for public benefit:

- a) Numerous Charity fundraising events: in particular the 6th Form Charity Week raised over six thousand pounds for the East Anglia Children's Hospice and the East Anglia Air Ambulance.
- b) Many local sports organisations use the school facilities.
- c) Sports events organised for local primary schools.
- d) PGCE student support.
- e) Facilities used for external examinations by local organisations.
- f) Music provided for community events in Diss Corn Hall and the Parish Church.
- g) Duke of Edinburgh Award involves community support to youth organisations in Diss.
- h) Oxbridge preparation offered to students from other schools.

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

Strategic report

Achievements and performance

a. KEY PERFORMANCE INDICATORS

Total students in the year ended 31 August 2018 numbered 881.

Examination results for 2018 were pleasing. At A level candidates achieved an average points score per entry of 30.53 (expressed as a Grade "C"). Average point score per tech level entry expressed as a grade – "Distinction*". At GCSE the Progress 8 score was 0.25 and 64% of pupils achieved a Grade 4 or above in English and Maths.

To ensure that standards are continually raised the Academy operates a programme of observation of lessons; is visited by inspectors; undertakes rigorous assessment using Progress in Maths and Progress in English tests on entry to set targets for achievement at GCSE; students are then assessed annually to monitor progress. Rigorous assessment is continued into the Sixth Form.

b. 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.

As at 31 August 2018 the Academy had £375,074 cash at bank and in hand. The Academy had free reserves of £13,179. Action has been taken to increase free reserves including reducing salaries for key staff positions, not replacing senior staff posts and halving the Senior Leadership Team. The Trustees of Diss High School Fund have notified the Academy of their intention to make an unrestricted donation of £120,000 in the year to 31 August 2019. Pupil numbers have also increased by approximately 100 however, as the Academy's funding per pupil is time-lagged, the Academy will only begin to benefit from this increase from September 2019.

The Trustees have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

c. FUNDRAISING ACTIVITIES

The Academy raises funds from the school community and third parties on an ad hoc basis. Professional fundraisers or commercial participators are not used. Fund raising activities are monitored by the Trustees Finance and Premises Committee and Independent audit of the Charity Account. No complaints have been received in relation to fundraising activities. The Academy endeavours to take all practical measures to protect the public from unreasonable intrusion on a person's privacy, unreasonably persistent approaches and undue pressure to give.

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

Financial review

We also acknowledge responsibility for safeguarding the assets of the Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The Academy is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposition;
- The proper records are maintained and financial information used within the Academy or for publication is reliable;
- The Academy complies with relevant laws and regulations.
- 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 governing body;
 - regular reviews by the Finance and Site 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.

In addition, the Trustees have considered the guidance for directors of public listed companies contained within the Turnbull Report. They believe that although it is not mandatory for the Academy it should, as a publicly funded body, adopt these guidelines as best practice. Accordingly they have set policies on internal controls which cover the following:

- the type of risks the Academy faces;
- the level of risks which they regard as acceptable;
- the likelihood of the risks materialising;
- the Academy's ability to reduce the incidence and impact on the Academy's operations of risks that do materialise;
- the costs of operating particular controls relative to the benefits obtained;
- clarified the responsibility of the Management Team to implement the governors' policies and to identify and evaluate risks for the governors' consideration;
- explained to employees that they have responsibility for internal control as part of their accountability for achieving objectives;
- embedded the control system in the Academy's operations so that it becomes part of the culture of the Academy;
- developed systems to respond quickly to evolving risks arising from factors within the Academy and to changes in the external environment; and
- included procedures for reporting failings immediately to appropriate levels of management and the Trustees together with details of corrective action being undertaken.

The Trustees have appointed S Browne, a Governor, as Responsible Officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

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

a. PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties as identified by the Academy's Risk Register are:

- **Strategic and Reputational**
 - o Risk of the impact an uncontrollable event will have on the charity – Control Measures are the school's critical incident and emergency recovery plan.
 - o Risk of insufficient technical knowledge – Control measures are sufficient and appropriate staff training.
 - o Information/Security – Control Measures are: engaging an Employment Law Specialist / Training / Advice from HR and ICT policy and preventative systems.
 - o Delegation – risk of too much being delegated to the Headteacher or the Business Manager – Control Measures are: Division of duties; SLT strategic plan; Governor and Finance staff performance management; stress risk assessment and management plan.
- **Operational**
 - o Risk of strike action – Control Measures are partial school closure ensuring exam classes are covered
 - o Breach of UK/EU Legislation – Control Measures are: Finance Handbook; Specialist independent advice purchased when required.
- **Financial**
 - o Budget not prepared in accordance with the DfE timetable – insufficient time in the summer term for the finance management team to set the budget for the following year – Control measures are: Using a diary of agenda items for Governors meetings; Setting a provisional budget according to best estimates pending confirmation of the actual budget; Scrutiny of the Budget Forecast Return for the DfE.
 - o Falling Roll – insufficient recruitment of pupils in future years and in the Sixth Form – Control Measures are medium and long term planning / publicity management / staffing review.
 - o Level of Funds – insufficient funds restrict the ability of the academy to function – Control Measures are: Reserves Policy; Strategic financial planning; Staffing review.

b. RESERVES POLICY

The Academy's reserves policy is to hold 8% of the school budget in reserves for contingency. However it is recognised that in the current climate of the school's falling roll and a cut in school budgets in real terms, it is difficult to achieve this figure. The Governors understand this and acknowledge the Academy is taking the following steps to increase reserves:

- Annual staffing reviews
- Smart procurement
- Use of the Condition Improvement Fund funding to reduce the Academy's budget for maintenance.

