

Registration number: 07697698

Chulmleigh Academy Trust

(A company limited by guarantee)

Annual Report and Consolidated Financial Statements

for the Year Ended 31 August 2019

Thompson Jenner LLP
Statutory Auditors
28 Alexandra Terrace
Exmouth
Devon
EX8 1BD

Chulmleigh Academy Trust

Contents

Reference and Administrative Details	1 to 2
Trustees' Report	3 to 21
Governance Statement	22 to 26
Statement on Regularity, Propriety and Compliance	27
Statement of Trustees' Responsibilities	28
Independent Auditor's Report on the Financial Statements	29 to 31
Independent Reporting Accountant's Report on Regularity	32 to 33
Consolidated Statement of Financial Activities incorporating Income and Expenditure Account	34 to 35
Consolidated Balance Sheet	36
Balance Sheet	37
Consolidated Statement of Cash Flows	38
Notes to the Financial Statements	39 to 66

Chulmleigh Academy Trust

Reference and Administrative Details

Members	S Baber The Exeter Diocesan Board of Finance K Greenwood S Phillips M Bond (resigned 2 April 2019) S Croft (appointed 5 April 2019)
Trustees (Directors)	S C Baber, (Chair of Trustees) K A Greenwood M E Johnson T J C Newman M J White P K Winter D J Worden A Wade N N Philips M Bond (appointed 2 April 2019) N Sedgwick (appointed 3 October 2019)
Company Secretary	C A Harrison
Senior Management Team	M E Johnson, Executive Headteacher N Payne, Deputy Executive Headteacher L Newman, Head of School (CPS) and Early Years Leader T Pullen, Estates Manager C A Harrison, Academy Business Manager S Pinn, Head of School (EWS) C Wilmott, Head of School (LPS) L Mackie, Academy SENCO H Wall, Raising Standards Leader J Button, Raising Standards Leader
Principal and Registered Office	Chulmleigh Community College Chulmleigh Devon EX18 7AA
Company Registration Number	07697698

Chulmleigh Academy Trust

Reference and Administrative Details (continued)

Auditors	Thompson Jenner LLP Statutory Auditors 28 Alexandra Terrace Exmouth Devon EX8 1BD
Bankers	Lloyds Bank plc
Solicitors	Michelmores LLP

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2019. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 4 to 16 in Chulmleigh and surrounding areas. It has a pupil capacity of 1,041 and had a roll of 950 on the school census on 5 October 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees of Chulmleigh Academy Trust are also the directors of the charitable company for the purposes of company law. The Charitable Company is known as Chulmleigh Academy Trust.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the 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 they cease to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £1,000,000.

Method of recruitment and appointment or election of Trustees

On incorporation, the first Trustees of the newly formed Academy were appointed for a term of four years from the date of incorporation.

The Academy's Board of Trustees comprises the Executive Headteacher (who is the Chief Executive Officer), two Foundation Trustees, and up to nine other Trustees. In addition, the Secretary of State has the right under certain circumstances to appoint further trustees as provided for in the Articles of Association.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- Up to 9 Trustees who are appointed by the members. (including up to 2 staff Directors)
- 2 Foundation Directors
- The Chief Executive Officer where the Directors have not established advisory bodies in respect of the Academies as required by the Relevant Funding Agreements there shall be a up to 2 parent trustees who are elected by parents of registered pupils at the schools within the Academy.
- Up to 3 Co-Opted Trustees who are appointed by the Trustee (excluding any Trustees who were themselves co-opted).

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

Trustees are appointed for a four-year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures adopted for the Induction and Training of Trustees

The Academy has an Induction and Development of Directors policy available from the Company Secretary.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of those policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally (but in accordance with the Induction and Development of Directors policy) and is tailored specifically to the individual. New Trustees are also encouraged to attend Babcock LDP's training course for new governors.

There is a Trustees' away day organised each year which includes training sessions to keep the Trustees updated on relevant developments impacting on their roles and responsibilities.

Organisational Structure

The Board of Trustees meets at least six times a year. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

In this period there were four main committees as follows;

- **Business & Finance Committee** - this met at least twice a term and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the internal auditors and drafting the annual budget including setting staffing levels. The committee also deals with personnel matters, and will monitor, evaluate and review Academy policy, practice and performance in relation to Personnel and staffing issues. The committee also deals with premises and facilities issues, including Health and Safety matters and ICT.
- **Standards Committees** – one for the Secondary Phase, and one for the Primary Phase. These meet at least once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- **Audit Committee** – this committee was formed to deal with any necessary audit issues but has not had to convene in this period.

In addition, committees are formed on an ad hoc basis where required to cover other matters such as Exclusions.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Executive Headteacher.

The Trustees are responsible for setting general policy, approving the Academy Improvement Plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The members and Board of Trustees have devolved responsibility for day to day management of the Academy to the Executive Headteacher and Senior Leadership Team (SLT). In 2018/19 the SLT comprised the Executive Headteacher, one Deputy Executive Headteacher, one Academy SENDCO, one Estates Manager, one Business Manager and a Head

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

of School at each of the three primary schools.

The SLT controls the Academy at an executive operational level, implementing the policies laid down by the Trustees and reporting back to them.

Some spending control is devolved to Budget Holders, who are authorised in line with the Scheme of Delegation. The Executive Headteacher is responsible for the appointment of staff.

The Academy Trust comprised three primary schools and one secondary school during this period. Each school is an Academy in its own right forming part of the chain of academies within the Academy Trust, with a single Board of Directors overseeing the whole academy chain.

The Executive Headteacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trustees set the pay and remuneration of key management personnel taking into account benchmarking data.

Trade union facility time

There was one employee (1.0FTE) who was a relevant union official during the period.

There was no time spent on facility time during this period

Related Parties and other Connected Charities and Organisations

Chulmleigh Recreational Association, a registered charity, has use of the Academy's leisure facilities and there is a shared use agreement between them and the Academy.

In addition to the three primary schools within the Academy, the Academy has strong collaborative links with five further feeder primary schools. Links have also been formed with primary schools outside the transport area to facilitate transition.

Set up in 2015, Chulmleigh Academy Trust Preschools Ltd is a Director run company, incorporating East Worlington Preschool, Chulmleigh Preschool and Lapford Preschool.

There are no related parties which either control or significantly influence the decisions and operations of Chulmleigh Academy Trust. The Academy encourages strong communication links between the various parent and community forum groups which are linked to individual schools. The Parents' Advisory Group meets every term.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a chain of schools offering a broad range of curriculum for pupils of different abilities.

The aims of the Academy during the year ended 31 August 2019 are summarised below:

- to provide an outstanding education for each child in the Academy Trust
- to provide a broad and balanced curriculum, including extra-curricular activities.
- to develop students as more effective learners.
- to enhance the tertiary provision and outcomes.
- to develop the Academy sites so that they enable students to achieve their full potential.
- to ensure that every child enjoys fair access to a high quality education in terms of resourcing, tuition and care.
- to improve the effectiveness and sustainability of the Academy by keeping the curriculum and organisational structure under continual review.

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

- to maximise the number of students who achieve 5 GCSE grades (9-5) including English and Maths
- to provide value for money for the funds expended.
- to develop greater coherence, clarity and effectiveness in school systems.
- to comply with all appropriate statutory and curriculum requirements.
- to develop the Academy's capacity to manage change, and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Chulmleigh Academy Trust, we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents are part of an environment where high aspiration and standards are achieved as the result of the exemplary practice from the professionals in each of the schools.

Objectives, Strategies and Activities

Key priorities for the year are contained in our Academy Improvement Plan which is available from the Company Secretary at the College.

Next year the priorities will be based around:

- Continuing to make the quality of teaching and learning our number one priority
- Ensuring that our guiding principles of Social Justice, Leadership, Pupil Achievement, High Standards, Provision of a Variety of Activities and Financial Resilience inform our planning.
- Continuing to improve levels of attainment and progress
- Closing the gap between Pupil Premium pupils and non-Pupil Premium pupils
- Taking opportunities to use our resources flexibly, in the best interests of the children and in a way that makes best use of our freedoms as a group of academy schools
- Spreading the outstanding practice within the schools
- Increasing pupil numbers in all the schools
- Balancing expansion with the maintenance of high standards

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit education in Chulmleigh and the surrounding areas. In particular, but without prejudice to the generality of the foregoing, by estimating, maintaining, managing and developing schools, offering a broad curriculum for all.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

STRATEGIC REPORT

Achievements and Performance

The Academy is in its eighth year of operation. The total number of pupils in the Academy at the end of the academic year 2018/19 (summer term census 2019) was 917. This shows a slight increase when compared to summer 2018 when the Academy Trust had 871 pupils on roll. An increasing number of pupils come to the College from outside the designated transport area. This is facilitated by the provision of transport organised by the College.