As at 31 August 2018 the Academy had free reserves of **£13,179** (2017: £95,556).

c. DEFICIT

The pension reserve is in deficit by **£761,000** (2017 - £1,043,000) due to the Academy's share of the Norfolk Pension Fund ("the Fund") liabilities exceeding its share of the assets. Plans to eliminate the deficit are incorporated into the employer contribution rates recommended by the Fund actuary.

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

d. MATERIAL INVESTMENTS POLICY

The Academy has a duty to identify funds which may be invested to maximise the school's income. The Academy will seek to employ such funds in the most appropriate scheme which carries no risk to the Academy's finances.

Plans for future periods

a. FUTURE DEVELOPMENTS

Key School Improvement Priorities - 2017-2018

1. Enhance and sustain the quality of teaching

- Ensure that consistently high standards of teaching are in place across all learning areas and subjects.
- Further develop the school's assessment and marking policies so that pupils receive and make use of excellent feedback.
- CPD ensures best practice is shared across the school.
- Encourage and stimulate independent learning and research.

2. Strengthen Pupils' Personal Development, Welfare and Safety

- Further improve pupil participation in all areas of the school including school rewards system.
- Ensure the school monitoring and pastoral system records accurate information on bullying, racist or discriminatory incidents, and that all incidents are resolved successfully.
- Sustain high school attendance for all groups of learners, especially those that have lower educational outcomes nationally.

3. Improve outcomes for pupils

- Expect all pupils to make outstanding progress from their starting points.
- Continue to use targeted literacy intervention to support rapid progress for lower prior attainment pupils.
- Close the progress and attainment gap for disadvantaged pupils.
- All pupils should leave Diss High School to engage in a planned programme of learning.

4. Leadership and Management

- Provide a relevant and appropriate curriculum for all pupils in Key Stages 3, 4 and 5.
- Ensure that ICT is used strategically to support all aspects of the School Improvement Plan.
- Refine the use of in-school data and assessment information to ensure accurate evaluation processes are in place and inform teaching and learning.
- Continue to build partnerships with cluster schools and key secondary associates that lead to measurable impact on pupil outcomes.

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

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
- Trustees have taken all the steps that ought to have been taken in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 6 December 2018 and signed on its behalf by:



.....
Mr S Drake
Chair of Trustees

DISS HIGH SCHOOL
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of Trustees has delegated 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 Diss High School 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 4 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
Dr J Hunt, Headteacher	4	4
Mrs J Dennis, Vice Chairman	3	4
Mr J Wooddissee, Chairman	4	4
Mrs V Attenborough	4	4
Mrs J Botwright	4	4
Miss S Browne	2	4
Mr S Drake, Chairman	4	4
Mrs L Hamill	3	4
Mr D Johnson	0	4
Lieutenant Colonel K Kiddie	1	4
Mr S Wells	4	4
Mr P Wiltshire	3	4
Mr L Zaal	1	2
Mrs C Jacobs	4	4
Ms K Jarocki	3	4
Mr M Nolan	2	4
Mrs E Shawcross	1	2

The Finance and Premises Committee is a sub committee of the main board of Trustees.

Its purpose is to:

- provide guidance and assistance to the Headteacher and governing body in all matters relating to budgeting and finance, with reference to the Academy's financial handbook.
- review regularly the detail of the financial procedures agreed by the governing body.
- prepare and review financial policy statements, including consideration of long term planning and resourcing.
- consider the Academy's School Improvement Plan (or post Ofsted Action Plan) priorities, and to draw up an annual budget plan for reporting to the full governing body.
- prepare a Charging Policy for the school for reporting to the full governing body.
- monitor income and expenditure of all funds and to report the financial situation to the full governing body each term
- To monitor the impact of spending decisions upon educational achievement in the school.

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GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Dr J Hunt	3	4
Mr S Drake	4	4
Mr P Wiltshire	4	4
Lieutenant Colonel K Kiddie	3	4
Mr M Nolan	0	4
Mrs L Hamill	0	4
Mrs J Botwright	2	4

Governance Reviews

a. HEALTH & SAFETY

In 2018 the Academy was subject to a full Health & Safety Inspection the result of which was a reduction in the Academy's risk rating and the next inspection will be due in June 2021.

b. SELF-EVALUATION

Trustees' self evaluation is undertaken in committee meetings and will continue in 2018/19.

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:

a. IMPROVING EDUCATIONAL OUTCOMES

In 2018 the Academy continued to invest in rigorous assessment by purchasing Bedrock Vocabulary which is an online Literacy improvement programme.

Examination results for 2018 were pleasing. At A level candidates achieved an average points score per entry of 30.53 (expressed as a Grade "C"). Average point score per tech level entry expressed as a grade – "Distinction*". At GCSE the Progress 8 score was 0.25 and 64% of pupils achieved a Grade 4 or above in English and Maths.

b. PUPIL PREMIUM

Pupil premium was used for one to one support across Key Stage 3 and Key Stage 4, supporting students with learning aids e.g. i pads, note books, enabling students to participate fully in enrichment activities such as Duke of Edinburgh and trips.