Chulmleigh Academy Trust had 152 Pupil Premium children at the census date in January 2018. This represents 17.6% of the total pupil population across the Trust. Most of the funding has been used to provide specialist staffing support: other benefits have included support for music tuition, trips and travel.

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

Chulmleigh Community College

The 2018/19 exam results again continued the upward trend of results with progress outcomes that place us as the third highest performing school in Devon on Progress 8. However, this belies the fact that overall, the results are the best in the county for the second year running. For example, our EBacc Average Points Score was over 5, yet again.

To maintain the upward trend in results we shall:

- Target resources and appraisal to improve outcomes for Pupil Premium pupils.
- Continue to focus on literacy with an Accelerated Reading Plan aimed at Years 6-10.
- Develop our use of Knowledge Organisers and centralised homework to all of key stage three.
- Focus on study skills.
- Continue to challenge all pupils to surpass their target grades with high aspiration for all.
- Build upon the success of Year 7 Catchup programmes in English and Maths and review the progress of targeted pupils.
- Maintain a focus on the quality of marking and feedback by constantly reviewing this with Heads of Department.
- Maintain the high standards of discipline in the College.

Further to this we will focus on continuing to improve our

- Maths results;
- Attendance;
- Our Staffing balance
- Our KS3 – tutor program

The college now has 654 pupils an increase of almost 10% on the previous year. Over the last three years numbers have increased by 24% overall. It is no co-incidence that 24% of the pupils in the college come from outside our transport area.

Having healthy numbers in the college is a key priority for the Trust.

Primarys 2018/19

The Key Stage 2 results were below target for 2018/9 and we have put in a number of actions in order to continue to raise standards.

These include an emphasis upon reading, word acquisition, and strategies to narrow the gaps in learning for disadvantaged and SEN children.

The Year 6 Academy has now been relocated to the College site providing an increasingly fluid transition into Secondary education for the year 6 children. Its reputation has brought in new parents from a wide area, who recognise the value of an easy transition. Feedback from existing parents was extremely positive.

The three class structure at LPS is successful and children are settled and well supported with the excellent provision from teaching staff. Target children in each year group are identified and tracked through the year, and Teaching Assistants play a crucial role in offering interventions to support those children who are showing gaps in their learning. As a result, gaps at Key Stage 1 are narrowing. The school offers an open classroom policy where monitoring and learning walks can be carried out freely, which ensures standards are set high at all times.

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

EYFS provision goes from strength to strength. This cohort has children with particularly low starting points and Ofsted recognised the progress they have made. Interventions, particularly around speech and language acquisition, have been put in place and are having a remarkable impact. Reception children in all the primary schools settle well into school having had excellent transition opportunities through their preschools.

Learning Support. Significant amounts of training has been put in place for our Teaching Assistants who continue to be one of our most valuable resources. The way that TAs are used by Class Teachers has been reviewed and this, together with their new understanding of the interventions they are able to run, ensures that the children throughout our primary schools have targeted and appropriate intervention according to need.

Every teacher in the primary phase has the lead for a particular area of the curriculum. They are responsible for updating all staff of any changes to the curriculum as well as monitoring the provision in each of the schools. Subject leaders carry out book scrutiny and Learning Walks to inform them as to the progress that children are making in their subject and then feedback to the other staff, as well as recommending the way this learning is recorded.

Training is undertaken both internally and with outside agencies, again with regular feedback to other teaching staff. The collaboration with the NDTSA (North Devon Teaching School Alliance) and staff has matured. Staff have taken advantage of the advice and training from the SLEs (Specialist Leaders of Education) there. This collaboration will continue.

Safeguarding

Safeguarding remains a priority across the three primary schools and regular updates are given to staff in staff meetings and briefings. Last year, systems in the school were enhanced and improved through the support of the Primary Admin Support.

Attendance

Attendance is monitored biweekly and good attendance is promoted in schools. When attendance is a concern, communication to parents and carers is immediate and support is offered. Systems of monitoring attendance have been enhanced last year and attendance across the three schools is improving as a result. Attendance across the primary schools is good. Nevertheless, we have increased the level of support from our EWO.

Nationally used PIRA and PUMA tests for Maths and Reading continue to be used to monitor how successful children are at applying their understanding. Book scrutiny and moderation are at the forefront of our monitoring routines, as well as regular Learning Walks and lesson observations.

Heads of Schools work closely together to plan staff training, pupil assessment and any other issues that arise during the school year. Each Head of School has a responsibility for a particular phase across all the Academy primary schools – eg EYFS, KS1 and KS2. As each Head has a particular area of expertise, this ensures that high standards across the schools are maintained and expectations remain great. Heads of School meet weekly with Primary Admin Support, to ensure communication is tight, dates and events are set in calendars and systems are reviewed and enhanced and communication to parents; through website, Facebook and newsletters is rigorous.

Parents in each school are supportive of their schools and there is a high number of parents who volunteer either on a weekly basis supporting children in school with reading, or on a less regular basis with trips. The PTA in each school do a tremendous amount of fundraising. We constantly endeavour to improve our communication with parents as this can be a source of great frustration for them if things are missed, and to this end we have successfully introduced electronic communication which is much more successful than previous paper based information at engaging parents. The primary schools also hold a termly Open Morning with a specific focus on advice to parents for helping their children at home with either Maths, Reading or Science.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

management of spending against General Annual Grant (GAG) requires special attention. In the period under review, the restricted fund balance of £163,834 was carried forward representing 3.9% of GAG.

Once again, the college surpassed its GCSE targets.

The Ebacc was extremely ambitious and difficult to gauge against schools nationally. Our EBacc progress was the best in the region and the GCSE results were amongst the best in the region for the fifth consecutive year and overall. We are unaware of a school in the region with better all-round GCSE results.

Chulmleigh Primary School EYFS Results YEAR 2019

		Reading	Maths	Writing	GLD	National GLD in YEAR 2018	Devon GLD in YEAR 2018
	CPS*	71%	76%	65%	65%	%71	70%

Chulmleigh Primary School Phonic Screening Test YEAR 2019

Phonics Screening Test – National pass rate yr 1, 2018 81%

National Data is not yet available

		Yr 1	Yr 2
	CPS	88% 15/17	83% 5/6

Phonics Screening Test SEN

		Yr 1	Yr 2
	CPS	33% 1/3	80% 4/5

Phonics Screening Test PP

		Yr 1	Yr 2
	CPS	0% 1/1	75% 3/4

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

Chulmleigh Primary School KS1 SATs results Summer 2019

GDS = Greater Depth EXS= Expected WT=Working towards BLW= Below

National	Chulmleigh Primary School (21 Pupils)	GDS	EXS +	WT	BLW	Disapplied	PP (4) EXS	SEN(5) EXS	SEN(4) WT
76% EXS+ 25% GDS	Reading	8/21 38%	15/21 71%	4/21 19%	2/21 9%	/ %	1/4 25%	1/4 25%	1/4 25%
70% EXS+ 15% GDS	Writing	3/21 14%	12/21 57%	6/21 29%	3/21 14%	/ %	0/21 %	0/21 %	2/5 40%
77% EXS+ 22%	Mathematics	4/21 19%	14/21 67%	7/21 33%	0/21 %	/ %	0/4 %	1/5 20%	4/5 80%
	Science	/ %	17/21 81%	4/21 19%	/ %	/ %	0/4 %	1/5 20%	4/5 80%

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

Chulmleigh Primary School KS2 SATs results Summer 2019

Cohort = 42

PP = 3/42 = 7%

SEN = 8/42 = 19%

Girls = 23 (3 SEN, 1PP)

Boys = 19 (5 SEN, 2PP)

National 2019	Chulmleigh Primary School (42 Pupils)	Achieved Standard	Not Achieved Standard	PP (3) Achieved Standard	PP (3) Not Achieved Standard	SEN (8) Achieved Standard	SEN (8) Not Achieved Standard
73%	Reading	28/42 66% EXP+ 19% GDS	14/42 33%	1/3 33%	2/3 66%	2/8 25%	6/8 75%
78%	SPAG	24/42 57% EXP+ 7% GDS	18/42 43%	0/3 0%	3/3 100%	0/8 0%	8/8 100%
79%	Mathematics	27/42 64% EXS 19% GDS	15/42 36%	0/3 0%	3/3 100%	3/8 38%	5/8 63%
64%	Combined	18/42 43% EXS	24/42 57%	0/3 0%	3/3 100%	0/8 0%	8/8 100%

		GDS	EXS +
	Writing	7/42	26/42
78%		17%	62%

Mobile Breakdown

8 chn joined in yr 6 (3 SEN, 1PP) – 2 achieved Combined - 25%

6 chn joined in yr 5 (1SEN) – 3 achieved Combined – 50%

29% SEN (4/14)

1 chd joined 4 weeks before SATs (SEN)

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

Lapford Community Primary School EYFS Results 2018

	Reading	Maths	Writing	GLD	Greater Depth	National in 2018
LPS	70% (7/10) PP – 0% (2/10)	70% (7/10) PP – 0% (2/10)	70% (7/10) PP – 0% (2/10)	70% (7/10) PP – 0% (2/10)	20% 2/10	71%

Lapford Community Primary School Phonic Screening Test 2019

Percentage of pupils who met the expected standard in phonics in 2018: 82%
National Data is not yet available

	Yr 1 (10)	Yr 2 (3)
LPS	90%	0%

Phonics Screening Test SEN

	Yr 1 (1)	Yr 2 (2)
LPS	0%	0%

Phonics Screening Test PP

	Yr 1 (1)	Yr 2(1)
LPs	100%	0%

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

Lapford Community Primary School KS1 SATs results Summer 2019

National Data is not yet available.

Combined (Maths, Reading and Writing) – 31% (5/16) 42%

Writing – 31% 42%

Reading – 50% 67%

Mathematics - 44% 58%

- 4 pupils are not currently accessing curriculum due to high level needs. One pupil disapplied for statutory testing. % without these pupils are in red)

GDS = Greater Depth

EXS= Expected

WT=Working towards

BLW= Below

Lapford Community Primary School (16 Pupils)	GDS	EXS/ GD	WT	BLW	Disapplied	PP (5) EXS	SEN(4)
Reading	25% 4/16	50% 8/16	25% 4/16	19% 3/16	6% 1/16	6% 1/16	0%
Writing	12.5% 2/16	31% 5/16	25% 4/16	19% 3/16	6% 1/16	6% 1/16	0%
Mathematics	12.5% 2/16	44% 7/16	25% 4/16	19% 3/16	6% 1/16	6% 1/16	0%
Science	0% 0/16	31% 5/16	44% 7/16	19% 3/16	6% 1/16	6% 1/16	0%

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

Lapford Community Primary School KS2 SATs results Summer 2019

Cohort: 11 pupils Girls 1/11 – 9% Boys 9/11- 91% PP- 1/11- 9% SEN- 0/11- 0%

National	Lapford Community Primary School (11 Pupils)	Achieved Standard	Not Achieved Standard	PP (1) Achieved Standard	PP (1) Not Achieved Standard	SEN Achieved Standard	SEN Not Achieved Standard
73%	Reading	8/11 73%	3/11 27%	0/11 9%	1/11 9%	n/a	n/a
78%	SPAG	7/11 64%	4/11 36%	0/11 9%	1/11 9%	n/a	n/a
79%	Mathematics	9/11 82%	2/11 18%	1/11 9%	0/11 9%	n/a	n/a
Combined Reading/ Writing/ Maths National Combined 65%		8/11 73%	3/11 27%	0/11 9%	0/11 9%	n/a	n/a

Writing (11)	GDS	EXS	PP (1)
	3/11 27%	9/11 82%	1/11 100%

Greater Depth Key Stage 2

Lapford Community Greater Depth	Achieved Standard
Reading	3/11 27%
Maths	2/11 18%
Writing	3/11 27%
Combined Reading/ Writing/ Maths	2/11 18%

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

East Worlington Primary School EYFS Results 2019

	Reading	Maths	Writing	GLD	National in 2017	Devon in 2017
EWPS*(3)	2/3 66%	2/3 66%	1/3 33%	1/3 33%	71.5%	70.2%

East Worlington Primary School Phonic Screening Test 2019

Phonics Screening Test – National pass rate yr 1,2018 – %

National Data is not yet available

	Yr 1 (4)	Yr 2 (1)
EWPS	100%	100%

Phonics Screening Test SEN

	Yr 1 (1)	Yr 2 (1)
EWPS	100%	100%

Phonics Screening Test PP

	Yr 1	Yr 2
EWPS	N/A%	N/A%

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

East Worlington Primary School KS1 SATs results Summer 2019

National Data is not yet available.

GDS = Greater Depth

EXS= Expected

WT=Working towards

BLW= Below

East Worlington Primary School (5 Pupils)	GDS	EXS	WT	BLW	Disapplied	PP (0) EXS	SEN(2) EXS	SEN(2) WT
Reading	0/5 %	4/5 80%	1/5 20%	0/5 %	0/5 %	N/A	1/2 50%	1/2 50%
Writing	0/5 %	3/5 60%	2/5 40%	0/5 %	0/5 %	N/A	1/2 50%	1/2 50%
Mathematics	1/5 %	4/5 80%	1/5 10%	0/5 %	0/5 %	N/A	1/2 50%	1/2 50%
Science	N/A	4/5 80%	1/5 20%	0/5 %	0/5 %	N/A	1/2 50%	1/2 50%

Combined 60%

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

East Worlington Primary School KS2 SATs results Summer 2019

National	East Worlington Primary School (7 Pupils)	Achieved Standard	Not Achieved Standard	GD	PP 0 Achieved Standard	SEN (2) Achieved Standard	SEN (2)Not Achieved Standard
75%	Reading	5/7 71%	2/7 29%	3/7 43%	N/A	1/2 50%	1/2 50%
78%	SPAG	5/7 71%	2/7 29%	2/7 29%	N/A	0/2 0%	2/2 100%
76%	Mathematics	4/7 57%	3/7 43%	2/7 29%	N/A	0/2 0%	2/2 100%
64%	Combined	57%	43%	14%	N/A	0/2 0%	2/2 100%

	Writing	GDS	EXS
78%	71%	0% Pre moderation 29%	71%

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

Progress measures: KS1 to KS2

Reading progress score (confidence interval in brackets)	-3.1
% of eligible pupils included in the reading progress measure	100%
Writing progress score (confidence interval in brackets)	
% of eligible pupils included in the writing progress measure	100%
Mathematics progress score (confidence interval in brackets)	-4.4
% of eligible pupils included in the mathematics progress measure	100%

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2019 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2019, total expenditure (excluding restricted fixed assets funds and pensions reserves) of £5,053,206 was covered by recurrent grant funding from the DfE, together with other incoming resources totalling £5,171,971. The excess of income over expenditure for the year excluding restricted fixed asset funds, pensions reserves and transfers to Restricted Fixed Asset funds was £118,765.

At 31 August 2019 the net book value of fixed assets was £13,807,858 and movements in tangible fixed assets are shown in the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The balance of the former school's budget shares was transferred across on conversion and is shown as Unrestricted Funds.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 27 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Executive Headteacher, managers, budget holders and other staff, as well as delegated authority for spending. Other key policies such as, GDPR, ICT and Charging & Remissions policies were reviewed and updated.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free cash reserves should be £300,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of reserves (total funds less restricted fixed asset funds and pension reserve) is £702,785, of which £484,122 is free reserves.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the academy Trust.

Investment Policy

All funds surplus to immediate requirements may be invested in accordance with the Academy's Investment Policy Statement, a copy of which is available from the Company Secretary.

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts or invested in individual fixed income securities such as Certificates of Deposit, U.K Treasury Bonds, and other similar instruments with an average duration of less than one year to take advantage of higher interest rates. No other form of investment is authorised.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any investment shall therefore be with providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Executive Headteacher and Business Manager in accordance with the Academy's Investment Policy Statement

Principal Risks and Uncertainties

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year virtually all of the Academy's incoming resources were ultimately Government funded. More than 90% of funding is based on pupil numbers, and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Fairer Funding has now been delayed and the Trust will not receive any benefit from this until 2020 at the earliest.

Pupil Numbers - Funding where over 90% is dependent on pupil numbers with no protection for small schools is a risk for the Trust. The College remains very popular but sparsity results in an insufficient number of students from the designated transport area. This risk has been reviewed and the Trust has taken the decision to invest in the provision of transport option for families outside the designated transport area. Initiatives to counter the low pupil numbers

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

include a comprehensive marketing campaign including direct mailing, building relationships with primary schools in other areas and attendance at county fairs. This has proven to be an effective approach, and numbers have grown at the College

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependent on continuing to attract pupils/students in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

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

Fraud and mismanagement of funds - The Academy has appointed an internal auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis. The ten most significant risks (with mitigating factors) are revised each term and discussed with the Trustees.

FUNDRAISING

The fundraising at the Trust has been under the auspices of the Parent and Teacher Associations at each of the schools. The focus of the fundraising has been to increase the number of computers at Chulmleigh Primary School and at both East Worlington and Lapford Primary School the fundraising has been to improve the outdoor play area.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with primary schools from the designated transport area, as well as those outside it, to improve the educational opportunities for students in the wider community.