In 2018, the Progress 8 score for Pupil Premium students at Key Stage 4 was 0.02 which was above the national average, and the attainment 8 score per pupil premium student was 37.6.

c. WELL-BEING

Feedback from the annual Pupil Attitudes to Self and School survey quantifies the improvement in students' well being and confidence in school.

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GOVERNANCE STATEMENT (continued)

d. SEND

We have worked with our feeder schools to allocate SEN cluster funding where it can be most effective. The number of SEN students making expected progress remains at 100%.

e. STAFF PERFORMANCE MANAGEMENT

The Academy's investment in "Blue Sky", a performance management solution, has made a positive contribution to our successful CPD programme with all teaching staff performance being monitored online.

Attendance at twilight CPD sessions was high; sessions have been run by staff for staff and Trustees.

Financial Governance & Oversight

a. GOVERNORS

The board of Trustees has been proactive and supportive. Trustees' attendance at meetings has been good and monitoring has been rigorous. All school Trustees are encouraged and do act as a "critical friend" holding the leadership team to account and taking part in the planning and decision making process.

Trustees were given a detailed and appropriate financial benchmarking report and are aware of how we compare with other schools; significant differences were explained in full.

All Trustees have been given access to "The Key for School Governors", an online resource tool as well as the Trustees support package from the local authority.

The school's financial handbook was reviewed and updated in December 2017.

b. MAXIMISING INCOME

In March 2018 the school benefited from a successful Condition Improvement Fund bid. This funding was for the replacement of all B Block windows. This enabled the school to reduce the budget for maintenance and heating this year.

The school has also sought to increase its evening lettings by a third.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Diss High School for the year 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.

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GOVERNANCE STATEMENT (continued)

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 and Premises Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (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 S Browne, a Trustee, as Responsible Officer ("RO").

The RO'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 the following areas:

- Review that bank reconciliations have been carried out each month, including a review of validity of reconciling items;
- Review of the monthly payroll to ensure that any changes have been appropriately authorised;
- Check of a sample of orders to delivery notes and invoices to ensure that the documentation is complete and has been appropriately checked and authorised;
- Check of a sample of payments back to invoices, orders and delivery notes to confirm they are bona fide purchases;
- Review of a sample of expense claims to ensure there is appropriate documentation to support the claim and that the claim is appropriately authorised;
- Review the returns to the DFE to ensure the information supplied is consistent with the underlying accounting records and internal management reports;
- Carry out spot checks of petty cash balances and supporting vouchers; and
- Review all major contracts and ensure formal tendering procedures exist and are being adhered to.

On a termly basis, the RO reports to the board of Trustees to the full governing committee on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

- the work of the RO;
- the work of the external auditors;
- the work of the executive managers within the Academy 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 work of the external auditor and a plan to address weaknesses and ensure continuous improvement of the system is in place.

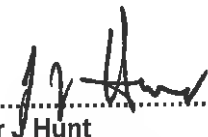
DISS HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Approved by order of the members of the board of Trustees on 6 December 2018 and signed on their behalf, by:



.....
Mr S Drake
Chair of Trustees



.....
Dr J Hunt
Accounting Officer

DISS HIGH SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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


.....
Dr J Hunt
Accounting Officer

Date: 6 December 2018

DISS HIGH SCHOOL
(A company limited by guarantee)

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

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

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

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

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

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

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

Approved by order of the members of the board of Trustees on 6 December 2018 and signed on its behalf by:



.....
Mr S Drake
Chair of Trustees

DISS HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DISS
HIGH SCHOOL**

OPINION

We have audited the financial statements of Diss High School (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.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 1.3 in the financial statements, which indicates that the Academy has free reserves of £13,179 as at 31 August 2018. The events and conditions in note 1.3 indicate that a material uncertainty exists that may cast significant doubt on the Academy's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

DISS HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DISS
HIGH SCHOOL**

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 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 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 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.

DISS HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DISS
HIGH SCHOOL**

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.

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.



Frank Shippam BSc FCA DChA (Senior statutory auditor)

for and on behalf of

MA Partners LLP

Chartered Accountants
Statutory Auditor

7 The Close
Norwich
Norfolk
NR1 4DJ
8 December 2018

DISS HIGH SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO DISS HIGH SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 23 October 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Diss High School 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 Diss High School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Diss 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 Diss High School and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF DISS HIGH SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Diss High School's funding agreement with the Secretary of State for Education dated 7 July 2011, 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.

DISS HIGH SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO DISS HIGH SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

Our procedures included, but were not limited to, the following:

- Reviewing the processes for identifying and declaring business interests, related parties and transactions with connected parties;
- Reviewing minutes of meetings and making enquiries of Trustees and management;
- Performing an evaluation of the general control environment;
- Sample testing of expenditure to ensure the Trust's lines of delegation and procurement policies have been adhered to, that employees have not personally benefitted from any transaction and that goods and services have been procured in an open and transparent manner;
- Sample testing of restricted income to ensure it has been spent as the purposes intended;
- Reviewing transactions which may not fall within the delegated authority of the Trust and ensuring any such transactions have been authorised and disclosed as necessary;
- Reviewing compliance with *Annex C: Schedule of requirements (the "musts")* of the Academies Financial Handbook 2017.

CONCLUSION

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

MA Partners LLP

MA Partners LLP

Chartered Accountants
Statutory Auditor

7 The Close
Norwich
Norfolk
NR1 4DJ

8 December 2018

DISS HIGH SCHOOL
(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 £	Total funds 2017 £
	Note					
INCOME FROM:						
Donations and capital grants	2	108	10,472	497,923	508,503	490,275
Charitable activities	3	3,753	4,451,589	-	4,455,342	4,761,381
Other trading activities	4	41,339	5,037	-	46,376	45,671
Investments	5	242	-	-	242	271
TOTAL INCOME		45,442	4,467,098	497,923	5,010,463	5,297,598
EXPENDITURE ON:						
Charitable activities		2,976	5,401,105	486,707	5,890,788	5,517,193
TOTAL EXPENDITURE	8	2,976	5,401,105	486,707	5,890,788	5,517,193
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		42,466	(934,007)	11,216	(880,325)	(219,595)
Transfers between Funds	17	(124,843)	590,605	(465,762)	-	-
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES		(82,377)	(343,402)	(454,546)	(880,325)	(219,595)
Actuarial gains on defined benefit pension schemes	22	-	383,000	-	383,000	642,000
NET MOVEMENT IN FUNDS		(82,377)	39,598	(454,546)	(497,325)	422,405
RECONCILIATION OF FUNDS:						
Total funds brought forward		95,556	(504,496)	8,587,880	8,178,940	7,756,535
TOTAL FUNDS CARRIED FORWARD		13,179	(464,898)	8,133,334	7,681,615	8,178,940

The notes on pages 27 to 52 form part of these financial statements.

DISS HIGH SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07692440

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	14		8,133,334		8,587,880
CURRENT ASSETS					
Debtors	15	299,549		488,529	
Cash at bank and in hand		375,074		450,921	
		<u>674,623</u>		<u>939,450</u>	
CREDITORS: amounts falling due within one year	16	(365,342)		(305,390)	
NET CURRENT ASSETS			<u>309,281</u>		<u>634,060</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,442,615</u>		<u>9,221,940</u>
Defined benefit pension scheme liability	22	(761,000)		(1,043,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>7,681,615</u>		<u>8,178,940</u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	296,102		538,504	
Restricted fixed asset funds	17	8,133,334		8,587,880	
Restricted income funds excluding pension liability		<u>8,429,436</u>		<u>9,126,384</u>	
Pension reserve		(761,000)		(1,043,000)	
Total restricted income funds			<u>7,668,436</u>		<u>8,083,384</u>
Unrestricted income funds	17		13,179		95,556
TOTAL FUNDS			<u>7,681,615</u>		<u>8,178,940</u>

The financial statements on pages 24 to 52 were approved by the Trustees, and authorised for issue, on 6 December 2018 and are signed on their behalf, by:

.....
Mr S Drake
Chair of Trustees

The notes on pages 27 to 52 form part of these financial statements.

DISS HIGH SCHOOL
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(43,928)	129,703
Cash flows from investing activities:			
Dividends, interest and rents from investments		242	271
Purchase of tangible fixed assets		(32,161)	(13,061)
Net cash used in investing activities		(31,919)	(12,790)
Change in cash and cash equivalents in the year		(75,847)	116,913
Cash and cash equivalents brought forward		450,921	334,008
Cash and cash equivalents carried forward	20	375,074	450,921

The notes on pages 27 to 52 form part of these financial statements.

DISS HIGH SCHOOL
(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.

Diss High School constitutes a public benefit entity as defined by FRS 102.

1.2 Company status

The Academy is a private company limited by guarantee. The members and Trustees of the company are named on page 1. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per member of the Academy.

1.3 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.

While the Academy's balance sheet remains solvent, as at 31 August 2018 the Academy had free reserves of only £13,179. The Academy has been taking action to address this position which shows the Academy returning to a surplus position by 31 August 2019. In particular, the Trustees of Diss High School Fund have notified the Academy of their intention to make an unrestricted donation of £120,000 in the year to 31 August 2019. As at 31 August 2018 the Academy had £375,074 cash at bank and in hand.

The Trustees have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

DISS HIGH SCHOOL
(A company limited by guarantee)

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.

DISS HIGH SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.6 Termination payments

Termination payments are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Academy Trust recognises termination payments when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination payments as a result of an offer made to encourage voluntary redundancy.

1.7 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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

Leasehold property	-	0.8% and 4% straight line
Furniture and equipment	-	10% and 20% straight line
Motor vehicles	-	10% straight line
Computer equipment	-	33% 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.

On 1 August 2011, the Academy became party to a lease agreement with Norfolk County Council for the school property. The lease is for a period of 125 years and substantially all the risks and rewards of ownership have been transferred to the Academy for £nil rental. As such the school property was recognised as a fixed asset in the Balance Sheet at a depreciated replacement cost of £9,430,682. The corresponding entry was recognised in voluntary income in the Statement of Financial Activities in the prior year. The depreciated replacement cost was based upon a desktop valuation carried out on behalf of the EFA.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

DISS HIGH SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.9 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.