Full details of our plans for the future are given in our Academy Improvement Plan, which is available from the Company Secretary.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

Chulmleigh Academy Trust

Trustees' Report for the Year Ended 31 August 2019

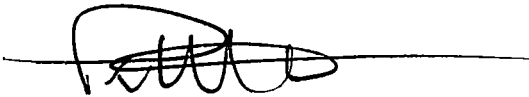
AUDITORS

In so far as the Trustees are aware:

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

The decision to appoint Thompson Jenner was made by the full Board following a best value tender.

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on 05/12/19..... and signed on the board's behalf by:

A handwritten signature in black ink, appearing to be 'P K Winter', written over a horizontal line.

P K Winter
Trustee

Chulmleigh Academy Trust

Governance Statement

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to M E Johnson, 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 Chulmleigh Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

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

Trustee	Meetings attended	Out of a possible
S C Baber	6	6
K A Greenwood	6	6
M E Johnson	6	6
T J C Newman	5	6
P K Osborne	3	6
N N Philips	6	6
M J White	6	6
A Wade	1	6
P K Winter	6	6
D J Worden	4	6
M Bond	2	2

The Board of Trustees consider that there is currently a good balance of skills on the Board. One Trustee was appointed in April, leaving the Board with one vacancy which it is taking steps to fill with appropriately skilled individuals.

Chulmleigh Academy Trust

Governance Statement (continued)

The Business and Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to consider the matters within its remit, including budgetary and financial matters, and to consider the internal auditor's reports.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
S C Baber	5	5
D J Worden	5	5
P K Winter	5	5
M E Johnson	5	5
N N Philips	3	5
A Wade	1	5

The Secondary Standards is a sub-committee of the main Board of Trustees. The committee met regularly to consider the matters within its remit, namely standards across the secondary phase.

Trustee	Meetings attended	Out of a possible
S C Baber	3	3
T J C Newman	3	3
M J White	2	3
M E Johnson	3	3

The Primary Standards is a sub-committee of the main Board of Trustees. The committee met regularly to consider the matters within its remit, namely standards across the primary phase.

Trustee	Meetings attended	Out of a possible
S C Baber	3	3
P K Osborne	1	3
M E Johnson	3	3
K A Greenwood	2	3
M Bond	2	2

Chulmleigh Academy Trust

Governance Statement (continued)

Review of value for money

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

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

- Opportunities to make savings have been considered whenever possible, and the reserves at the end of 2018/19 showed an increase of £82k. Making a total Reserves of £703k.
Historically, budget formulas have recognised that small schools cost more to run per pupil than larger schools. The current formula does not take account of this: more than 90% of school funding being based on pupil numbers. The 'hard National Funding Formula', due to take effect from 2020/21, will provide additional funding with minimum funding levels set at £5,000 per pupil in the secondary school and £3,750 for the primary schools.
- Increasing the number of students on roll has been a key issue to build sustainability. The results in the secondary school were yet again outstanding and transport has been provided from areas out of normal catchment to enable more students to attend the College.
- Achieving best value from the funds available continues to be a constant focus. The Trust has worked with the South West Buying Hub, in a number of key areas. This resulted in savings with energy and catering suppliers. The Trust also conducted a best value exercise with its insurance provider and secured a three year agreement at a cost less than the Risk Protection Arrangement.
- The funds deficit at Lapford Primary School has been agreed because the Trustees are assured that the school has the capacity to grow. The deficit in 2018/19 was reduced by £21k
- The financial pressures facing the Trust have been reported and considered. The Trustees will explore strategic opportunities to work with other schools and Trusts, both to share expertise and to strengthen the financial viability of the Trust and strive for a fair political decision via MPs.
- A key feature for the Trust, during 2018/19, was a focus on securing grants. The Trust received the following grants:

Foundation/Trust	Amount	Date Received	Details	School
Foyle Library Grant	£2,500	July 2019	Lower ability books	Chulmleigh College
Wind Farm Community Fund	£5,000	June 2019	Outside Play Area	East Worlington Primary
Awards for All	£10,000	April 2019	Outside Play Area	Chulmleigh Primary School
Siobhan Dowd Trust	£350	February 2019	Books	Chulmleigh College
Ernest Cooke Trust	£2,900	December 2018	Music Tuition	Chulmleigh Primary School

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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Chulmleigh Academy Trust for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

Chulmleigh Academy Trust

Governance Statement (continued)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ending 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Griffin Chartered Accountants as internal auditors.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The auditor reports to the Business & Finance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

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

Chulmleigh Academy Trust

Governance Statement (continued)


Review of effectiveness

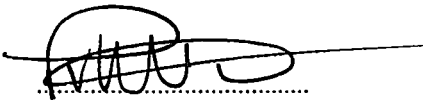
As Accounting Officer, M E Johnson has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

Approved by order of the members of the Board of Trustees on 05/12/19 and signed on its behalf by:


.....
M E Johnson
Accounting officer
Trustee


.....
P K Winter
Trustee

Chulmleigh Academy Trust

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Chulmleigh Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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



.....
M E Johnson
Accounting officer

Date: 5.12.19

Chulmleigh Academy Trust

Statement of Trustees' Responsibilities

The Trustees (who act as the governors of Chulmleigh Academy Trust Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published 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:

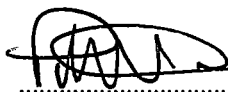
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 on 05/12/19 and signed on its behalf by:



P K Winter
Trustee

Chulmleigh Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Chulmleigh Academy Trust

Opinion

We have audited the financial statements of Chulmleigh Academy Trust (the 'Academy') and its subsidiaries (the 'Group') for the year ended 31 August 2019, which comprise the Consolidated Statement of Financial Activities incorporating Income and Expenditure Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Use of our report

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information (covers the Reference and Administrative Details, the Trustees' Report)

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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Chulmleigh Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Chulmleigh Academy Trust (continued)

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 (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the parent Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report and the Financial Statements.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 28], the Trustees 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 Group's and the parent 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 Group or the parent Academy or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

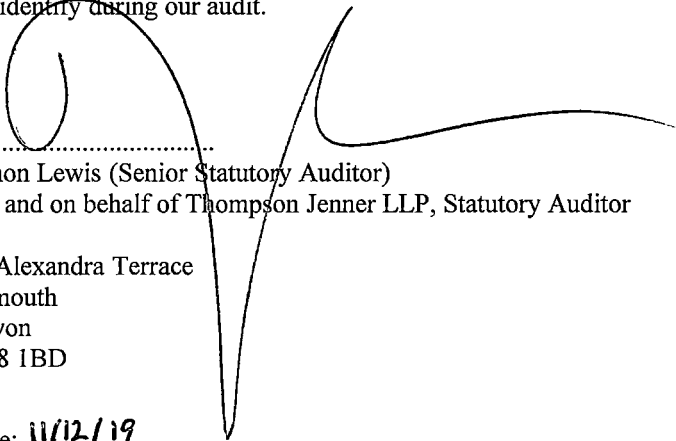
As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Chulmleigh Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Chulmleigh Academy Trust (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the parent Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the parent Academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



.....
Simon Lewis (Senior Statutory Auditor)
For and on behalf of Thompson Jenner LLP, Statutory Auditor

28 Alexandra Terrace
Exmouth
Devon
EX8 1BD

Date: 11/12/19

Chulmleigh Academy Trust

Independent Reporting Accountant's Report on Regularity to Chulmleigh Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 18 August 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Chulmleigh Academy Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Board of Trustees's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies Financial Handbook extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion have been designed to comply with the requirements set out in The Accounts Direction 2017 to 2018 and includes:

- Inspection and review of documentation providing evidence of governance procedures
- Evaluation of the systems of internal controls for authorisation and approval
- Performing substantive tests on relevant transactions

Chulmleigh Academy Trust

Independent Reporting Accountant's Report on Regularity to Chulmleigh Academy Trust and the Education & Skills Funding Agency (continued)

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 from 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

.....
Simon Lewis

For and on behalf of Thompson Jenner LLP, Chartered Accountants

28 Alexandra Terrace
Exmouth
Devon
EX8 1BD

Date: 11/12/19

Chulmleigh Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2018/19 Total £
Income and endowments from:					
Donations and capital grants	2	-	14,436	84,774	99,210
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	296,499	4,822,840	-	5,119,339
Other trading activities	4	34,707	189	-	34,896
Investments	5	3,300	-	-	3,300
Income from preschools	6	97,182	-	-	97,182
Total		<u>431,688</u>	<u>4,837,465</u>	<u>84,774</u>	<u>5,353,927</u>
Expenditure on:					
Raising funds	7	33,045	-	-	33,045
<i>Charitable activities:</i>					
Academy trust educational operations		267,910	5,077,250	375,130	5,720,290
Preschools expenditure		<u>105,095</u>	<u>-</u>	<u>-</u>	<u>105,095</u>
Total		<u>406,050</u>	<u>5,077,250</u>	<u>375,130</u>	<u>5,858,430</u>
Net income/(expenditure)		25,638	(239,785)	(290,356)	(504,503)
Transfers between funds		-	(37,113)	37,113	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	27	<u>-</u>	<u>(617,000)</u>	<u>-</u>	<u>(617,000)</u>
Net movement in funds/(deficit)		25,638	(893,898)	(253,243)	(1,121,503)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2018		<u>508,347</u>	<u>(2,535,439)</u>	<u>14,061,101</u>	<u>12,034,009</u>
Total funds/(deficit) carried forward at 31 August 2019		<u>533,985</u>	<u>(3,429,337)</u>	<u>13,807,858</u>	<u>10,912,506</u>