1.10 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 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 instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

1.12 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.

DISS HIGH SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.14 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.

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

1. ACCOUNTING POLICIES (continued)

1.15 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 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 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.

In assessing the carrying value of tangible fixed assets the Trustees estimate the anticipated useful lives and residual values of the assets. There have been no significant revisions to these estimations in the current financial year.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Donations	108	10,472	-	10,580	30,196
Capital Grants	-	-	497,923	497,923	460,079
	108	10,472	497,923	508,503	490,275
<i>Total 2017</i>	<i>9,924</i>	<i>480,351</i>	-	<i>490,275</i>	

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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	-	4,229,637	4,229,637	4,406,930
Pupil Premium	-	151,177	151,177	147,222
Bursary funding	-	14,104	14,104	15,214
Devolved Formula Capital	-	20,628	20,628	21,016
	-	4,415,546	4,415,546	4,590,382
Other government grants				
Special Educational Needs	-	23,217	23,217	10,513
Schools Sports Coordinator	-	-	-	19,000
Local Authority	-	12,826	12,826	18,629
Erasmus	-	-	-	11,582
	-	36,043	36,043	59,724
Other income from the academy trust's educational operations				
Catering	3,753	-	3,753	111,275
	3,753	-	3,753	111,275
	3,753	4,451,589	4,455,342	4,761,381
Total 2017	111,275	4,650,106	4,761,381	

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

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Hire of facilities	17,928	-	17,928	24,721
Sale of educational resources	19,830	5,037	24,867	18,316
Other income	-	-	-	2,634
Insurance income	3,581	-	3,581	-
	<u>41,339</u>	<u>5,037</u>	<u>46,376</u>	<u>45,671</u>
<i>Total 2017</i>	<u>42,759</u>	<u>2,912</u>	<u>45,671</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Short term deposits	242	-	242	271
	<u>271</u>	<u>-</u>	<u>271</u>	
<i>Total 2017</i>	<u>271</u>	<u>-</u>	<u>271</u>	

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6. DIRECT COSTS

	Total 2018	<i>Total 2017</i>
Teaching resources	112,996	97,128
Examination fees	80,384	96,726
Staff development	17,367	18,092
Additional educational services	42,972	15,673
Educational consultancy	192	372
Bursary	16,117	21,262
Educational visits	9,322	11,697
Agency supply staff	169,692	150,868
Wages and salaries	2,510,617	2,542,794
National insurance	250,322	257,310
Pension cost	402,887	418,765
	3,612,868	3,630,687
	<hr/> <hr/>	<hr/> <hr/>
<i>Total 2017</i>	<hr/> <i>3,630,687</i> <hr/>	

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

7. SUPPORT COSTS

	Total 2018 £	Total 2017 £
FRS 102 Pension interest	27,000	32,000
Maintenance of property and equipment	808,418	363,562
Insurance	23,965	22,020
Postage, stationery, printing & telephone	19,058	32,367
Catering	21,526	117,004
Occupancy	121,101	115,978
Advertising and recruitment	24,794	12,982
Other	26,826	27,358
Minibus	3,025	3,217
Licences and subscriptions	6,405	4,268
Auditor's remuneration - audit of financial statements	6,400	6,250
Auditor's remuneration - other services	4,288	3,982
Legal and professional fees	3,975	-
Wages and salaries	471,434	421,190
National insurance	33,177	29,495
Pension cost	189,821	190,824
Depreciation	486,707	504,009
	<u>2,277,920</u>	<u>1,886,506</u>
<i>Total 2017</i>	<u>1,886,506</u>	

8. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Academy's educational operations:					
Direct costs	3,333,518	-	279,350	3,612,868	3,630,687
Support costs	694,432	1,324,751	258,737	2,277,920	1,886,506
	<u>4,027,950</u>	<u>1,324,751</u>	<u>538,087</u>	<u>5,890,788</u>	<u>5,517,193</u>
<i>Total 2017</i>	<u>4,011,246</u>	<u>862,381</u>	<u>794,434</u>	<u>5,668,061</u>	

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

9. NET EXPENDITURE

This is stated after charging:

	2018	2017
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	486,707	504,009
Auditors' remuneration - audit	6,400	6,250
Auditors' remuneration - other services	4,288	3,982
Operating lease rentals	47,049	48,554
	<hr/> <hr/>	<hr/> <hr/>

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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	2,909,633	2,941,904
Social security costs	283,499	286,805
Operating costs of defined benefit pension schemes	592,708	609,589
	<u>3,785,840</u>	<u>3,838,298</u>
Agency staff costs	169,692	150,868
Staff restructuring costs	72,418	22,080
	<u><u>4,027,950</u></u>	<u><u>4,011,246</u></u>

Staff restructuring costs comprise:

Redundancy payments	50,288	8,026
Severance payments	22,130	-
Other restructuring costs	-	14,054
	<u>72,418</u>	<u>22,080</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-contractual severance payments totalling **£22,130** (2017: *£nil*). The payment was made to one individual on 17 August 2018.

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	60	61
Administration and support	67	72
Management	6	6
	<u>133</u>	<u>139</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	51	55
Administration and support	30	33
Management	6	5
	<u>87</u>	<u>93</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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10. STAFF COSTS (continued)

d. Higher paid staff

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

	2018	2017
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £80,001 - £90,000	1	0
In the band £90,001 - £100,000	2	1

e. Key management personnel

The key management personnel of the academy comprise the trustees and the senior management team, as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was **£542,334** (2017: £442,765).

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
		£	£
Dr J Hunt, Head Teacher	Remuneration	95,000-100,000	<i>90,000-95,000</i>
	Pension contributions paid	15,000-20,000	<i>15,000-20,000</i>
Mrs J Hubbard	Remuneration		<i>0-5,000</i>
Miss V Koka	Remuneration		<i>15,000-20,000</i>
	Pension contributions paid		<i>0-5,000</i>
Mr F Lemon	Remuneration		<i>40,000-45,000</i>
	Pension contributions paid		<i>5,000-10,000</i>
Mrs C Jacobs	Remuneration	15,000-20,000	<i>5,000-10,000</i>
	Pension contributions paid	0-5,000	<i>0-5,000</i>
Ms K Jarocki	Remuneration	35,000-40,000	
	Pension contributions paid	5,000-10,000	
Mr M Nolan	Remuneration	30,000-35,000	
	Pension contributions paid	5,000-10,000	

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £310 to 2 Trustees).

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

12. TRUSTEES' AND OFFICERS' INSURANCE

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

13. FRS 102 PENSION INTEREST

	2018 £	2017 £
Interest income on pension scheme assets	73,000	51,000
Interest on pension scheme liabilities	(100,000)	(83,000)
	<u>(27,000)</u>	<u>(32,000)</u>

14. TANGIBLE FIXED ASSETS

	Leasehold property £	Motor vehicles £	Furniture and equipment £	Computer equipment £	Total £
Cost					
At 1 September 2017	10,239,820	43,176	573,885	318,305	11,175,186
Additions	-	-	15,668	16,493	32,161
At 31 August 2018	<u>10,239,820</u>	<u>43,176</u>	<u>589,553</u>	<u>334,798</u>	<u>11,207,347</u>
Depreciation					
At 1 September 2017	1,843,971	23,748	447,356	272,231	2,587,306
Charge for the year	382,841	4,316	62,733	36,817	486,707
At 31 August 2018	<u>2,226,812</u>	<u>28,064</u>	<u>510,089</u>	<u>309,048</u>	<u>3,074,013</u>
Net book value					
At 31 August 2018	<u>8,013,008</u>	<u>15,112</u>	<u>79,464</u>	<u>25,750</u>	<u>8,133,334</u>
At 31 August 2017	<u>8,395,849</u>	<u>19,428</u>	<u>126,529</u>	<u>46,074</u>	<u>8,587,880</u>

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15. DEBTORS

	2018 £	2017 £
Trade debtors	3,223	4,420
Other debtors	5,651	1,056
Prepayments and accrued income	193,724	443,693
VAT recoverable	96,951	39,360
	<u>299,549</u>	<u>488,529</u>

16. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	191,283	136,411
Other taxation and social security	77,144	73,625
Other creditors	69,459	68,376
Accruals and deferred income	27,456	26,978
	<u>365,342</u>	<u>305,390</u>

	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	2,595	16,166
Resources deferred during the year	-	2,595
Amounts released from previous years	(2,595)	(16,166)
	<u>-</u>	<u>2,595</u>
Deferred income at 31 August 2018	-	2,595

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

17. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds - all funds	95,556	45,442	(2,976)	(124,843)	-	13,179
Restricted funds						
	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
General Annual Grant (GAG)	-	4,235,359	(4,180,712)	(54,647)	-	-
Pupil Premium	45,429	151,177	(150,623)	-	-	45,983
LA Funding	-	12,826	(12,826)	-	-	-
SEN Funding	-	23,217	(23,217)	-	-	-
Devolved Formula Capital	-	20,628	(13,083)	(7,545)	-	-
Pathways to Success	3,595	-	(3,595)	-	-	-
Schools Sports Coordinator	13,541	250	(13,791)	-	-	-
Taylor Hammond	15,854	2,750	(3,298)	(5,229)	-	10,077
Bursary Funding	18,521	14,104	(16,208)	-	-	16,417
School Fund Donations	-	2,000	(2,000)	-	-	-
YAB School Support	480	-	(480)	-	-	-
Peripatetic Music Lessons	-	3,496	(9,599)	6,103	-	-
Condition Improvement Fund	433,711	-	(710,620)	497,923	-	221,014
Erasmus	7,373	1,291	(6,053)	-	-	2,611
Pension reserve	(1,043,000)	-	(255,000)	154,000	383,000	(761,000)
	(504,496)	4,467,098	(5,401,105)	590,605	383,000	(464,898)