Chulmleigh Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2018 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2017/18 Total £
Income and endowments from:					
Donations and capital grants	2	1,000	7,987	320,114	329,101
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	296,588	4,517,708	-	4,814,296
Other trading activities	4	35,439	-	-	35,439
Investments	5	1,950	-	-	1,950
Income from preschools	6	108,940	-	-	108,940
Total		<u>443,917</u>	<u>4,525,695</u>	<u>320,114</u>	<u>5,289,726</u>
Expenditure on:					
Raising funds	7	27,806	-	-	27,806
<i>Charitable activities:</i>					
Academy trust educational operations		266,729	4,814,740	358,084	5,439,553
Preschools expenditure		<u>124,622</u>	<u>-</u>	<u>-</u>	<u>124,622</u>
Total		<u>419,157</u>	<u>4,814,740</u>	<u>358,084</u>	<u>5,591,981</u>
Net income/(expenditure)		24,760	(289,045)	(37,970)	(302,255)
Transfers between funds		(7,763)	-	7,763	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	27	<u>-</u>	<u>714,000</u>	<u>-</u>	<u>714,000</u>
Net movement in funds/(deficit)		16,997	424,955	(30,207)	411,745
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2017		<u>491,350</u>	<u>(2,960,394)</u>	<u>14,091,308</u>	<u>11,622,264</u>
Total funds/(deficit) carried forward at 31 August 2018		<u>508,347</u>	<u>(2,535,439)</u>	<u>14,061,101</u>	<u>12,034,009</u>

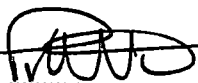
Chulmleigh Academy Trust

(Registration number: 07697698)

Consolidated Balance Sheet as at 31 August 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	13,807,858	14,061,101
Current assets			
Stocks	15	21,355	21,355
Debtors	16	154,135	204,006
Cash at bank and in hand		1,053,128	805,495
		<u>1,228,618</u>	<u>1,030,856</u>
Creditors: Amounts falling due within one year	17	<u>(459,303)</u>	<u>(318,615)</u>
Net current assets		<u>769,315</u>	<u>712,241</u>
Total assets less current liabilities		14,577,173	14,773,342
Creditors: Amounts falling due after more than one year	18	<u>(16,667)</u>	<u>(33,333)</u>
Net assets excluding pension liability		14,560,506	14,740,009
Pension scheme liability	27	<u>(3,648,000)</u>	<u>(2,706,000)</u>
Net assets including pension liability		<u>10,912,506</u>	<u>12,034,009</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		218,663	170,561
Restricted fixed asset fund		13,807,858	14,061,101
Restricted pension fund		<u>(3,648,000)</u>	<u>(2,706,000)</u>
		<u>10,378,521</u>	<u>11,525,662</u>
Unrestricted funds			
Unrestricted general fund		484,122	450,571
Other unrestricted fund		<u>49,863</u>	<u>57,776</u>
		<u>533,985</u>	<u>508,347</u>
Total funds		<u>10,912,506</u>	<u>12,034,009</u>

The financial statements on pages 29 to 58 were approved by the Trustees, and authorised for issue on 05/12/19 and signed on their behalf by:




 P K Winter
 Trustee

Chulmleigh Academy Trust
(Registration number: 07697698)
Balance Sheet as at 31 August 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	13,807,858	14,061,101
Current assets			
Stocks	15	21,355	21,355
Debtors	16	148,908	202,341
Cash at bank and in hand		<u>1,004,737</u>	<u>745,889</u>
		1,175,000	969,585
Creditors: Amounts falling due within one year	17	<u>(455,548)</u>	<u>(315,120)</u>
Net current assets		<u>719,452</u>	<u>654,465</u>
Total assets less current liabilities		14,527,310	14,715,566
Creditors: Amounts falling due after more than one year	18	<u>(16,667)</u>	<u>(33,333)</u>
Net assets excluding pension liability		14,510,643	14,682,233
Pension scheme liability	27	<u>(3,648,000)</u>	<u>(2,706,000)</u>
Net assets including pension liability		<u>10,862,643</u>	<u>11,976,233</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		218,663	170,561
Restricted fixed asset fund		13,807,858	14,061,101
Restricted pension fund		<u>(3,648,000)</u>	<u>(2,706,000)</u>
		10,378,521	11,525,662
Unrestricted funds			
Unrestricted general fund		<u>484,122</u>	<u>450,571</u>
Total funds		<u>10,862,643</u>	<u>11,976,233</u>

The financial statements were approved by the Trustees, and authorised for issue on 05/12/19 and signed on their behalf by:



P K Winter
Trustee

Chulmleigh Academy Trust

Consolidated Statement of Cash Flows for the Year Ended 31 August 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	22	298,678	(41,270)
Cash flows from investing activities	24	(33,813)	(137,847)
Cash flows from financing activities	23	<u>(17,232)</u>	<u>-</u>
Change in cash and cash equivalents in the year		247,633	(179,117)
Cash and cash equivalents at 1 September		<u>805,495</u>	<u>984,612</u>
Cash and cash equivalents at 31 August	25	<u><u>1,053,128</u></u>	<u><u>805,495</u></u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019

1 Accounting policies

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

Basis of preparation

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

Going concern

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its sole subsidiary undertaking. These are adjusted, where appropriate, to conform to group accounting policies. As a consolidated group profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Income

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

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

1 Accounting policies (continued)

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

Donated fixed assets

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

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

1 Accounting policies (continued)

Charitable activities

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

Tangible fixed assets

Assets costing £250 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line/reducing balance basis over its expected useful lives, per the table below.

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

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

Asset class	Depreciation method and rate
Long term leasehold property	2% straight line
Motor vehicles	25% reducing balance
Furniture and equipment	20% straight line
Computer equipment	33% straight line

Liabilities

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

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

1 Accounting policies (continued)

Leased assets

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

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pension benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

1 Accounting policies (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Subsidiary undertaking

The financial statements include the results of CAT Preschools Limited, a wholly owned subsidiary. Further details of the subsidiary and its results are set out in note 14.

2 Donations and capital grants

	Restricted funds £	Restricted fixed asset funds £	2018/19 Total £	2017/18 Total £
Capital grants	-	84,434	84,434	39,864
Donations - local authority asset transfer	-	-	-	275,000
Private sponsorship	-	-	-	1,250
Other donations	14,436	340	14,776	12,987
	<u>14,436</u>	<u>84,774</u>	<u>99,210</u>	<u>329,101</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2018/19 Total £	2017/18 Total £
DfE/ESFA revenue grants				
General annual grant	-	4,230,001	4,230,001	3,994,751
Other DfE/EFA grants	-	318,539	318,539	326,877
	-	4,548,540	4,548,540	4,321,628
Other government grants				
High needs	-	66,281	66,281	64,042
Other government grants non capital	-	17,443	17,443	18,962
	-	83,724	83,724	83,004
Non-government grants and other income				
Internal catering income	267,084	-	267,084	266,228
Sales to students	27,828	54,829	82,657	74,186
Other	1,587	-	1,587	-
Educational trips and visits	-	135,747	135,747	69,250
	296,499	190,576	487,075	409,664
Total grants	296,499	4,822,840	5,119,339	4,814,296

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2018/19 Total £	2017/18 Total £
Hire of facilities	20,269	-	20,269	19,928
Other sales	14,438	189	14,627	15,511
	34,707	189	34,896	35,439

5 Investment income

	Unrestricted funds £	Restricted funds £	2018/19 Total £	2017/18 Total £
Short term deposits	3,300	-	3,300	1,950

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

6 Other charitable activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Income from preschools	<u>97,182</u>	<u>-</u>	<u>97,182</u>	<u>108,940</u>