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Capital expenditure from GAG	489,123	-	(95,408)	19,387	-	413,102
Assets transferred from Local Authority school	7,720,281	-	(365,923)	-	-	7,354,358
Minibus fund	11,646	-	(2,432)	-	-	9,214
Capital Maintenance Grant	291,038	-	(13,537)	-	-	277,501
Staging fund	713	-	(144)	-	-	569
Wheelchair lift	2,150	-	(100)	-	-	2,050
Capital expenditure from designated fund	60,200	-	(2,800)	-	-	57,400
Capital expenditure from DFC	6,992	-	(3,774)	7,545	-	10,763
Capital expenditure from Taylor Hammond	75	-	(510)	5,229	-	4,794
Capital expenditure from School Fund	5,662	-	(2,079)	-	-	3,583
Condition Improvement Fund	-	497,923	-	(497,923)	-	-
	8,587,880	497,923	(486,707)	(465,762)	-	8,133,334
Total restricted funds	8,083,384	4,965,021	(5,887,812)	124,843	383,000	7,668,436
Total of funds	8,178,940	5,010,463	(5,890,788)	-	383,000	7,681,615

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

The General Annual Grant fund ("GAG") is for the normal running costs of the Academy. The following transfers have been made from the GAG: **£154,000** (2017: £151,000) to the restricted pension reserve representing the cost of employer contributions towards the Local Government Pension Scheme; and **£19,387** (2017: £13,061) representing fixed asset additions from GAG funding. A further transfer of **£118,740** (2017: £56,427) from the unrestricted funds was made to clear the deficit on the GAG fund.

The Pupil Premium income has been provided by the EFA to help raise the attainment of disadvantaged pupils.

The Local Authority ("LA") Funding includes amounts received from the Local Authority, which have been spent on teaching and support staff salaries.

The Special Educational Needs ("SEN") funding has been provided by the Local Authority to fund those pupils that require additional educational support.

The Devolved Formula Capital ("DFC") fund relates to funding for the cost of minor capital works and ICT

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17. STATEMENT OF FUNDS (continued)

replacement in premises that are greater than three years old.

The Pathways to Success funding was provided to fund consultancy on the future provision of education to pupils.

The School Sport Co-ordinator programme aims to raise the standard of physical education within the local area schools.

The Taylor Hammond fund includes donations received from a local charity for specific educational equipment and activities.

The Bursary Funding has been provided to fund additional resources required to teach 16-19 year old pupils.

The School Fund Donations represents donations received from the Diss High School Fund for specific educational equipment and activities.

The YAB School Support fund provides careers advice and other key skills courses to students.

The Peripatetic Music Lessons fund represents amounts received from pupils and teaching costs towards additional music tuition.

The Condition Improvement Fund relates to income received and expenditure incurred for roof and window replacement works.

The Erasmus fund relates to a European Union student exchange programme.

The Pension reserve deficit at the period end was **£761,000** (2017: £1,043,000) and represents the Academy's share of the deficit of the Local Government Pension Scheme.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 September 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2017 £</i>
General funds						
General Fund	-	164,229	(1,702)	(66,971)	-	95,556
Restricted funds						
	<i>Balance at 1 September 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2017 £</i>
General Annual Grant (GAG)	(44,767)	4,406,930	(4,254,530)	(107,633)	-	-
Pupil Premium	47,390	147,222	(149,183)	-	-	45,429
LA Funding	-	18,629	(18,629)	-	-	-
SEN Funding	-	10,513	(10,513)	-	-	-
Devolved Formula Capital	-	21,016	(21,016)	-	-	-
Comenius	(1,559)	-	-	1,559	-	-
Pathways to Success	3,595	-	-	-	-	3,595
Schools Sports Coordinator	19,159	19,000	(24,618)	-	-	13,541
Taylor Hammond	11,469	13,426	(9,041)	-	-	15,854
Bursary Funding	24,652	15,214	(21,345)	-	-	18,521
School fund donations	-	5,646	(5,646)	-	-	-
YAB School Support	480	-	-	-	-	480
Peripatetic Music Lessons	(10,276)	2,912	(1,620)	8,984	-	-
Condition Improvement Fund	216,564	460,079	(242,932)	-	-	433,711
Enthuse	-	1,200	(1,200)	-	-	-
Erasmus	-	11,582	(4,209)	-	-	7,373
Pension reserve	(1,589,000)	-	(247,000)	151,000	642,000	(1,043,000)
	<u>(1,322,293)</u>	<u>5,133,369</u>	<u>(5,011,482)</u>	<u>53,910</u>	<u>642,000</u>	<u>(504,496)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

	<i>Balance at 1 September 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2017 £</i>
Capital expenditure from GAG	588,966	-	(112,904)	13,061	-	489,123
Assets transferred from Local Authority school	8,086,204	-	(365,923)	-	-	7,720,281
Minibus fund	14,078	-	(2,432)	-	-	11,646
Capital Maintenance Grant	304,574	-	(13,536)	-	-	291,038
Staging fund	857	-	(144)	-	-	713
Wheelchair lift	2,250	-	(100)	-	-	2,150
Capital expenditure from designated fund	63,000	-	(2,800)	-	-	60,200
Capital expenditure from DFC	10,640	-	(3,648)	-	-	6,992
Capital expenditure from Taylor Hammond	518	-	(443)	-	-	75
Capital expenditure from School Fund	7,741	-	(2,079)	-	-	5,662
	<u>9,078,828</u>	<u>-</u>	<u>(504,009)</u>	<u>13,061</u>	<u>-</u>	<u>8,587,880</u>
Total restricted funds	<u>7,756,535</u>	<u>5,133,369</u>	<u>(5,515,491)</u>	<u>66,971</u>	<u>642,000</u>	<u>8,083,384</u>
Total of funds	<u>7,756,535</u>	<u>5,297,598</u>	<u>(5,517,193)</u>	<u>-</u>	<u>642,000</u>	<u>8,178,940</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	8,133,334	8,133,334
Current assets	13,179	544,368	117,076	674,623
Creditors due within one year	-	(248,266)	(117,076)	(365,342)
Provisions for liabilities and charges	-	(761,000)	-	(761,000)
	<u>13,179</u>	<u>(464,898)</u>	<u>8,133,334</u>	<u>7,681,615</u>