7 Expenditure

	Non Pay Expenditure			2018/19 Total £	2017/18 Total £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds					
Direct costs	-	-	33,045	33,045	27,806
Academy's educational operations					
Direct costs	3,099,521	303,855	463,052	3,866,428	3,691,531
Allocated support costs	1,002,805	301,796	549,261	1,853,862	1,748,022
Preschools expenditure					
Direct costs	89,524	-	5,068	94,592	111,307
Allocated support costs	<u>-</u>	<u>5,775</u>	<u>4,728</u>	<u>10,503</u>	<u>13,315</u>
	<u>4,191,850</u>	<u>611,426</u>	<u>1,055,154</u>	<u>5,858,430</u>	<u>5,591,981</u>

Net income/(expenditure) for the year includes:

	2018/19 £	2017/18 £
Operating lease rentals	27,728	21,085
Depreciation	375,130	358,084
Fees payable to auditor - audit	6,000	6,000
- other audit services	<u>2,150</u>	<u>1,500</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

8 Charitable activities

			2018/19 £	2017/18 £
Direct costs - educational operations			3,866,428	3,691,531
Direct costs - preschools			94,592	111,307
Support costs - educational operations			1,853,862	1,748,022
Support costs - preschools			10,503	13,315
			<u>5,825,385</u>	<u>5,564,175</u>
	Educational operations	Preschools	Total 2019	Total 2018
	£	£	£	£
Analysis of support costs				
Support staff costs	1,002,805	-	1,002,805	901,679
Depreciation	71,275	-	71,275	68,036
Technology costs	108,852	-	108,852	139,735
Premises costs	230,521	5,775	236,296	225,118
Other support costs	412,219	4,728	416,947	402,152
Governance costs	28,190	-	28,190	24,617
Total support costs	<u>1,853,862</u>	<u>10,503</u>	<u>1,864,365</u>	<u>1,761,337</u>

9 Staff

Staff costs

	2019 £	2018 £
Staff costs during the year were:		
Wages and salaries	3,145,022	3,017,990
Social security costs	263,197	250,184
Operating costs of defined benefit pension schemes	<u>757,458</u>	<u>696,953</u>
	4,165,677	3,965,127
Supply staff costs	22,149	41,086
Staff restructuring costs	<u>4,024</u>	<u>-</u>
	<u>4,191,850</u>	<u>4,006,213</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

9 Staff (continued)

	2019 £
Staff restructuring costs comprise:	
Redundancy payments	554
Severance payments	3,470
	<u>4,024</u>

Staff numbers

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

	2018/19 No	2017/18 No
Charitable Activities		
Teachers	50	46
Administration and support	96	94
Management	8	8
	<u>154</u>	<u>148</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2019 No	2018 No
£80,001 - £90,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £632,571 (2018: £521,114).

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

10 Central services

The Academy Trust has provided the following central services to its academies during the year:

- Human resources
- Financial services
- Legal and professional services
- Educational support services
- Catering services

The trust charges for these services on the following basis:

Central costs are split between academies on a percentage based on pupil numbers and High Needs distribution:

- Chulmleigh Community College - 64%
- Chulmleigh Primary School - 20%
- East Worlington Primary School - 8%
- Lapford Primary School - 8%

Catering costs are split on the following percentages based on pupil numbers:

- Chulmleigh Community College - 65%
- Chulmleigh Primary School - 22%
- East Worlington Primary School - 5%
- Lapford Primary School - 8%

11 Related party transactions - trustees' remuneration and expenses

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

M E Johnson (Headteacher):

Remuneration: £80,000 - £85,000 (2018 - £80,000 - £85,000)

Employer's pension contributions: £10,000 - £15,000 (2018 - £10,000 - £15,000)

A Wade (Staff member prior becoming a Trustee):

Remuneration: £0 - £5,000 (2018 - £5,000 - £10,000)

Employer's pension contributions: £0 - £5,000 (2018 - £0 - £5,000)

Other related party transactions involving the trustees are set out in note 28.

12 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2019 was £351 (2018 - £371).

The cost of this insurance is included in the total insurance cost.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

13 Tangible fixed assets

Group and company

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2018	15,426,949	513,018	358,896	25,470	16,324,333
Additions	(1,029)	56,298	43,618	23,000	121,887
At 31 August 2019	15,425,920	569,316	402,514	48,470	16,446,220
Depreciation					
At 1 September 2018	1,500,968	428,730	314,107	19,427	2,263,232
Charge for the year	276,396	47,108	44,365	7,261	375,130
At 31 August 2019	1,777,364	475,838	358,472	26,688	2,638,362
Net book value					
At 31 August 2019	13,648,556	93,478	44,042	21,782	13,807,858
At 31 August 2018	13,925,981	84,288	44,789	6,043	14,061,101

14 Investments

Group and company

CAT Preschools Limited, a company incorporated in England and Wales and limited by guarantee is a subsidiary of the Academy with the Academy being the sole member. The company was formed with the purpose of carrying out the business of preschool at some of the Academy's schools. Turnover for the year ended 31 August 2019 was £97,182, expenditure was £105,095 and the profit/(loss) for the year was (£7,913). The assets of the company at 31 August 2019 were £53,618, liabilities were £3,755 and capital and reserves were £49,863.

15 Stock

	Group		Company	
	2019 £	2018 £	2019 £	2018 £
Books and stationery	17,900	16,171	17,900	16,171
Catering	3,455	5,184	3,455	5,184
	<u>21,355</u>	<u>21,355</u>	<u>21,355</u>	<u>21,355</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

16 Debtors

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	13,260	7,926	8,033	6,261
VAT recoverable	27,793	24,572	27,793	24,572
Prepayments and accrued income	113,082	171,508	113,082	171,508
	<u>154,135</u>	<u>204,006</u>	<u>148,908</u>	<u>202,341</u>

17 Creditors: amounts falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	135,780	53,564	135,025	53,069
Other taxation and social security	64,337	65,309	64,337	65,309
Other creditors	28,165	30,613	28,165	30,613
Accruals	43,821	33,082	40,821	30,082
Deferred income	127,977	78,742	127,977	78,742
Pension scheme creditor	59,223	57,305	59,223	57,305
	<u>459,303</u>	<u>318,615</u>	<u>455,548</u>	<u>315,120</u>
			2019	2018
			£	£

Deferred income

Deferred income at 1 September 2018	78,742	76,650
Resources deferred in the period	127,977	78,742
Amounts released from previous periods	<u>(78,742)</u>	<u>(76,650)</u>
Deferred income at 31 August 2019	<u>127,977</u>	<u>78,742</u>

At the balance sheet date the Academy was holding funds received in advance in relation to grant income and trip income.

18 Creditors: amounts falling due after one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Other creditors	<u>16,667</u>	<u>33,333</u>	<u>16,667</u>	<u>33,333</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

18 Creditors: amounts falling due after one year (continued)

Loans of £33,333 from Education and Skills Funding Agency which is provided on the following terms: Included within other creditors is a loan of £33,333 from the Education and Skills Funding Agency of which £16,666 is due within one year and £16,667 is due greater than one year. The loan is repayable on a monthly basis with the first repayment made on 1 September 2018. Interest is charged at 1.69% per annum on the balance of the loan.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

19 Funds

Group

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General annual grant (GAG)	355,975	3,838,880	(3,770,491)	(37,113)	387,251
Other government grants	-	17,443	(17,443)	-	-
Other DfE/EFA grants	-	354,155	(354,155)	-	-
High needs	-	66,281	(66,281)	-	-
Donations	-	14,436	(14,436)	-	-
General annual grant (GAG) - Lapford Primary School	(185,414)	355,505	(338,679)	-	(168,588)
Other sales	-	55,018	(55,018)	-	-
Educational trips and visits	-	135,747	(135,747)	-	-
	<u>170,561</u>	<u>4,837,465</u>	<u>(4,752,250)</u>	<u>(37,113)</u>	<u>218,663</u>
Restricted fixed asset funds					
Fixed asset transferred on conversion	7,494,601	-	(137,802)	-	7,356,799
Fixed asset purchased from GAG	211,985	-	(13,546)	37,113	235,552
DfE/EFA capital grants	147,441	77,673	(74,336)	75	150,853
Maintenance fund grant	5,892,678	-	(141,926)	-	5,750,752
Other restricted asset fund	39,396	7,101	(2,020)	(75)	44,402
Local authority asset transfer	275,000	-	(5,500)	-	269,500
	<u>14,061,101</u>	<u>84,774</u>	<u>(375,130)</u>	<u>37,113</u>	<u>13,807,858</u>
Restricted pension funds					
Pension reserve	<u>(2,706,000)</u>	<u>-</u>	<u>(325,000)</u>	<u>(617,000)</u>	<u>(3,648,000)</u>
Total restricted funds	<u>11,525,662</u>	<u>4,922,239</u>	<u>(5,452,380)</u>	<u>(617,000)</u>	<u>10,378,521</u>
Unrestricted funds					
Unrestricted general funds	450,571	334,506	(300,955)	-	484,122
Other unrestricted funds	<u>57,776</u>	<u>97,182</u>	<u>(105,095)</u>	<u>-</u>	<u>49,863</u>
Total unrestricted funds	<u>508,347</u>	<u>431,688</u>	<u>(406,050)</u>	<u>-</u>	<u>533,985</u>
Total funds	<u>12,034,009</u>	<u>5,353,927</u>	<u>(5,858,430)</u>	<u>(617,000)</u>	<u>10,912,506</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

19 Funds (continued)

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

	Balance at 1 September 2017 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General annual grant (GAG)	317,008	3,695,222	(3,656,255)	-	355,975
Other government grants	-	18,962	(18,962)	-	-
Other DfE/EFA grants	-	326,877	(326,877)	-	-
High needs	-	64,042	(64,042)	-	-
Donations	-	77,237	(77,237)	-	-
General annual grant (GAG) - Lapford Primary School	(158,402)	299,529	(326,541)	-	(185,414)
Other sales	-	43,826	(43,826)	-	-
	<u>158,606</u>	<u>4,525,695</u>	<u>(4,513,740)</u>	<u>-</u>	<u>170,561</u>
Restricted fixed asset funds					
Fixed asset transferred on conversion	7,633,619	-	(139,018)	-	7,494,601
Fixed asset purchased from GAG	230,337	-	(18,352)	-	211,985
DfE/EFA capital grants	186,177	28,814	(67,550)	-	147,441
Maintenance fund grant	6,017,412	-	(124,734)	-	5,892,678
Other restricted asset fund	23,763	16,300	(8,430)	7,763	39,396
Local authority asset transfer	-	275,000	-	-	275,000
	<u>14,091,308</u>	<u>320,114</u>	<u>(358,084)</u>	<u>7,763</u>	<u>14,061,101</u>
Restricted pension funds					
Pension reserve	<u>(3,119,000)</u>	<u>-</u>	<u>(301,000)</u>	<u>714,000</u>	<u>(2,706,000)</u>
Total restricted funds	<u>11,130,914</u>	<u>4,845,809</u>	<u>(5,172,824)</u>	<u>721,763</u>	<u>11,525,662</u>
Unrestricted funds					
Unrestricted general funds	417,892	334,977	(294,535)	(7,763)	450,571
Other unrestricted funds	<u>73,458</u>	<u>108,940</u>	<u>(124,622)</u>	<u>-</u>	<u>57,776</u>
Total unrestricted funds	<u>491,350</u>	<u>443,917</u>	<u>(419,157)</u>	<u>(7,763)</u>	<u>508,347</u>
Total funds	<u><u>11,622,264</u></u>	<u><u>5,289,726</u></u>	<u><u>(5,591,981)</u></u>	<u><u>714,000</u></u>	<u><u>12,034,009</u></u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

19 Funds (continued)

Company

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General annual grant (GAG)	355,975	3,838,880	(3,770,491)	(37,113)	387,251
Other government grants	-	17,443	(17,443)	-	-
Other DfE/EFA grants	-	354,155	(354,155)	-	-
High needs	-	66,281	(66,281)	-	-
General annual grant (GAG) - Lapford Primary School	(185,414)	355,505	(338,679)	-	(168,588)
Donations	-	14,436	(14,436)	-	-
Other sales	-	55,018	(55,018)	-	-
Educational trips and visits	-	135,747	(135,747)	-	-
	<u>170,561</u>	<u>4,837,465</u>	<u>(4,752,250)</u>	<u>(37,113)</u>	<u>218,663</u>
Restricted fixed asset funds					
Fixed asset transferred on conversion	7,494,601	-	(137,802)	-	7,356,799
Fixed asset purchased from GAG	211,985	-	(13,546)	37,113	235,552
DfE/EFA capital grants	147,441	77,673	(74,336)	75	150,853
Maintenance fund grant	5,892,678	-	(141,926)	-	5,750,752
Other restricted asset fund	39,396	7,101	(2,020)	(75)	44,402
Local authority asset transfer	275,000	-	(5,500)	-	269,500
	<u>14,061,101</u>	<u>84,774</u>	<u>(375,130)</u>	<u>37,113</u>	<u>13,807,858</u>
Restricted pension funds					
Pension reserve	<u>(2,706,000)</u>	<u>-</u>	<u>(325,000)</u>	<u>(617,000)</u>	<u>(3,648,000)</u>
Total restricted funds	11,525,662	4,922,239	(5,452,380)	(617,000)	10,378,521
Unrestricted funds					
Unrestricted general funds	<u>450,571</u>	<u>334,506</u>	<u>(300,955)</u>	<u>-</u>	<u>484,122</u>
Total funds	<u>11,976,233</u>	<u>5,256,745</u>	<u>(5,753,335)</u>	<u>(617,000)</u>	<u>10,862,643</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

19 Funds (continued)

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

	Balance at 1 September 2017 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General annual grant (GAG)	317,008	3,695,222	(3,656,255)	-	355,975
Other government grants	-	18,962	(18,962)	-	-
Other DfE/EFA grants	-	326,877	(326,877)	-	-
High needs	-	64,042	(64,042)	-	-
General annual grant (GAG) - Lapford Primary School	(158,402)	299,529	(326,541)	-	(185,414)
Donations	-	77,237	(77,237)	-	-
Other sales	-	43,826	(43,826)	-	-
	<u>158,606</u>	<u>4,525,695</u>	<u>(4,513,740)</u>	<u>-</u>	<u>170,561</u>
Restricted fixed asset funds					
Fixed asset transferred on conversion	7,633,619	-	(139,018)	-	7,494,601
Fixed asset purchased from GAG	230,337	-	(18,352)	-	211,985
DfE/EFA capital grants	186,177	28,814	(67,550)	-	147,441
Maintenance fund grant	6,017,412	-	(124,734)	-	5,892,678
Other restricted asset fund	23,763	16,300	(8,430)	7,763	39,396
Local authority asset transfer	-	275,000	-	-	275,000
	<u>14,091,308</u>	<u>320,114</u>	<u>(358,084)</u>	<u>7,763</u>	<u>14,061,101</u>
Restricted pension funds					
Pension reserve	<u>(3,119,000)</u>	<u>-</u>	<u>(301,000)</u>	<u>714,000</u>	<u>(2,706,000)</u>
Total restricted funds	11,130,914	4,845,809	(5,172,824)	721,763	11,525,662
Unrestricted funds					
Unrestricted general funds	<u>417,892</u>	<u>334,977</u>	<u>(294,535)</u>	<u>(7,763)</u>	<u>450,571</u>
Total funds	<u><u>11,548,806</u></u>	<u><u>5,180,786</u></u>	<u><u>(5,467,359)</u></u>	<u><u>714,000</u></u>	<u><u>11,976,233</u></u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

19 Funds (continued)

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

Restricted Funds

General Annual Grant - Income from the EFA which is to be used for the normal running costs of the Academy, including education and support costs.

Other DfE/EFA Grants - This represents other various income received from the DfE/EFA with restrictions.

Other Government Grants - This represents other various income received with restrictions.

Other Restricted Donations - This represents general donations to be used for the normal running of the Academy, including education and support costs and educational trip income.

Pension Reserve - The represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Restricted Fixed Asset Funds

Fixed Assets Transferred on Conversion - This represents the building and equipment donated to the school from the Local Authority on conversion to an Academy.

Fixed Asset Purchased from GAG - This represents funds transferred from the restricted GAG fund to purchase fixed assets.

DfE/ESFA Capital Grants - These funds were received for direct expenditure on fixed asset projects. The balance at the yearend represents the net book value of the fixed assets in addition to any unspent grant amounts.

Maintenance Fund Grant - This represents funds that were received for the construction and maintenance of school assets.

Other Restricted Asset Fund - This represents various other funds that were received for the specific purpose of purchasing and maintaining fixed assets.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

19 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Chulmleigh Community College	617,807	590,079
Chulmleigh Primary School	221,279	196,370
East Worlington Primary School	18,377	10,630
Lapford Primary School	<u>(154,678)</u>	<u>(175,947)</u>
Total before fixed assets and pension reserve	702,785	621,132
Fixed asset transferred on conversion	13,807,858	14,061,101
Pension reserve	<u>(3,648,000)</u>	<u>(2,706,000)</u>
Total	<u>10,862,643</u>	<u>11,976,233</u>

Lapford Primary School is carrying a net deficit of £154,678 on these funds because:

Lapford Primary School is carrying a deficit because when it joined the Academy Trust it was in a deficit position with standards that needed to be addressed.