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Restricted fixed asset funds</i>	<i>Total funds</i>
	2017	2017	2017	2017
	£	£	£	£
Tangible fixed assets	-	-	8,587,880	8,587,880
Current assets	98,151	841,298	-	939,449
Creditors due within one year	(2,595)	(302,794)	-	(305,389)
Provisions for liabilities and charges	-	(1,043,000)	-	(1,043,000)
	<u>95,556</u>	<u>(504,496)</u>	<u>8,587,880</u>	<u>8,178,940</u>

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

	2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(880,325)	(219,595)
Adjustment for:		
Depreciation charges	486,707	504,009
Dividends, interest and rents from investments	(242)	(271)
Decrease/(increase) in debtors	188,980	(183,532)
Increase/(decrease) in creditors	59,952	(66,908)
Defined benefit pension scheme cost less contributions payable	74,000	64,000
Defined benefit pension scheme finance cost	27,000	32,000
Net cash (used in)/provided by operating activities	<u>(43,928)</u>	<u>129,703</u>

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	375,074	450,921
Total	<u>375,074</u>	<u>450,921</u>

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NOTES TO THE FINANCIAL STATEMENTS
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21. CAPITAL COMMITMENTS

At 31 August 2018 the Academy had capital commitments as follows:

	2018	2017
	£	£
Contracted for but not provided in these financial statements	-	470,079

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 Norfolk County Council. Both are Multi-employer defined benefit pension schemes.

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

Contributions amounting to £71,808 were payable to the schemes at 31 August 2018 (2017 - 67,794) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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22. PENSION COMMITMENTS (continued)

- 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 £386,031 (2017 - £386,979).

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

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 £186,000 (2017 - £187,000), of which employer's contributions totalled £154,000 (2017 - £151,000) and employees' contributions totalled £34,000 (2017 - £36,000). The agreed contribution rates for future years are 22.0% plus annual deficit payments of £38,000 in the year ending 31 March 2019 and £45,000 in the year ending 31 March 2020 for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	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	22.1	22.1
Females	24.4	24.4
Retiring in 20 years:		
Males	24.1	24.1
Females	26.4	26.4

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22. PENSION COMMITMENTS (continued)

Sensitivity analysis	At 31 August 2018 £	At 31 August 2017 £
Discount rate -0.5%	466,000	458,000
Salary increase rate +0.5%	65,000	68,000
Pension increase rate +0.5%	396,000	383,000

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	1,618,740	1,768,240
Corporate bonds	1,079,160	713,000
Property	380,880	313,720
Cash and other liquid assets	95,220	57,040
Total market value of assets	3,174,000	2,852,000

The actual return on scheme assets was £181,000 (2017 - £240,000).

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

	2018 £	2017 £
Current service cost	(228,000)	(215,000)
Interest income	73,000	51,000
Interest cost	(100,000)	(83,000)
Total	(255,000)	(247,000)

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

	2018 £	2017 £
Opening defined benefit obligation	3,895,000	4,074,000
Current service cost	228,000	215,000
Interest cost	100,000	83,000
Employee contributions	34,000	36,000
Actuarial gains	(275,000)	(453,000)
Benefits paid	(47,000)	(60,000)
Closing defined benefit obligation	3,935,000	3,895,000

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

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

	2018 £	2017 £
Opening fair value of scheme assets	2,852,000	2,485,000
Return on plan assets (excluding net interest on the net defined pension liability)	73,000	51,000
Actuarial losses	108,000	189,000
Employer contributions	154,000	151,000
Employee contributions	34,000	36,000
Benefits paid	(47,000)	(60,000)
	<u>3,174,000</u>	<u>2,852,000</u>
Closing fair value of scheme assets	<u>3,174,000</u>	<u>2,852,000</u>

23. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
Amounts payable:		
Within 1 year	42,427	47,140
Between 1 and 5 years	29,054	74,510
	<u>71,481</u>	<u>121,650</u>
Total	<u>71,481</u>	<u>121,650</u>

24. 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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25. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

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

Diss High School Fund is a registered charity with Trustees in common. The charity funds are raised mainly by modest 'profits' from the sale of items of school stationery, equipment and uniform. Funds are used to make occasional purchases of items for school use to support mentoring and youth schemes, items for the student common rooms and charities chosen by the students. For the year ended 31 March 2018, the charity had income **£166,034** (2017: £154,484), expenditure of **£170,382** (2017: £121,061), and net assets of **£116,714** (2017: 121,061).

During the year, Diss High School Fund donated **£2,000** (2017: £2,311) to the school.