The trust is taking the following action to return the academy to surplus:

Lapford Community Primary School joined the Trust in 2012 with a deficit reserves position and a pupil roll which had been falling because confidence in the school was low. Standards were poor, but following a restructure and a sustained programme of interventions, confidence has grown and the number on roll is steadily rising. Changing the perceptions of families can be a slow process and confidence in the school was not entirely evident until 2015.

The school is situated in a comparatively large village (for North Devon) where rurality and distance to any centres for support, results in a high level of social deprivation. The school is therefore a vital part of this community, fulfilling the needs that are not otherwise available.

The numbers on roll at Lapford preschool rose significantly due to the school's good reputation, consequently a third class was put in place from September 2016 to split the Year R and Year 1.

The Trust made the decision to invest its reserves to return Lapford Community Primary School to a surplus position by 2020.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

19 Funds (continued)

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2019 £	Total 2018 £
Chulmleigh Community College	2,026,292	598,149	76,310	809,373	3,510,124	3,371,387
Chulmleigh Primary School	614,171	70,940	8,546	141,864	835,521	759,385
East Worlington Primary School	189,717	44,049	8,534	56,659	298,959	288,068
Lapford Primary School	269,340	35,667	2,777	100,817	408,601	389,436
Central services	-	254,000	-	71,000	325,000	301,000
Academy Trust	<u>3,099,520</u>	<u>1,002,805</u>	<u>96,167</u>	<u>1,179,713</u>	<u>5,378,205</u>	<u>5,109,276</u>

20 Analysis of net assets between funds

Group

Fund balances at 31 August 2019 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	13,807,858	13,807,858
Current assets	533,985	661,300	33,333	1,228,618
Current liabilities	-	(442,637)	(16,666)	(459,303)
Creditors over 1 year	-	-	(16,667)	(16,667)
Pension scheme liability	-	(3,648,000)	-	(3,648,000)
Total net assets	<u>533,985</u>	<u>(3,429,337)</u>	<u>13,807,858</u>	<u>10,912,506</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

20 Analysis of net assets between funds (continued)

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	14,061,101	14,061,101
Current assets	511,842	469,014	50,000	1,030,856
Current liabilities	(3,495)	(298,453)	(16,667)	(318,615)
Creditors over 1 year	-	-	(33,333)	(33,333)
Pension scheme liability	-	(2,706,000)	-	(2,706,000)
Total net assets	<u>508,347</u>	<u>(2,535,439)</u>	<u>14,061,101</u>	<u>12,034,009</u>

Company

Fund balances at 31 August 2019 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	13,807,858	13,807,858
Current assets	484,122	657,545	33,333	1,175,000
Current liabilities	-	(438,882)	(16,666)	(455,548)
Creditors over 1 year	-	-	(16,667)	(16,667)
Pension scheme liability	-	(3,648,000)	-	(3,648,000)
Total net assets	<u>484,122</u>	<u>(3,429,337)</u>	<u>13,807,858</u>	<u>10,862,643</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	14,061,101	14,061,101
Current assets	450,571	469,014	50,000	969,585
Current liabilities	-	(298,453)	(16,667)	(315,120)
Creditors over 1 year	-	-	(33,333)	(33,333)
Pension scheme liability	-	(2,706,000)	-	(2,706,000)
Total net assets	<u>450,571</u>	<u>(2,535,439)</u>	<u>14,061,101</u>	<u>11,976,233</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

21 Commitments under operating leases

Group and company

Operating leases

At 31 August 2019 the Group had annual commitments under non-cancellable operating leases as follows:

	2019 £	2018 £
Amounts due within one year	26,196	26,410
Amounts due between one and five years	<u>65,819</u>	<u>92,014</u>
	<u>92,015</u>	<u>118,424</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

22 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2019 £	2018 £
Net expenditure	(504,503)	(302,255)
Depreciation	375,130	358,084
Capital grants from DfE and other capital income	(84,774)	(320,114)
Interest receivable	(3,300)	(1,950)
Interest payable	566	-
Defined benefit pension scheme cost less contributions payable	254,000	220,000
Defined benefit pension scheme finance cost	71,000	81,000
Decrease in debtors	49,871	118,413
Increase/(decrease) in creditors	140,688	(194,448)
Net cash provided by/(used in) Operating Activities	<u>298,678</u>	<u>(41,270)</u>

23 Cash flows from financing activities

	2018/19 £	2017/18 £
Repayments of borrowing	(16,666)	-
Loan interest	(566)	-
Net cash used in financing activities	<u>(17,232)</u>	<u>-</u>

24 Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	3,300	1,950
Purchase of tangible fixed assets	(121,887)	(459,911)
Capital funding received from sponsors and other donations	340	280,250
Capital grants from DfE Group for investing activities	84,434	39,864
Net cash used in investing activities	<u>(33,813)</u>	<u>(137,847)</u>

25 Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>1,053,128</u>	<u>805,495</u>
Total cash and cash equivalents	<u>1,053,128</u>	<u>805,495</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

26 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.

27 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Devon County Council. Both are multi-employer defined benefit 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 £59,223 (2018 - £57,305) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

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

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 5 March 2019.

The key elements of the valuation and subsequent consultation are:

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

27 Pension and similar obligations (continued)

- employer contribution rates set at 23.68% 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 £218,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.08%).

The employer's pension costs paid to TPS in the period amounted to £312,217 (2018: £300,325).

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

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £250,000 (2018 - £232,000), of which employer's contributions totalled £192,000 (2018 - £180,000) and employees' contributions totalled £58,000 (2018 - £52,000). The agreed contribution rates for future years are 15.4 per cent for employers and 5.5 per cent to 12 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust 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

	2019 %	2018 %
Rate of increase in salaries	3.70	3.80
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.90	2.70
Inflation assumptions (CPI)	2.20	2.30
RPI increases	<u>3.20</u>	<u>3.30</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

27 Pension and similar obligations (continued)

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

	2019	2018
Retiring today		
Males retiring today	22.50	23.50
Females retiring today	24.40	25.60
Retiring in 20 years		
Males retiring in 20 years	24.20	25.80
Females retiring in 20 years	<u>26.20</u>	<u>28.00</u>

Sensitivity analysis

	At 31 August 2019 £	At 31 August 2018 £
Discount rate +0.1%	6,748	5,506
Discount rate -0.1%	7,060	5,759
Mortality assumption – 1 year increase	7,162	5,821
Mortality assumption – 1 year decrease	6,651	5,448
CPI rate +0.1%	7,042	5,745
CPI rate -0.1%	<u>6,765</u>	<u>5,519</u>

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

	2019 £	2018 £
Equities	1,943,000	1,765,000
Gilts	116,000	92,000
Corporate bonds	455,000	417,000
Other bonds	61,000	57,000
Property	284,000	264,000
Cash and other liquid assets	43,000	45,000
Other	<u>352,000</u>	<u>285,000</u>
Total market value of assets	<u>3,254,000</u>	<u>2,925,000</u>

The actual return on scheme assets was £135,000 (2018 - £168,000).

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

27 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2018/19	2017/18
	£	£
Current service cost	446,000	422,000
Interest cost	69,000	69,000
Admin expenses	<u>2,000</u>	<u>2,000</u>
Total amount recognized in the SOFA	<u><u>517,000</u></u>	<u><u>493,000</u></u>

Changes in the present value of defined benefit obligations were as follows:

	2018/19	2017/18
	£	£
At start of period	(5,631,000)	(5,717,000)
Current service cost	(382,000)	(387,000)
Interest cost	(149,000)	(149,000)
Employee contributions	(58,000)	(52,000)
Actuarial (gain)/loss	(672,000)	616,000
Losses or gains on curtailments	(64,000)	(21,000)
Benefits paid	<u>54,000</u>	<u>79,000</u>
At 31 August	<u><u>(6,902,000)</u></u>	<u><u>(5,631,000)</u></u>

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

	2018/19	2017/18
	£	£
At start of period	2,925,000	2,598,000
Interest income	78,000	68,000
Actuarial gain/(loss)	55,000	98,000
Employer contributions	192,000	188,000
Employee contributions	58,000	52,000
Benefits paid	<u>(54,000)</u>	<u>(79,000)</u>
At 31 August	<u><u>3,254,000</u></u>	<u><u>2,925,000</u></u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

28 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 the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Expenditure related party transactions

During the year the academy made the following related party transactions:

The Key Support Services Limited

(P K Osborne, a Trustee of the Trust, is a director of The Key Support Services Limited)

The trust purchases services from The Key Support Services Limited during the year totalling £1,056 (2018 - £1,105) during the year.

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

At the balance sheet date the amount due to The Key Support Services Limited was £Nil (2018 - £Nil).

Other

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

L Newman, spouse of T J C Newman, a trustee, is employed by the academy trust. L Newman's appointment was made in open competition and T J C Newman was not involved in the decision making process regarding appointment. L Newman is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee