

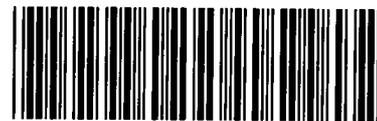


Midsomer Norton
Schools Partnership

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2019

SATURDAY



A8KT35ZK

A13

21/12/2019

#227

COMPANIES HOUSE

Midsomer Norton Schools' Partnership

REFERENCE AND ADMINISTRATIVE DETAILS

Members	J Randles E Gregory S Warrener T Wells K Wilson
Trustees	S Warrener (Chair) R Arnold S Baldwin C Brace G Griffith D Lewis S Mills A Sinden* J Smith*
All trustees are directors.	A Williams (Accounting Officer)* S Wiseman * denotes members of audit committee
Company Secretary	W Kingwell
<u>Senior Management Team:</u>	
CEO	A Williams
Deputy CEO	M Thompson
Headteacher (Norton Hill)	G Green
Headteacher (Somervale)	J Postlethwaite
Headteacher (St Dunstan's)	K Howard
Headteacher (Mendip)	Bruce Hain (joined 1 st April 2019)
Headteacher (Writhlington)	M Everett (joined 1 st April 2019)
Headteacher (High Littleton)	G Griffith
Headteacher (Clutton)	E Ennew
Headteacher (Trinity)	M Parsons
Headteacher (Dundry)	M Parsons
Headteacher (Longvernal)	K Courtier
Headteacher (Welton)	J Snell
Headteacher (Farrington Gurney)	D Turull
Headteacher (Midsomer Norton Primary)	A Randell
Headteacher (Hemington Primary)	N DeChastelain
Headteacher (Westfield Primary)	S Mills (joined 1 st October 2018)
Headteacher (Leigh-on-Mendip)	D Turull (joined 1 st November 2018)
Headteacher (Shoscombe & St Julian's)	R Noall (joined 1 st December 2018)
Headteacher (St John's Primary)	D West-Gaul (Joined 1 st December 2018)
Headteacher (Peasedown Primary)	D Knollys (joined 1 st April 2019)
Headteacher (Critchill School)	S Addison (joined 1 st June 2019)
Finance Director	A Wyatt
Services Director	C Hobbs

Midsomer Norton Schools' Partnership

REFERENCE AND ADMINISTRATIVE DETAILS

Company Name	Midsomer Norton Schools' Partnership
Principal and Registered Office	Charlton Road Midsomer Norton Radstock BA3 4AD
Company Registration Number	07365778
Independent Auditor	RSM UK Audit LLP, Chartered Accountants, Hartwell House 55-61 Victoria Street Bristol BS1 6AD
Bankers	Nat West Bank 3 High Street Midsomer Norton BA3 2ZY
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ

Midsomer Norton Schools' Partnership

TRUSTEES' REPORT

for the year ended 31 August 2019

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1st September 2018 to 31st August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law. The charitable company is private, incorporated in the UK and operates in the South West of the UK.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is an exempt charity and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £1 to the assets of the company in the event of the company being wound up during the period of membership, or within one year thereafter. The charitable company is known as Midsomer Norton Schools' Partnership.

The current Trustees of the Trust are the Directors of the Company.

The Trust was incorporated on 3 September 2010. Norton Hill and Somervale converted to the status of Academy 1st October 2010. Midsomer Norton Schools Partnership is a Multi Academy Trust consisting of twenty two schools at the reporting date:

Secondary Schools:

- Norton Hill School – Academy converter 1.10.2010
- Somervale School – Academy converter 1.10.2010
- St Dunstan's – joined Trust 1.6.2016
- Beechen Cliff – joined Trust 1.2.2019
- Writhlington – joined Trust 1.4.2019
- Mendip Studio School - joined Trust 1.4.2019

Primary & Special Schools:

- High Littleton – joined Trust 1.8.2014
- Clutton – joined Trust 1.3.2015
- Trinity Church School – formerly the Dove Trust. Joined MNSP Trust 1.6.2016
- Dundry School - formerly the Dove Trust. Joined MNSP Trust 1.6.2016
- Longvernal – joined Trust 1.7.2016
- Welton – joined Trust 1.7.2016
- Farrington Gurney – joined Trust 1.4.2017
- Midsomer Norton Primary School – joined Trust 01.09.17
- Hemington Primary School – joined Trust 01.08.18
- Westfield Primary School - joined Trust 1.10.2018
- Leigh-on-Mendip - joined Trust 1.11.2018
- Shoscombe Primary - joined Trust 1.12.2018
- St Julian's Primary - joined Trust 1.12.2018
- St John's Primary - joined Trust 1.12.2018
- Peasedown Primary - joined Trust 1.4.2019
- Critchill School - joined Trust 1.6.2019

The MAT also has ESFA approval for a 630 place primary free school. The construction process has begun and it is due to open with its first class of 30 pupils in September 2020.

The Trust is governed by the rules and regulations set down in its company Articles of Association dated 1 March 2015.

Organisational Structure

The Trustees have responsibility for setting and monitoring the overall strategic direction of the Trust, approving decisions reserved to Trustees and being involved in appointing key members of staff.

Trustees meet as a Trust Board at least six times in the year. All decisions reserved to the Trustees are taken by the Trust Board as a whole. Beneath the Trust Board there are Local Governing Bodies for all schools. The Local Governing Bodies meet primarily to consider detailed matters and recommend decisions to the Trust Board. They also challenge the senior teams in each school and hold them to account across a number of key aspects detailed in the Local Governing Body Terms of Reference.

There are three further committees, Finance, Audit and Risk, Christian Distinctiveness and Remuneration that operate under the instruction of the Trust with clear Terms of Reference. These committees report directly to the Trust Board and have no decision-making powers devolved to them except the Remuneration Committee that can agree pay rises in line with Trust policy.

Additionally, working groups with clear Terms of Reference are formed on an ad-hoc basis to consider specific issues and make recommendations to the Board.

There is one Chief Executive Officer for the Trust. The CEO is also the Accounting Officer and works closely with Trustees and the senior staff of the Trust.

The Trustees set strategic objectives and educational targets for the Trust with some of these functions delegated to the Local Governing Bodies. Whilst the Local Governing Body may make recommendations the responsibility for strategic decisions rests with the Trust Board.

The Senior Leadership Team at each of the schools is responsible for the day to day operations and in particular for educational standards, organising the teaching staff, facilities and students.

Connected Organisations, Including Related Party Relationships

The CEO is a member of the Headteacher Board for the South West region and an active OFSTED inspector. The Deputy CEO is also an active OFSTED inspector.

Relationships with Related Parties

Given the nature of the Trust's operations and the composition of the Board of Trustees being drawn from the community, local public and private sector organisations; it is inevitable that transactions will take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

Method of Recruitment, Appointment, Election, Induction & Training of Trustees

The Trustees have set up procedures that will enable regular reviews of the mix of skills that should be available to the board. New Trustees will then be sought with these skills, either as additional Trustees or replacements when existing Trustees stand down. It is anticipated that the great majority of new Trustees will be drawn from the local community being either parents or guardians of pupils at the Trust or others that have shown an interest in the future well-being of the Trust and its pupils. Recruitment is therefore likely to be through a combination of approaches to individuals with known skills and by wider communications to those within the local community. Additionally, where specific skills are required, a formal application and interview procedure is initiated to ensure the Board has the full range of skills required. The Local Governing Body can also recruit experts where appropriate to support the leadership of their school.

**TRUSTEES' REPORT (Continued)
for the year ended 31 August 2019**

Individual Trustees attend training courses and conferences organised by appropriate bodies in order to ensure their knowledge and understanding is fully up to date.

Arrangements for setting pay and remuneration of key management personnel

The arrangements for performance review and pay for the Trust's key management personnel as listed on Page 1 are set out in detail in the Pay Policy and Appraisal policy. In summary, this will be based on the leadership pay spine detailed in the STPCD appropriate to school size. The Trust uses the three stage process for setting pay in line with the STPCD and DFE advice.

TRUSTEES' REPORT (Continued)
for the year ended 31 August 2019

TRADE UNION FACILITY TIME

Relevant Union Officials

Number of Employees who were relevant union officials during the relevant period	Full time equivalent employee number
nil	Nil

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Trust is now nine years old and our original purpose of ensuring ALL the young people in our community have similar opportunities is being realised.

The Trust has a philosophy based on:

- *Inspirational Education – broad curriculum, valued qualifications, aspirational teaching, outstanding progression.*
- *Positive Attitudes and values – promoting a strong ethos, providing support and challenge, providing extensive extra-curricular programmes, giving young people the opportunity to lead, engage in team work and develop communication skills.*
- *One Federation, Many Schools – A Trust working to achieve the best for all in our community, quality for all and celebrating different strengths of each school.*

Charitable Objectives

The trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the trust. The charitable objectives for which the Trust was established are as follows:

The advancement for the public benefit of education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing academies, including without limitation the Academies, offering a broad and balanced curriculum; and which shall include:

- Church of England Schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the relevant Funding agreement), and having regard to any advice issued by the Diocesan Board of Education; and
- Other Academies whether with or without a designated religious character

but in relation to each of the Academies to recognise and support their individual character and respect the different background of each and its links to the local community which it serves.

To promote for the benefit of the inhabitants of Somerset and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Charitable Activities

The principal activity of the Trust is to run six secondary schools, fifteen primary schools, and one special school for boys and girls located in the local area. The sole activity of the Trust is the operation of the Academies.

Public Benefit

The Trustees have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document "The Advancement of Education for the Public Benefit") into consideration in preparing their statements on public benefit contained within this Trustees' annual report and in reviewing the activities and achievements of the Trust.

Benefits & Beneficiaries

In accordance with its charitable objectives, the Trust strives to advance the education of the pupils attending the school. The Trust's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout the Trust.

Trustees' Assessment of Public Benefit

In order to determine whether or not the Trust has fulfilled its charitable objectives for public benefit, the Trustees gather evidence of the success of Midsomer Norton Schools' Trust's activities.

Catchment policy

The catchments are set by the Local Authority and not determined by the schools or Trust. Where there are spaces in schools, parental choice is the driving factor for admission. All schools have published admission criteria and this admission is run by the Local Authority. All admission policies meet the requirements set by the DfE.

Going Concern

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

STRATEGIC REPORT

Achievements and Performance

The following indicators are used at key milestones in pupils' education: these will be benchmarked against challenging Fischer Family Trust top 20% estimates (or equivalent) as a minimum expectation to compare the schools to the middle of the top quartile of performance nationally.

Primary Phase

- % attendance
- % of Early Years children making a good level of development
- KS1 average points score
- % making expected progress KS1-2
- KS 2 average points score
- % achieving RWM at KS 2
- Attainment and progress in grammar assessment
- Progress of Pupil Premium and SEN students

Secondary Phase

Key Stage 3

- % attendance of all and groups
- % PA for all and groups
- % making Age Related Expectation
- % exceeding Age Related Expectation
- % meeting or exceeding Age Related Expectation who are designated SEN, PP, higher ability

Attainment at GCSE

- % attendance of all and groups
- % PA for all and groups
- % achieving 5+ in English and maths at GCSEs
- % achieving 4+ in English and maths at GCSE
- % achieving the English Baccalaureate
- The attainment 8 score
- Progress 8 score
- Progress 8 score for E, M, EBAC, Open
- The above measures for vulnerable pupils

Progress from Year 7 to Year 11

- % of pupils at the end of Key Stage 4 achieving the expected level of progress in English
- % of pupils at the end of Key Stage 4 achieving the expected level of progress in Maths
- % of pupils at the end of Key Stage 4 achieving above the expected level of progress in English
- % of pupils at the end of Key Stage 4 achieving above the expected level of progress in Maths
- The above measures for vulnerable pupils
- From 2016 – progress 8 measure

Post 16

- Average point score per student
- Average point score per examination entry
- % A*-B (academic and voc-ed)
- % A*-C
- % pass rate
- Retention rate
- Value-added score
- Value-added score for retake E and M
- The above levels for vulnerable pupils
- % attending Russell Group universities
- Average of best 3 A levels

KEY PERFORMANCE INDICATORS

Norton Hill School

Norton Hill is a forward-looking school that gives its pupils the confidence and skills to play a full and active part in a rapidly changing world. We promote the traditional values of hard work, outstanding behaviour, dedicated study and personal challenge in all areas.

Exam Results:

Norton Hill School has had strong results again in 2019 following excellent years in 2017 and 2018, which saw it in the top 20% nationally. Year 11 achieved 78% 9-4 in both English and Maths, placing the school in the top 25% of schools in the country on this measure. Progress was very strong with a score of +0.24 placing the school in 'above average' category compared to other schools nationally. Pupil premium children made similar progress to that of their peers, as did those children with a special educational needs. Pupil premium children had a progress 8 score of +0.07 (+0.25 in 2018) and SEN children scored +0.3, again placing the school well-above average for this pupil group in terms of progress. Fantastic news all round and further enhanced by strong A levels results in year 13 where the average grade achieved was a B- with 63% of grades at A*-B compared to the national of 54%. Year 13 results across both academic and non-academic subjects would be described as 'good' in Ofsted terms.

Somervale School

Recent outcomes achieved at Somervale place the school well-above the national average for pupil attainment and progress. The school's excellence in Arts education has also been recognised with the award of the prestigious Arts Mark Gold standard.

Exam Results:

Somervale School further confirmed its excellent standing with children achieving strong outcomes based on their starting points. Progress is well above the national average at +0.56 representing a significant improvement on previous years and placing it at the top of the Local Authority for this measure. 66% of youngsters achieved a 9-4 in both English and Maths with 43% at 9-5. This positive set of outcomes followed good years in 2017 and 2018 and an outstanding year in 2016, where progress 8 score was +0.47. Pupil premium children in 2019 had a progress 8 score above that of 'others' nationally at +0.24. SEN children also saw some better results with a P8 at +0.2. A level students achieved strong results with the average grade at C+. At key Stage 3, children performed exceptionally well with most hitting challenging targets set, suggesting the school continues to have a very bright future. We expect the current year 11 to again achieve well above national averages in attainment and progress.

TRUSTEES' REPORT (Continued)
for the year ended 31 August 2019

St Dunstan's

St Dunstan's is a special place to learn. The ethos for learning is very strong. This is generated through a skilled and strong team of staff with students that are engaged, well-behaved and focused on learning. St Dunstan's is a small school and this is a strength. Students and families are well-known and the pastoral care is excellent. GCSE classes are often quite small and this supports the students in achieving very strong value-added outcomes. In 2016 the Progress 8 score was +0.14 and therefore above average. This trend of strong outcomes continued into 2017 and 2018 and led to the school being judged 'good' by Ofsted in all categories. This is exceptionally good news for the school and demonstrates the power of true collaborative working in the MAT.

Exam Results:

St Dunstan's year 11 students were celebrating another strong year in terms of attainment. In 2018 61% of children achieved a grade 4-9 in both English and maths with 30% at grade 5 or above in both subjects. Overall, the school remains in-line with national averages for attainment and progress with a below average intake. The progress score for 2019 is +0.26 with maths in particular showing excellent improvement to be P8 +0.27. Pupil premium pupils have gained very strong result at P8 +0.15 and SEN also rising to be well above 0 for P8. Results in a number of subjects were significantly above the national averages and in some cases were in the top 20% nationally. Attendance has continued to improve with a full percentage point rise over the course of the last 12 months placing the school close to the national average at 94%.

Beechen Cliff

At Beechen Cliff we value all that it means to be a boy. With years of experience, teachers at Beechen Cliff encourage boys to grow and mature at their own pace, using teaching strategies that address learning styles specific to boys. They understand the different and complex worlds of the Year 7 boy and the young man preparing for university. The school works well with its partner single-sex school, Hayesfield Girls, running joint trips, and delivering shared sixth form courses.

Exam Results:

In 2019, results overall have improved to +0.1 P 8 with attainment very high at 82% 9-4 and 62% 9-5. These strong outcomes demonstrate that the children at Beechen Cliff work hard and achieve well, particularly as the national Progress 8 for boys is well below 0. In Science, outcomes were even more impressive with a value-added score of +0.45 and with nearly 90% of boys scoring two grade 4s or above. SEN children fair well at Beechen Cliff with progress for this group being higher than the same group nationally and very close to the P8 of 'others'. Post 16 outcomes were above national for attainment and below national for progress following lower than expected maths A level results.

Writhlington School

Writhlington School provides an incredible learning environment for students, with state-of-the-art resources and exceptional staff in an award-winning campus setting. Students thrive here and strive to achieve more than they ever thought possible in a safe and friendly environment.

Exam results:

Writhlington's exam results have improved this year particularly with regards to attainment which for English and Maths is now at the national levels (9-4 at 66% and 9-5 at 43%). Progress 8 scores are improving and the school is currently at -0.25. However, some subjects are very high performing, including Geography, History and Philosophy and Belief. The school's recent OFSTED report noted the solid improvement in the Sixth Form. Outcomes here are in-line with national average overall and continue to improve. Priorities going forward include further improvement in maths, the progress of pupil premium youngsters and outcomes for boys.

Mendip Studio School

First and foremost, our ethos, vision and values include: Whole Child, Quality First Teaching and Values Driven Organisation. Couple these with the vision for an authentic context for all learning, development of skills in employability, experimentation through the curriculum and you have an environment designed to meet the needs of all young people with an interest in Science, Technology, Engineering and Maths from 14 – 19 Years old.

Exam Results:

The results achieved this year were a little lower than hoped for, but there were still some stunning achievements from the very large majority of children. Academic qualification in the Sixth form are in-line with national average and maths and science results at GCSE continue to be a strength. The school will be focussing on the progress of all pupils this coming year and hope to return to the strong outcomes from 2017/18 where progress was above national for core subjects and across other measures.

High Littleton C of E Primary School

High Littleton is a happy, family school in which pupils and adults are encouraged to have a caring and considerate attitude towards one another. There is a strong Christian ethos of acceptance within the school. The school enjoys a good reputation for providing a broad, balanced, challenging and creative environment, made possible by our highly committed and hardworking team of teachers, support staff, parents and governors.

Exam Results:

High Littleton children achieved some outstanding results in their Key Stage 2 SATs once again. Well done to the children and staff who worked so hard to make this happen. Results in Reading and SPAG were particularly impressive, but all measures were either categorised as significantly above expectation or well above national averages. 80% of children made Age Related Expectation against a national figure of 66%. Astounding progress once again and it wasn't just in year 6 that children performed exceptionally well. Phonics outcomes were above the national average and Key Stage 1 results were also above the national levels in every measure.

Clutton Primary School

At Clutton Primary School we have high expectations of all our children and staff and encourage everyone to 'be the best they can be'. We believe that children who feel happy, safe and secure learn best. We aim to offer an education that encourages each child to 'be the best they can be.' We strive to make learning fun and our school a place where children love to learn and take pride in their achievements. We recognise individual talents and develop confidence so every child is motivated, inspired and enjoys learning. By working closely with parents and the community we aim to build strong and effective partnerships, which help children to thrive.

Exam Results:

Clutton had a fantastic year in terms of pupil progress with impressive improvements in Year R, Phonics and Year 6. The percentage of children making a Good Level of Development rose to 83% and phonics outcomes were also much improved and again, well above national average at 91%. At KS1 the percentage of children attaining Age Related Expectation exceeded the national average and at KS2, progress was much improved and above that of national. Overall, a very strong year for the school seeing all performance measures go beyond national rates.

TRUSTEES' REPORT (Continued)
for the year ended 31 August 2019

Trinity Church School

Trinity Church School works with all stakeholders to decide how the school will best meet the needs and interests of the children who attend it. We believe in placing the school at the heart of our community which we serve. The aim and ethos for the school is for all children to aim high, reach for the sky and reach their true potential. Trinity has been on a rapid improvement journey and has moved from 'Special Measures' to 'Good' – a stunning achievement for the school and Trust.

Exam Results:

Trinity Church School and MAT Trustees were delighted by the progress children made this year. In Year 6 results moved up to be well-above national rates at 76% Age Related Expectation in Reading, Writing and Maths. This is a stunning improvement. In Year R the percentage of children making a Good Level of Development was again in line with national despite well-below national starting points. Phonics outcomes were also pleasing despite being slightly below national levels. Excellent and rapid improvement in just 12 months, across almost all measures.

Dundry Primary School

Dundry School has been serving the community since 1858 and has strong links with the local church. We aim to help our children develop into confident individuals who show respect for others and the world around them. Above all, we will inspire our children to achieve their best in all things.

Exam Results:

Year 6 children at Dundry School had some strong individual performances. Attainment fell overall from a high of 85% in 2017 to 33% achieving Age Related Expectation in Reading, Writing and Maths. This is partly related to the prior performance of the group which was below that of previous cohorts and the very small number of children in Year 6. Individually, these children made good progress from their starting points and school KS1 to 2 progress levels were in-line with national rates. Children in Year R made some good gains with 67% reaching a Good Level of Development. In phonics, outcomes also rose sharply so that the school posted results in-line with national outcomes. Once again, parents, staff and the children themselves, should be very proud of their achievements.

Longvernal Primary School

Longvernal Primary is a leading Forest School and are committed to outdoor learning. We greatly believe that Forest School activities are a great benefit to pupils both academically and socially, helping them to grow into confident, well-rounded individuals who aspire to achieving their very best in life. In our role as educators we aim to equip pupils with the skills and confidence to achieve their best in life. We have established ourselves as a hub for promoting learning outside. As a school we are supporting other local schools to become outdoor learners and are facilitating the training for other educational providers to become specialists in this field. Over the next year we are promoting learning everywhere, with a focus on the outdoors, learning around heritage and culture and in the local community. In addition to this we are expanding the roll and taking a bulge class in Year R.

Exam Results:

At Longvernal results achieved by children across all key stages were deeply impressive and demonstrated again that this school is on a clear pathway to being outstanding. Key Stage 2 results were again above the national averages with 83% achieving Age Related Expectations in Reading, Writing and Maths (16% above national). The percentage of children making a Good Level of Development in Year R was 79%, again high and above the national rate. At Key Stage 1 progress of children was encouraging and phonics scores at the end of Year 1 were in line with national with 81% passing. A superb year for the children and wider community served by Longvernal. Everyone should be incredibly proud of their achievements not only as individuals, but as a whole-school.

Welton Primary School

Welton Primary is a popular semi-rural school, set in the heart of the beautiful Welton valley providing an education for children from the ages of four to eleven. We are delighted to be part of the Midsomer Norton Schools' Partnership and work closely with the other primary and secondary schools in the Trust for the benefit of the children at Welton. Welton has received positive feedback from the DFE following visits this year and as a result of strong leadership and teaching and learning, as well as support from the MAT, outcomes for children really improved in 2017 a trend continued into 2018 and 2019.

Exam Results:

At Welton Primary children in Class R made positive progress with 70% of them achieving a Good Level of Development. This progress was matched by the phonics results in Year 1 where 85% of children passed the screening test. Well done to the Early Years Team and other teachers across the school who have helped children make a very positive start to their time at Welton Primary. At the other end of the age-range, there were some very pleasing improvements in progress scores with those for Reading, Writing and Maths all being in-line with national rates. Overall the percentage achieving Age Related Expectation was up slightly to 56% and Welton also secured a strong 'good' judgement from OFSTED.

Midsomer Norton Primary School

Now in our third year as a member of the Midsomer Norton Schools' Partnership, we are delighted with the strong collaboration and support within our academy trust. As an inclusive school with a strong community ethos, we see our location in the heart of Midsomer Norton as integral to our identity. We pride ourselves on the supportive partnerships we create with our parents, other schools and organisations locally.

Exam Results:

At KS2 results at Midsomer Norton Primary improved again with positive progress across Reading, Writing and Maths maintained for a second year running and an attainment score of 63% Age Related Expectation. In Year R the percentage achieving Good Level of Development was again above national at 76%. Phonics was very high at 89% in 2018 and this fell back a little to be 76% in 2019. In KS 1 outcomes are at national roughly, with writing continuing to be a key area for further development.

Farrington Gurney

Farrington Gurney Primary School has served the village and the surrounding community for 160 years, consistently producing high standards of education. Our supportive and welcoming environment allows children of all ages and abilities to achieve their best within a safe, secure and creative environment. There is a strong Christian ethos within the school, in which we encourage pupils and adults to have a caring and considerate attitude towards one another. We recognise and value the uniqueness of every child and encourage them to develop their independence and confidence.

Exam Results:

2018 was a very impressive year for Farrington Gurney. 100% of children made Age Related Expectation in Reading, Writing and Maths with positive progress scores across all of the key subjects at KS2. This success was replicated in 2019 in reading and writing, with maths a little lower than expected, but still in-line with national outcomes. At KS1 scores were also above national and phonics was 77% a fall from 92%, but representative of the cohort. In Year R, the percentage achieving a Good Level of Development remained high at 77%. An excellent year across all measures.

TRUSTEES' REPORT (Continued)
for the year ended 31 August 2019

Hemington Primary School

Hemington is a small school in a rural location with 34 children on-roll. Children work in two classes in the original school building. The school has lovely grounds where Forest School work takes place and children are encouraged to learn both in the classroom and by using their immediate environment.

Exam Results:

Hemington joined the Trust in August 2018. The school has very small numbers of children and from their starting points, these children are making positive progress. In Year 1 every child passed the phonics screening test and 100% of children hit Age Related Expectation in the KS1 tests for reading and maths. Good Level of Development was also 100%. At KS2 40% of children met Age Related Expectation in Reading, Writing and Maths, combined with 80% achieving Age Related Expectation in Maths. Some much improved results from the school.

Westfield Primary School

Westfield's vision is based on a fundamental belief that 'Everyone is Valued'. Westfield is a school where learning, teaching, achievement and self-worth are always celebrated and recognised. Our five year vision will enable our school, to identify what will be achieved in the short and long term and how we as a school community will contribute to our joint goals. We will provide a World Class education system in a supportive environment for all our pupils, built upon success, inclusivity and forward thinking to equip our children for the 21st century.

Exam results:

Once again, Westfield achieved some of the highest results in the Trust at KS2 with 83% of children achieving Age Related Expectation in Reading, Writing and Maths. The percentage achieving the higher level standard in maths was also well above national at 40%. All progress scores were above national rates at KS2 and Pupil Premium children also made positive progress. Key Stage 1 outcomes were at least in-line with national and phonics and Good Level of Development were above national rates. A stunning set of achievements once again for the school.

Leigh-On-Mendip First School

At Leigh-On-Mendip First School, we recognise and value the uniqueness of every child, helping all to achieve their best within a happy, secure and creative environment. We aim to teach children to learn skills, knowledge and develop concepts which will enable them to grow into positive, responsible people who can work and co-operate with others and are better equipped for life in today's rapidly changing society. This is a happy, family school in which we encourage all members of the school to have a caring and considerate attitude towards one another; this strong community spirit is fostered by everyone involved in the school. The school enjoys an excellent reputation for providing a broad and balanced, challenging and creative environment, made possible by our highly committed team of teachers, governors and support staff.

Exam Results:

Leigh on Mendip saw progress of children at the usual high levels in 2019 with all measures either at or above national rates. At KS1 in particular, pupil outcomes were on average 10% above national attainment levels. 75% of children met the expected standard for Good Level of Development.

St John's C of E Primary School:

The school is a happy, stimulating and caring place that allows each child to grow and develop in the knowledge of Christ, the world and themselves. Our Christian values support all of our work, and our committed team of staff and governors make sure that every child feels nurtured, respected and proud to belong to the community of St. John's.

Exam results:

St John's is a high performing primary school with 85% of children achieving Good Level of Development and 82% passing the phonics screening test. KS1 outcomes are between 5 and 10% above national rates and Key Stage 2 remains in-line with national levels.

St Julian's C of E Primary

Our school serves the village community of Wellow and the surrounding areas. St Julian's was once federated with Shoscombe Church School. Now both schools are part of the Midsomer Norton Schools Partnership Trust but continue to work in very close collaboration with a shared Executive Head Teacher and one governing body. All the Staff and Governors work hard to provide our children with a warm, secure and stimulating environment for learning, within an ethos which strongly promotes Christian values. We believe that children need to develop skills that will equip them for the future, so we offer a rich curriculum that includes outdoor learning as well as the more traditional subject areas. We want to develop lively enquiring minds, confident individuals and focussed learners who can adapt in different situations and who can work well with others.

Exam results:

St Julian's Primary School has again performed extremely well. In Reception 83% (10% above national rates) achieved a Good Level of Development with 90% passing the phonics test. Keys Stage 1 and 2 results are largely above national rates and in some cases by a considerable margin. This year 92% of children achieved Age Related Expectation in Reading, Writing and Maths compared to 66% nationally. This was the highest attainment level in the MAT.

Shoscombe Primary School

Shoscombe Church School is a small and friendly village school where children are inspired and nurtured to discover their unique potential. Our children shine with self-belief and go into the world with the determination and resilience to follow their dreams. Our children are polite, happy and excited learners who live and breathe our Christian core values of joy, creativity & wonder, empathy, respect, resilience and aspiration.

Exam results

Shoscombe Primary has improved significantly this year so the Good Level of Development, Phonics and Key Stage 1 results are all above national rates. Progress scores at KS2 are also in-line with national and attainment is up by 30% to be at the national rate for Reading, Writing and Maths combined. A fantastic improvement and well done to all involved in their transformations.

Peasedown Primary School

Peasedown St John Primary School was built in 1913. It is a large, lively, vibrant school for approximately 600 children aged 2 - 11 years. Our aim is "achieving excellence for ourselves and others" and this vision permeates all that we do. Children who come to our school receive good teaching and make good progress, but there is much more to it. We provide a wide range of opportunities for children to develop their musical, sporting and language abilities, as well as many other irresistible learning experiences - all designed to make children enjoy their primary school years in an atmosphere where every child can flourish. During their time with us children are nurtured as individuals. We work hard to develop in them lifelong learning skills and behaviours, as well as self-respect and respect for others. The best way to judge our success in achieving this is by visiting the school and meeting the children.

Exam results:

Peasedown Primary has seen results at KS2 improve significantly to be at, or above the national rates. 63% of children achieved the Reading, Writing and Maths Age Related Expectation level and in maths the outcomes for children were very high with 90% achieving Age Related Expectation. At KS1 outcomes were in-line with national rates and in phonics and Good Level of Development, results were comfortably above national levels. A superb improvement.

Critchill School

Critchill School provides education for 66 pupils from the ages of 4-19. All pupils have an Education, Health and Care Plan and there are a wide variety of ages and levels of ability amongst the school populations. At Critchill, each pupil's needs are carefully evaluated, so that within the context of our expanding curriculum, all our youngsters can aspire to exceptional standards. We believe whole-heartedly that children should have fun at school during their learning and no matter what issues a child may face, they are entitled to the best education and care possible.

Progress of Children:

At Critchill School each pupil is set personal learning goals (PLIMS), based on their needs and progress required. Last year 85% of these goals were achieved by children. This stunning outcome has led to children making strong progress over each key stage and supports post 16 pupils after their Sixth Form studies, to be employed and continued training.

FINANCIAL REVIEW

Financial Outcome of Activities & Events

The Trust's accounting period is from 1 September 2018 to 31 August 2019.

A number of changes have taken place at the Trust that have influenced the way the organisation now operates. These changes have been positive in terms of reducing costs, improving outcomes for children and have enabled improved professional development for staff.

The change in scale has allowed for rationalisation of employee posts and therefore a reduction in overall staffing to be planned and executed both in the early stages of the changes and during the longer term. Savings in the finance function amount to a considerable sum of money already and catering has been slimmed down to be more efficient, yet maintain standards. In the school improvement work undertaken by the Trust, the change in scale has allow for staff movement focused on the skill base of colleagues. This has resulted in the right people in the right place and a corresponding rise in composite outcomes for the Trust. These currently exceed the national figures on all significant measures.

The Trust has grown, but also undertakes some new functions. For example there is now boarding provision within the Trust. This provides income and a unique opportunity for children. In addition to boarding provision, the Trust now has a Studio School. This 14-19 specialist provision will support the enhancement of the educational opportunity in the Norton Radstock area and beyond.

Expansion of the Trust has led to an increased scope in future development for both staff and pupils. The Trust has also benefited significantly from economies of scale.

Most of the Trust's income is obtained from the Education and Skills Funding Authority ("ESFA") in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2019, and the associated expenditure, are shown as restricted funds in the Statement of Financial Activities.

The Trust also received capital grants from the Condition Improvement Fund. Such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund.

Total unrestricted and restricted income in the year totalled £35,063,343 (2018 £20,613,153) * This figure excludes assets and liabilities introduced on conversion.

Total unrestricted and restricted expenditure for the year totalled £39,220,829 (2018 £23,212,820)

Staff Costs as a percentage of unrestricted and restricted income for the year is 79.83% (2018 76.69%)

Unrestricted income comprises Catering Income, Sports Centre and Other Lettings and Departmental sales.

There has been a significant increase in fixed assets primarily due to land & buildings for ten schools being either transferred or converted into the trust.

Despite a challenging year the cash at bank has increased by £2m, this is mainly due to two large secondary schools introducing large cash balances.

Support staff numbers have increased by 220 in the financial year leading to a significant increase in the pension liability of £18.8m

TRUSTEES' REPORT (Continued)
for the year ended 31 August 2019

Reserves Policy

The Trustees' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the school and to fund future projects. The Trustees intend to review the reserves policy annually to ensure that this aim is being achieved.

At the balance sheet date, the Trust had free reserves of £821,511 (2018 - £1,077,681).

At the balance sheet date the pension deficit stands at £27,448,000 (2018 - £8,647,000) this has been driven by the increase in the numbers of MNSP members included within the schemes, the latest actuarial valuation and the related recovery plan.

The Reserves Policy requires reserves of at least one month's salary costs for the Trust which equates to approximately £3 Million. This includes GAG and unrestricted and is therefore met at the balance sheet date.

Investments Policy

The Trustees' investment powers are set down in the Trust's Memorandum and Articles of Association, which permit the investment of monies of the Trust that are not immediately required for its purposes in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

The Trust's current policy is to invest surplus funds in short-term cash deposits.

For the year ended 31 August 2019 and in the current economic climate, the Trust's cash held in the Interest Bearing account generated an income of 0.25%.

The Trust also held deposits in a Virgin Charity Account generating an income of 0.75% gross.

PLANS FOR FUTURE PERIODS

Future Strategy

There is a very good working relationship between all the schools in the Midsomer Norton Schools Partnership. This combined effort and work is already supporting children to have greater opportunities and produce excellent outcomes. What has also been a pleasure to observe and be part of, are the excellent working relationships between the staff in and across each school. Everyone is willing to give support and help wherever they can – true and positive partnership.

Staff are also benefiting from the collaboration. New roles, promotions and joint CPD have all helped staff feel like they are part of a bigger team, yet striving for the same goals. In Governance we have also seen some significant gains, with training provided from experts and the use of two National Leaders of Governance to ensure all leaders are held to account and children are making excellent progress.

Our vision has always been very clear at the Midsomer Norton Schools Partnership. We want to ensure that all children attend 'Good' or better schools and that through partnership working, this vision has more chance of becoming a reality. The vast majority of our schools are 'Good' or 'Outstanding' already, but they continue to be innovative and push for even higher standards. Our children deserve the best and all of us working in the Midsomer Norton Schools Partnership strive to ensure this ambition can be realised.

Impact of Future Activities & Events

Targets set for 2020 are as follows:

TRUSTEES' REPORT (Continued)
for the year ended 31 August 2019

MAT School Targets 2019/20 (disadvantaged in brackets in white section. In grey section national average)

Primary:

School	GLD (71%)	Phonics (82%)	KS 1 phonics catch-up	KS1 R (75%)	KS 1 W (68%)	KS 1M (75%)	KS 2 R (76%)	KS 2 W (78%)	KS 2 M (77%)	RWM comb.
HL	80%	82%	100%	80%	80%	80%	85%	85%	85%	85%
CL	75%	82%	50%	76%	72%	80%	66%	66%	66%	60%
WEL	79%	80%	100%	76%	76%	80%	60%	55%	55%	56%
LV	80%	83%	50%	80%	76%	80%	68%	68%	68%	68%
TR	71%	81%	50%	80%	80%	80%	87%	100%	87%	80%
DU	80%	80%	100%	75%	75%	83%	86%	86%	86%	86%
FG	85%	85%	75%	80%	73%	80%	79%	79%	79%	79%
MNP	80%	88%	75%	79%	73%	79%	82%	79%	79%	66%
HEM	78%	86%	100%	75%	71%	75%	85%	85%	85%	75%
WEST	75%	85%	100%	80%	75%	78%	81%	72%	81%	70%
L-o-M	81%	88%	67%	83%	75%	83%				
SHOS	89%	86%	0%	80%	80%	87%	67%	67%	78%	67%
St. JUL	77%	89%	100%	90%	79%	90%	71%	79%	71%	71%
St. JO	80%	85%	60%	80%	80%	82%	80%	80%	80%	80%
PSJ	80%	85%	85%	73%	74%	75%	75%	75%	75%	65%

Midsomer Norton Schools' Partnership

TRUSTEES' REPORT (Continued)
for the year ended 31 August 2019

Secondary:

School	KS 4 basics 9-4 (66%)	KS 4 basics 9-5 (41%)	P 8 M	P 8 E (P8 E Boys)	P 8 EBAC	P8 open	P 8 overall (0)	PP P8 E PP M pp	Upper band P8 E, M, total	SEN P8 E, M, total
BCS	82%	65%	+0.3	-0.1 (-0.1)	+0.4	+0.1	+0.2	PP P8: -0.3 PP Ma P8: +0.2 PP En P8: -0.5	HPA P8: +0.2 HPA Ma P8: +0.2 HPA En P8: 0.0	SEN P8: 0.0 SEN Ma P8: +0.4 SEN En P8: -0.4
MSS	65%	40%	0.00	-0.20 (-0.40)	-0.10	0.20	0.00	PP: -0.20 EP8: -0.25 MP8: -0.20	HPA: -0.10 EP8: -0.40 MP8: -0.20	OP8: 0.00 EP8: -0.50 MP8: -0.50
NHS	82%	63%	+0.3	+0.3 (0.0)	+0.3	+0.7	+0.4	PP +0.2 EP8 +0.1 MP8 +0.1	HPA: +0.3 MPA: +0.5 LPA: +0.6	OP8: 0.2 EP8: 0.0 MP8: 0.0
SVS	80%	50%	+0.2	+0.1 (+0.0)	+0.0	+0.4	+0.4	PP +0.2 EP8 +0.0 MP8 +0.0	HAP +0.2 MAP +0.4 LAP +0.7	P8 +0.2 E +0.0 M +0.0
St Ds	67%	46%	+0.2	+0.00 (+0.0)	+0.3	+0.6	+0.3	PP +0.3 E +0.0 M +0.2	HAP +0.2 E +0.0 M +0.4	SEN +0.4 E +0.0 M +0.4
WRI	66%	42%	+0.1	+0.1 (0.0)	+0.2	+0.3	+0.1	PP: 0.0 EP8: 0.0 MP8: 0.0	HAP: +0.25 MPA: +0.1 LPA: +0.1	OP8: 0.0 EP8: 0.0 MP8: 0.0

TRUSTEES' REPORT (Continued)
for the year ended 31 August 2019

Year 13:

MAT Sixth Form targets 2019-20

KS5 19/20 Targets Report -

	Writhlington	Mendip Studio	MSN Sixth	Beechen Cliff
Cohort Summary	Total	Total	Total	Total
Cohort	111	13	167	211
A Level Cohort	88	6	128	202
Academic Cohort	88	6	132	202
Vocational Cohort	53	8	71	0
Applied General Cohort	53	3	71	0
Tech Level Cohort	0	5	0	13
Overall	Total	Total	Total	Total
Overall APS Per Entry	35.12	39.04	39.54	39.0
Overall Avg Grade Per Entry	B-	B	B	B
A Level	Total	Total	Total	Total
A Level APS Per Entry	38.7	40	38.53	39.0
A Level Avg Grade Per Entry	B	B	B	B
Best 3 A Levels	Total	Total	Total	Total
Best 3 A Levels Avg Pts	39.51	42.5	39.5	39.1
Best 3 A Levels Avg Grade	B	B+	B	B
Students Included in Best 3 A Levels	48	4	40	186
AAB Measure	Total	Total	Total	Total
A Level Students achieving A Levels at grades AAB or higher in at least 2 "facilitating subjects"	8	1	9	40
A Level Students achieving A Levels at grades AAB or higher in at least 3 "facilitating subjects"	6	0	5	28
Students Included in AAB measure	48	4	40	186
A Level & Other Academic	Total	Total	Total	Total
Academic APS Per Entry	38.7	40	38.65	38.9 (EPQ data not yet included)
Academic Avg Grade Per Entry	B	B	B	B
Vocational	Total	Total	Total	Total
Vocational APS Per Entry	28.82	37.5	42	N/A
Vocational Avg Grade Per Entry	M+	D+	D*-	N/A
Applied General	Total	Total	Total	Total
Applied General APS Per Entry	28.82	27	42	N/A
Applied General Avg Grade Per Entry	M+	M+	D*-	N/A
Tech Level	Total	Total	Total	Total
Tech Level APS Per Entry	N/A	48	N/A	37.6
Tech Level Avg Grade Per Entry	N/A	D*	N/A	D+

PRINCIPAL RISKS AND UNCERTAINTIES

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

The principal risks and uncertainties which faced the Trust during the period are as follows:

- **Financial** – the Trust has considerable reliance on continued Government funding through the ESFA. 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.
- **Failures in governance and/or management** – the risk in this area arises from potential failure to effectively manage the Trust 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 Trust is dependent on continuing to attract applicants 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 and safety and discipline.
- **Staffing** – the success of the Trust is reliant upon 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 Trust has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook.

The Trust 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 Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational area. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Risk Management

The Trust has been through a process to assess various risks and to identify and implement strategies for addressing these risks. This process identified various risk categories and their potential operational and financial impact, the probability of such occurrences and hence the overall gross risk. The Trustees have identified clear mechanisms to manage these risks in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust and its finances. Appropriate and adequate insurance cover is in place as well as an effective system of internal financial controls.

A detailed Business Continuity plan also exists which covers potential risks.

Fundraising

The Trust held only small fundraising events during the year such as non-uniform days. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of fundraising events.

Funds Held As Custodian Trustee on Behalf of Others

Although the Trust maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose, the Trust does not hold, and the Trustees do not anticipate that it will in the future hold, any funds as custodian for any third party.

Employee Consultation

The Schools have agreements with the main teaching and support staff professional associations and unions (UNISON, UNITE, GMB, ATL, NASUWT, NUT, NAHT, ASCL).

The Trust's policy is to consult and discuss with employees matters likely to affect employees' interests. The Trust holds regular meetings with employee to inform them of the Trust's performance and regularly sends written communication to all employees detailing Trust updates and plans. Employees are encouraged to contribute suggestions on Trust development and to take opportunities offered for resulting career progression.

Disabled persons

The Disability Equality Scheme and Accessibility Plan, takes a fundamental step in removing the discriminatory barriers for disabled people at the Midsomer Norton Schools' Partnership. The plan aims to increase the extent to which disabled students can partake in the Academy curriculum as well as improving the physical environment of each academy to increase opportunities for disabled students and staff. The plan also ensures that all students and staff will have access to information in formats that are accessible to them.

The recruitment and selection policy ensures that all potential staff and students will be treated equally throughout the application process.

Auditor

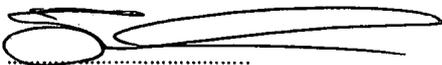
RSM UK Audit LLP has indicated its willingness to continue in office.

Statement as to Disclosure of Information to the Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the Trust's auditor is unaware, and
- each Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 19 December 2019 and signed on the board's behalf by:



Mr Stuart Warrenner
Chair

19 December 2019
Date

**GOVERNANCE STATEMENT (continued)
for the year ended 31 August 2019**

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Midsomer Norton Schools' Partnership 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 Trust Board has delegated the day-to-day responsibility to Alun Williams, 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 Midsomer Norton Schools' Partnership and the Secretary of State for Education. They are also responsible for reporting to the Trust Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Annual Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 8 times during the year. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of possible
Bob Arnold	6	8
Sarah Baldwin	8	8
Chris Brace	6	8
Gareth Griffith	7	8
Dennis Lewis (appointed 01/04/19)	2	3
Simon Mills	8	8
Andrew Sinden	8	8
Jim Smith (appointed 01/04/19)	3	3
Stuart Warrener	8	8
Alun Williams	8	8
Sharon Wiseman	6	8

The Finance, Audit and Risk committee is a subcommittee of the main Board of Trustees and meets at least twice per year. Membership is as follows:

Sarah Baldwin (*stood down from committee 23/05/19*)
Andrew Sinden
Jim Smith (*added to committee 23/05/19*)
Alun Williams
By invitation: Chris Hobbs – Service Director (*appointed in role 1/04/19*)
Alison Wyatt – Finance Director
William Kingwell – Company Secretary

The meetings are attended by a representative of the external auditor.

All members of the committee attended two meetings held in December 2018 and July 2019, with the exception of Sarah Baldwin who stepped down and Chris Hobbs and Jim Smith who were only invited to the July meeting following their appointments.

Review of Value for Money

As accounting officer, the CEO 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.

VALUE FOR MONEY STATEMENT

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

Improving educational results across all phases

The Trust has sophisticated monitoring systems for individual students that tracks levels of progress from Reception through to Post 16. Effective targeting including 1:1 tuition, intervention, additional revision classes and support ensures all students, including Pupil Premium students, make as good or better progress than students nationally.

Attendance as an average across the trust is significantly higher than the national average.

Financial Governance and Oversight

Financial projections are prepared regularly, 3 to 5 years forward bearing in mind projected demographics. This ensures resource levels, particularly staffing are efficient. Budgets are set on a prudent basis. Detailed management accounts and revised year end forecasts are presented to the Trust on a quarterly basis and any variances to budget explained. Purchases are authorised according to the Trust's purchasing policy and scheme of delegation. Trustees regularly challenge decisions as evidenced by Trust minutes. Benchmarking to compare the financial performance of schools in the Trust to other academies has been presented to the Trust. Cashflow is monitored and surplus cash balances invested in interest bearing deposit accounts.

The schools within the Trust work collaboratively, achieving economies of scale with purchasing of resources. A number of staff work across the schools meaning staffing is deployed very efficiently. The Midsomer Norton Sixth Form ensures a full range of options and opportunities is available to all students.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Trust's 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 Midsomer Norton Schools' Partnership for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Trust Board has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust is of the view that there is a formal on-going process for identifying, evaluating and managing the 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 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 Trust;
- regular reviews by the LGBs 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 guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Trust continues to use the Local Authority to act as internal auditors. This role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. Reports are provided three times per year to the Trust.

Review of effectiveness

As Accounting Officer, the CEO 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 work of the executive managers within the 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 and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Trust on 19 December 2019 and signed on its behalf by:



.....
Mr Stuart Warrener
Chair



.....
Mr Alun Williams
Accounting Officer

Midsomer Norton Schools' Partnership

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
for the year ended 31 August 2019**

As accounting officer of the Midsomer Norton Schools' Partnership I have considered my responsibility to notify the Trust and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State. As my part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the board of trustees are not able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2018.

I confirm that no instances of material irregularity, impropriety of funding or 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 the ESFA.



.....
Mr Alun Williams
Accounting Officer

.....
19/12/19
Date

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
for the year ended 31 August 2019**

The trustees (who act as governors of Midsomer Norton Schools Partnership 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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

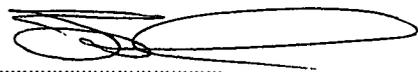
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards 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 ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 19 December 2019 and signed on its behalf by:



.....
Stuart Warrener
Chair of Trustees

Opinion on financial statements

We have audited the financial statements of Midsomer Norton Schools' Partnership (the "academy trust") for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies: Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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 Academies Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information.

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

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

We have nothing to report in this regard.

Opinion on other matter 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 Governors' Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Governors' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report and the incorporated Strategic Report.

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

- adequate accounting records have not been kept by the charity, 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 governors' 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 27, the governors (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors 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 governors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

RSM UK Audit LLP

Kerry Gallagher (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Hartwell House
55-61 Victoria Street
Bristol
BS1 6AD

Date **20 December 2019**

Midsomer Norton Schools' Partnership

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2019
including Income and Expenditure Account

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2019 £	Year end 31 August 2018 £
INCOME FROM:						
Transfer from local authority on conversion	32	-	(1,141,421)	6,945,000	5,803,579	2,227,456
Transfer from existing academies	32	-	(6,076,618)	51,029,362	44,952,744	-
Donations and Capital Grants	2	-	-	1,401,824	1,401,824	904,831
Funding for the Trust's educational operations	3	-	30,206,580	-	30,206,580	17,756,808
Teaching Schools	34	-	-	-	-	66,000
Provision of boarding activities	35	-	194,544	-	194,544	-
Other Trading Activities	4	429,758	755,670	-	1,185,428	493,636
Other income from Academy Trust's educational operations	4	1,073,059	987,954	-	2,061,013	1,380,890
Investment income	5	13,954	-	-	13,954	10,688
TOTAL		1,516,771	24,926,709	59,376,186	85,819,666	22,840,309
EXPENDITURE ON:						
Raising funds:	7	1,772,941	826,723	-	2,599,664	1,480,693
Charitable activities:						
Teaching Schools	8, 34	-	66,000	-	66,000	23,738
Provision of boarding activities	35	-	159,942	-	159,942	-
Trust's educational operations	8	-	33,589,432	2,805,791	36,395,223	21,708,389
TOTAL		1,772,941	34,642,097	2,805,791	39,220,829	23,212,820
NET INCOME/(EXPENDITURE) FOR THE YEAR		(256,170)	(9,715,388)	56,570,395	46,598,837	(372,511)
TRANSFERS						
Gross transfers between funds	20	-	833,021	(833,021)	-	-
OTHER RECOGNISED GAINS AND (LOSSES)						
Actuarial gains /(losses) on defined benefit pension schemes	20	-	(7,809,000)	-	(7,809,000)	2,192,000
NET MOVEMENT IN FUNDS		(256,170)	(16,691,367)	55,737,374	38,789,837	1,819,489
RECONCILIATION OF FUNDS						
Total funds brought forward	20	1,077,681	(8,527,432)	41,267,518	33,817,767	31,998,278
Total funds carried forward	20	821,511	(25,218,799)	97,004,892	72,607,604	33,817,767

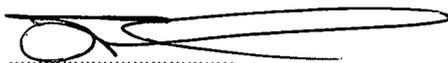
Midsomer Norton Schools' Partnership

BALANCE SHEET
As at 31 August 2019

Company Number: 07365778

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	14	97,004,892	41,267,518
CURRENT ASSETS			
Stock	15	68,389	4,332
Debtors	16	1,745,958	406,852
Cash at bank and in hand		4,064,145	2,029,573
		<u>5,878,492</u>	<u>2,440,757</u>
CREDITORS: Amounts falling due within one year	17	(2,818,720)	(1,228,408)
NET CURRENT ASSETS		<u>3,059,772</u>	<u>1,212,349</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>100,064,664</u>	<u>42,479,867</u>
CREDITORS: Amounts falling due after more than one year	18	(9,060)	(15,100)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>100,055,604</u>	<u>42,464,767</u>
Defined benefit pension scheme liability	28	(27,448,000)	(8,647,000)
NET ASSETS INCLUDING PENSION LIABILITY		<u>72,607,604</u>	<u>33,817,767</u>
THE FUNDS OF THE TRUST			
Restricted income funds			
General fund	21	2,229,201	119,568
Pension reserve	21	(27,448,000)	(8,647,000)
Fixed asset fund	21	97,004,892	41,267,518
Total restricted funds		<u>71,786,093</u>	<u>32,740,086</u>
Unrestricted funds			
General fund	21	821,511	1,077,681
Total funds		<u>72,607,604</u>	<u>33,817,767</u>

The financial statements on pages 30 to 60 were approved by the Trustees and authorised for issue on 19th December 2019, and are signed on their behalf by



Mr Stuart Warrener
Chair

Midsomer Norton Schools' Partnership

STATEMENT OF CASH FLOWS
for the year ended 31 August 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	24	1,086,183	(1,268,672)
Cash flows from investing activities	26	954,429	430,491
Cash flows from financing activities	25	(6,040)	(6,040)
Change in cash and cash equivalents in the reporting period		2,034,572	(844,221)
Cash and cash equivalents at 1 September 2018	27	2,029,573	2,873,794
Cash and cash equivalents at 31 August 2019	27	4,064,145	2,029,573

**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 AUGUST 2019**

A summary of the principal policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimate 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.

Midsomer Norton Schools' Partnership Academy Trust meets the definition of a public benefit entity under FRS 102.

The accounts are presented in sterling and rounded to the nearest £.

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.

INCOME

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

GRANTS RECEIVABLE

Grant income is 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.

The general annual grant ('the GAG') from the DfE, which is intended to meet recurrent costs, is recognised on a receivable basis and is credited directly to the Statement of Financial Activities to the extent of the entitlement of the funds, any abatement in respect of the period is deducted from income and is recognised as a liability.

Capital grants are recognised as voluntary income on a receivable basis to the extent there is entitlement.

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued.

OTHER INCOME

Other income including hire of facilities is recognised in the period it is receivable and to the extent the goods have been provided or the completion of the service. Included in donations and capital grants are assets and liabilities transferred from local authority upon conversion.

INTEREST RECEIVABLE

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

ACCOUNTING POLICIES (continued)
for the year ended 31 August 2019

EXPENDITURE

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to each activity cost category on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds are costs incurred in attracting donations, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred on the Trust's educational operations.

All resources expended are inclusive of irrecoverable VAT.

FUND ACCOUNTING

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

Restricted General funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education Skills & Funding Agency.

Restricted Fixed Assets Funds are resources which are to be applied to specific capital purposes imposed by the Education & Skills Funding Agency where the asset acquired or created is held for a specific purpose.

TANGIBLE FIXED ASSETS

Tangible fixed assets costing £5,000 or more are capitalised at cost 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 the related grants require the asset to be held for a specific purpose they are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet, with this amount being reduced over the useful economic life of the related asset on a basis consistent with the depreciation policy, the corresponding amount charged to the restricted fixed asset fund in the Statement of Financial Activities.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows:

Freehold and leasehold Land	0% pa
Freehold and leasehold Buildings (inc Astroturf 10% pa)	2% pa
Plant & Machinery	10% pa
Computer & Office equipment	33% pa
Computer Software	33% pa

All donated Assets transferred in the year will be valued and held at cost less impairment and depreciation, based on the above rates.

TAXATION

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 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 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.

**ACCOUNTING POLICIES (continued)
for the year ended 31 August 2019**

LEASED ASSETS

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

PENSIONS 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, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust.

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 benefit method. As stated in Note 28, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The two LGPS schemes are funded schemes 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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the ESFA. Related payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in Statement of Financial Activities. Where funds have not been fully applied in the year then an amount will be included as amounts due to the ESFA.

STOCK

Catering stock is valued at the lower of cost or net realisable value and is measured using the FIFO basis.

FINANCIAL INSTRUMENTS

As the academy only has basic financial instruments it has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102, to all of its financial instruments.

Financial instruments are recognised when the academy becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ACCOUNTING POLICIES (continued)
for the year ended 31 August 2019

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the SOFA

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the SOFA.

De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans, that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

De-recognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled or they expire.

Cash and cash equivalents

Cash and cash equivalents includes cash and short term highly liquid investments with a short maturity period.

CONVERSION OF NEW ACADEMIES

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Midsomer Norton Primary School and Hemington Primary School to an academy trust have been valued at their fair value being a reasonable estimate of the current market value that the trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Midsomer Norton Schools' Partnership Limited. The amounts have been recognised under the appropriate balance sheet categories with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1 CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

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.

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:

Critical accounting judgements:

Multi-employer defined benefit pension scheme

Certain employees participate in a multi-employer defined benefit pension scheme (TPS). In the judgment of the Governors, the school does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme.

Critical accounting estimates:

Local Government Pension Scheme

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 assumption used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, 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.

Useful economic lives of tangible assets

The annual depreciation charge is sensitive to any changes in the estimated useful life and residual values of the tangible assets. The useful economic lives and residual value is assessed on an annual basis and are amended only when evidence shows a change in the estimated economic lives or residual life. Criteria used to assess the economic life and residual value includes technological advancement, economic utilisation, physical condition of the asset and future investments.

Fair values on conversion of new academies

The fair value of assets and liabilities realised on the conversion of new academies into the Midsomer Norton Schools' Partnership is based on valuations provided by external organisations such as county councils. Calculations as to the valuation include criteria such as the expected life of the assets and liabilities, recoverability and future cash flows.

2 DONATIONS AND CAPITAL GRANTS	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Capital Grants	-	1,401,824	1,401,824	904,831
	-	1,401,824	1,401,824	904,831

All capital grants received in 2018 were restricted in nature.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

3 FUNDING FOR ACADEMY TRUST'S EDUCATIONAL OPERATIONS	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
General Annual Grant	-	28,273,396	28,273,396	16,445,527
Other Government Grants	-	1,933,184	1,933,184	1,311,281
Boarding Income	-	194,544	194,544	-
	-	30,401,124	30,401,124	17,756,808

The income for the Academy Trust's educational operations in 2018 were all restricted.

4 OTHER TRADING ACTIVITIES	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Sundry lettings, services and hire of facilities	190,273	-	190,273	142,470
Student teacher training	-	-	-	17,370
Other Income	60,548	755,670	816,218	290,801
Departmental and miscellaneous sales	178,937	-	178,937	42,995
Fees charged for music tuition	-	34,711	34,711	31,282
Catering income	1,073,059	-	1,073,059	677,281
Trips income	-	953,243	953,243	672,327
	1,502,817	1,743,624	3,246,441	1,874,526

5 INVESTMENT INCOME	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	£	£	£	£
Bank Interest receivable on short term cash deposits	13,954	-	13,954	10,688
	13,954	-	13,954	10,688

Investment income in 2018 were all unrestricted.

6 EXPENDITURE	Staff costs	Premises	Other	Total 2019	Total 2018
	£	£	£	£	£
Expenditure on raising funds	661,072	-	1,938,592	2,599,664	856,176
Trust's educational operations					
- Direct costs	22,296,533	-	4,525,306	26,821,839	15,629,934
- Direct Boarding Costs	61,543	-	10,912	72,455	
- Allocated support costs	3,440,636	1,702,504	4,430,244	9,573,384	5,006,455
- Allocated support boarding costs	41,479	-	46,008	87,487	
- Teaching Schools	47,299	-	18,701	66,000	23,738
	26,548,562	1,702,504	10,969,763	39,220,829	21,516,303

	2019	2018
	£	£
Operating lease rentals	53,969	30,044
Depreciation	1,956,446	1,129,929
Cost of stock as an expense	784,389	415,007
Fees payable to auditor for - audit	34,000	25,900
- other services	2,400	2,100
Impairment	849,345	-

Upon transfer of Office equipment into the trust during the year, the Trust assessed the fair value and useful lives of these assets. An impairment charge of £849,345 (2018: nil) has been recognised.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

7 EXPENDITURE ON RAISING FUNDS	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Trips Expenditure	-	826,723	826,723	624,517
Catering	1,477,737	-	1,477,737	726,342
Sports centre lettings and event costs	116,267	-	116,267	86,839
Cost of Departmental sales	178,937	-	178,937	42,995
	<u>1,772,941</u>	<u>826,723</u>	<u>2,599,664</u>	<u>1,480,693</u>
8 SCHOOL EXPENDITURE - TRUST'S EDUCATIONAL OPERATIONS	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Direct costs:				
Teaching and educational support staff costs	-	22,296,533	22,296,533	13,170,593
Direct depreciation	-	1,852,125	1,852,125	1,103,099
Direct impairment	-	849,345	849,345	-
Educational consumables	-	660,784	660,784	649,789
Examination fees	-	468,355	468,355	262,572
Direct staff development	-	128,026	128,026	48,131
External educational provision and supplies	-	566,671	566,671	395,750
	<u>-</u>	<u>26,821,839</u>	<u>26,821,839</u>	<u>15,629,934</u>
Allocated support costs:				
Support staff costs	-	3,440,636	3,440,636	2,295,656
Depreciation	-	104,321	104,321	26,830
Utilities	-	502,948	502,948	268,985
Other occupancy costs	-	215,142	215,142	118,738
Cleaning	-	101,548	101,548	39,440
Communications	-	83,951	83,951	55,966
Professional fees	-	1,032,969	1,032,969	525,611
Marketing	-	50,552	50,552	32,639
Recruitment	-	34,943	34,943	37,301
Other employment costs	-	102,618	102,618	87,941
Rates	-	167,815	167,815	117,892
Repairs and maintenance	-	760,327	760,327	387,632
Insurance	-	169,866	169,866	161,206
Technology costs	-	756,719	756,719	358,666
Staff development	-	28,501	28,501	30,391
Other support costs	-	766,246	766,246	408,589
Pension scheme	-	1,192,000	1,192,000	1,072,000
Governance Costs	-	62,282	62,282	76,710
	<u>-</u>	<u>9,573,384</u>	<u>9,573,384</u>	<u>6,102,193</u>
	<u>-</u>	<u>36,395,223</u>	<u>36,395,223</u>	<u>21,732,127</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

9 STAFF COSTS	2019	2018
	No	No
The average monthly number of persons employed by the Trust (including governors) during the year was as follows:		
Teachers	349	197
Administration and support	573	353
Management	53	33
	975	583
	2019	2018
	£	£
Staff costs for the above persons:		
Wages and salaries	21,390,420	12,574,880
Social security costs	1,885,527	1,114,563
Pension costs - defined benefit schemes:		
Teachers' pension scheme	2,329,328	1,360,255
Operating costs of Pension Scheme	1,112,064	756,809
Apprenticeship Levy	76,898	19,222
	26,794,237	15,806,497
	2019	2018
	£	£
Included in wages and salaries are the following staff restructuring costs:		
Redundancy payments	51,334	42,363
Severance Pay	9,315	29,532
	60,649	71,895

Included in the severance payment are non-statutory/non-contractual payments of nil (2018: £10,700).

The number of employees whose emoluments for the year exceeded £60,000 fell within the following ranges:	2019	2018
	No	No
£60,001 - £70,000	18	5
£70,001 - £80,000	7	2
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£100,001 - £110,000	1	-
£110,001 - £120,000	1	-
£140,001 - £150,000	1	1

10 KEY MANAGEMENT PERSONNEL

The Trust's key management personnel comprise of the Trustees and senior management team detailed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £1,651,589 (2018: £1,123,237)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

11 CENTRAL SERVICES

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

- human resources
- financial services
- legal support services
- education support services
- ICT support services
- premises support services

The Trust charges for these services on a flat percentage of GAG income (4%). The actual amounts charged during the year were as follows:

	2019	2018
	£000	£000
Beechen Cliff	135	-
Clutton	19	18
Dundry	16	17
Farrington Gurney	14	15
Hemington	6	-
High Littleton	30	22
Leigh on Mendip	8	-
Longvernal	25	21
Mendip	16	-
Midsomer Norton	41	40
Norton Hill	293	271
Peasedown	28	-
Shoscombe	12	-
Somervale	95	93
St John's	18	-
St Julian's	13	-
St Dunstan's	65	65
Trinity	33	34
Welton	28	26
Westfield	49	-
	<u>944</u>	<u>622</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

12 TRUSTEES REMUNERATION AND EXPENSES

The Principal and staff Trustee 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 services as Trustees. Other Trustees did not receive any payments from the Trust in respect of their role as Trustees. Trustee remuneration included employer pension contributions.

The value of Trustees remuneration and other benefits was as follows

	2019 £	2018 £
A Williams (CEO & Trustee)		
Remuneration	149,950	146,400
Employers pension contributions	24,663	24,127
G Griffith (Trustee)		
Remuneration	63,806	62,275
Employers pension contributions	10,515	10,263

During the year ended 31 August 2019, travel and subsistence expenses totalling £1,840 (2018: £1,908) were reimbursed to 2 Trustees (2018: 2). There were no related party transactions.

13 TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Trust has purchased insurance to protect trustees and offices from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5m on any one claim. The cost for the period ended 31st August 2019 was £600 (2018: RPA) and is included in the total insurance cost.

14 Tangible Assets	Freehold Land & Buildings £	Leasehold Land & Buildings £	Plant & Machinery £	Office equipment £	Computer Software £	Total £
COST						
At 1 September 2018	36,458,801	9,137,347	487,831	672,690	114,206	46,870,875
Additions	211,597	260,978	51,500	44,729	-	568,804
Transferred to Trust (note 32)	20,416,426	35,618,487	539,120	1,396,927	3,400	57,974,360
Disposals	-	-	-	-	-	-
At 31 August 2019	57,086,824	45,016,812	1,078,451	2,114,346	117,606	105,414,039
DEPRECIATION						
At 1 September 2018	4,545,510	327,506	245,933	429,893	54,515	5,603,357
Charge for the year	1,013,652	471,280	104,202	340,530	26,781	1,956,445
Impairment (note 5)	-	-	-	849,345	-	849,345
Disposals	-	-	-	-	-	-
At 31 August 2019	5,559,162	798,786	350,135	1,619,768	81,296	8,409,147
NET BOOK VALUE						
At 31 August 2019	51,527,662	44,218,026	728,316	494,578	36,310	97,004,892
At 31 August 2018	31,913,291	8,809,841	241,898	242,797	59,691	41,267,518

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

15 STOCK	2019	2018
	£	£
Catering stock	9,098	4,332
Clothing shop	59,291	-
	<u>68,389</u>	<u>4,332</u>

16 DEBTORS	2019	2018
	£	£
Trade debtors	324,092	13,159
Prepayments & Accrued income	1,131,518	356,378
Other Debtors	290,348	37,315
	<u>1,745,958</u>	<u>406,852</u>

17 CREDITORS: Amounts falling due within one year	2019	2018
	£	£
Other loans	6,040	6,040
Trade creditors	498,609	18,828
Other taxation and social security costs	606,393	276,524
Other creditors	269,958	47,691
Accruals and deferred income	1,437,720	879,325
	<u>2,818,720</u>	<u>1,228,408</u>

Deferred Income	2019	2018
	£	£
Deferred income at 1 September	417,134	373,188
Released from previous years	(417,134)	(373,188)
Resources deferred in the year	1,114,082	417,134
Deferred income at 31 August	<u>1,114,082</u>	<u>417,134</u>

Deferred income relates to school trips, UIFSM, Free School, other government grants, capital income, trips income and boarding income.

18 CREDITORS: Amounts falling due after more than one year	2019	2018
	£	£
Other loans	9,060	15,100
	<u>9,060</u>	<u>15,100</u>

Included in creditors is an interest free Salix loan agreed with the ESFA totalling £15,100 to be repaid over 2 years.

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

19 FINANCIAL INSTRUMENTS	2019	2018
	£	£
Financial assets that are debt instruments		
Measured at amortised cost:		
Trade debtors	324,092	13,159
Other debtors	290,348	37,315
Accrued Income	659,959	130,827
	<u>1,274,399</u>	<u>181,301</u>
Financial liabilities measured at amortised cost:		
Other loans	6,040	6,040
Trade creditors	498,609	18,828
Other creditors	269,958	47,691
Accruals	323,637	462,195
	<u>1,098,244</u>	<u>534,754</u>

20 THE FUNDS OF THE CHARITY	Balance at 1 September 2018	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2019
	£	£	£	£	£
Restricted General Funds					
General Annual Grants (GAG)	119,568	32,793,525	(31,516,913)	833,021	2,229,201
Other Government Grants	-	1,933,184	(1,933,184)	-	-
Pension Reserve	(8,647,000)	(9,800,000)	(1,192,000)	(7,809,000)	(27,448,000)
	<u>(8,527,432)</u>	<u>24,926,709</u>	<u>(34,642,097)</u>	<u>(6,975,979)</u>	<u>(25,218,799)</u>
Restricted fixed asset funds					
Transfer from local authority	-	6,945,000	-	-	6,945,000
Transfers from existing Trusts	-	51,029,362	-	-	51,029,362
Capital Grants	41,267,518	1,401,824	(2,805,791)	(833,021)	39,030,530
	<u>41,267,518</u>	<u>59,376,186</u>	<u>(2,805,791)</u>	<u>(833,021)</u>	<u>97,004,892</u>
Total restricted funds	<u>32,740,086</u>	<u>84,302,895</u>	<u>(37,447,888)</u>	<u>(7,809,000)</u>	<u>71,786,093</u>
Total unrestricted funds	<u>1,077,681</u>	<u>1,516,771</u>	<u>(1,772,941)</u>	<u>-</u>	<u>821,511</u>
Total of funds	<u>33,817,767</u>	<u>85,819,666</u>	<u>(39,220,829)</u>	<u>(7,809,000)</u>	<u>72,607,604</u>

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

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

20 THE FUNDS OF THE CHARITY	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted General Funds					
General Annual Grants (GAG)	1,019,892	17,167,900	(18,425,434)	357,210	119,568
Other Government Grants	-	1,377,281	(1,377,281)	-	-
Pension Reserve	(9,415,000)	(352,000)	(1,072,000)	2,192,000	(8,647,000)
	<u>(8,395,108)</u>	<u>18,193,181</u>	<u>(20,874,715)</u>	<u>2,549,210</u>	<u>(8,527,432)</u>
Restricted fixed asset funds					
Transfer on conversion	-	2,516,863	-	-	2,516,863
Capital Grants	39,332,963	904,831	(1,129,929)	(357,210)	38,750,655
	<u>39,332,963</u>	<u>3,421,694</u>	<u>(1,129,929)</u>	<u>(357,210)</u>	<u>41,267,518</u>
Total restricted funds	<u>30,937,855</u>	<u>21,614,875</u>	<u>(22,004,644)</u>	<u>2,192,000</u>	<u>32,740,086</u>
Total unrestricted funds	<u>1,060,423</u>	<u>873,434</u>	<u>(856,176)</u>	<u>-</u>	<u>1,077,681</u>
Total of funds	<u>31,998,278</u>	<u>22,488,309</u>	<u>(22,860,820)</u>	<u>2,192,000</u>	<u>33,817,767</u>

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

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

THE FUNDS OF THE CHARITY	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted General Funds					
General Annual Grants (GAG)	1,019,892	49,961,425	(49,942,347)	1,190,231	2,229,201
Other Government Grants	-	3,310,465	(3,310,465)	-	-
Pension Reserve	(9,415,000)	(10,152,000)	(2,264,000)	(5,617,000)	(27,448,000)
	<u>(8,395,108)</u>	<u>43,119,890</u>	<u>(55,516,812)</u>	<u>(4,426,769)</u>	<u>(25,218,799)</u>
Restricted fixed asset funds					
Transfer from local authority	-	6,945,000	-	-	6,945,000
Transfers from existing Trusts	-	51,029,362	-	-	51,029,362
Capital Grants	39,332,963	4,823,518	(3,935,000)	(1,190,231)	39,030,530
	<u>39,332,963</u>	<u>62,797,880</u>	<u>(3,935,000)</u>	<u>(1,190,231)</u>	<u>97,004,892</u>
Total restricted funds	<u>30,937,855</u>	<u>105,917,770</u>	<u>(59,452,532)</u>	<u>(5,617,000)</u>	<u>71,786,093</u>
Total unrestricted funds	<u>1,060,423</u>	<u>2,390,205</u>	<u>(2,626,117)</u>	<u>-</u>	<u>821,511</u>
Total of funds	<u>31,998,278</u>	<u>108,307,975</u>	<u>(62,081,649)</u>	<u>(5,617,000)</u>	<u>72,607,604</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

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

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

Analysis of Academies by fund balance	Total 2019	Total 2018
	£000	£000
<i>Fund balances at 31 August 2019 were allocated as follows:</i>		
Central	(185,055)	-
High Littleton	4,291	(14,907)
Norton Hill	1,084,436	904,909
Somervale	(573,037)	(488,695)
Clutton	(28,184)	(56,206)
St Dunstan's	(115,107)	(6,269)
Trinity	429,915	462,623
Dundry	117,012	92,910
Welton	151,323	127,268
Longvernal	335,407	211,275
Farrington Gurney	10,922	(1,257)
Midsomer Norton	3,109	(34,402)
Hemington	8,192	-
Westfield	145,332	-
Leigh on Mendip	23,461	-
Shoscombe	56,835	-
Wellow	82,366	-
St Johns	(101,623)	-
Beechen Cliff	647,445	-
Peasedown St John	(140,536)	-
Writhlington	999,228	-
Mendip	(234,909)	-
Critchill	329,889	-
Total before fixed assets and pension reserve	<u>3,050,712</u>	<u>1,197,249</u>
Restricted fixed asset fund	97,004,892	41,267,518
Pension reserve	(27,448,000)	(8,647,000)
Total	<u>72,607,604</u>	<u>33,817,767</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

**Analysis of
academies by cost**

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

	Teaching and Educational Support Costs	Other Support Staff Costs	Educational Supplies	Other Costs (Excluding Depreciation)	Total	2018
	£	£	£	£	£	£
Norton Hill	5,243,489	971,968	340,803	522,449	7,078,711	9,081,901
Somervale	1,475,694	273,544	95,913	147,034	1,992,187	2,972,057
St Dunstan's	1,574,279	291,818	102,321	156,857	2,125,277	2,221,556
High Littleton	536,055	99,366	38,841	53,411	723,675	912,028
Clutton	375,855	69,671	24,428	37,449	507,404	765,266
Trinity	600,752	111,359	39,046	59,857	811,015	880,578
Dundry	234,139	43,401	15,218	23,329	316,088	408,840
Longvernal	539,136	99,937	35,041	53,718	727,834	922,510
Welton	554,540	102,793	36,042	55,253	748,629	974,927
Farrington Gurney	277,270	51,396	18,021	27,626	374,314	471,737
Midsomer Norton	1,019,738	189,025	66,278	101,604	1,376,647	1,399,491
Hemington	92,423	17,132	6,007	9,208	124,771	-
Beechen Cliff	4,045,065	749,820	262,911	403,041	5,460,839	-
Writhlington	3,789,361	702,421	246,291	377,563	5,115,637	-
Mendip	462,117	85,661	30,035	46,044	623,858	-
Critchill	184,846	34,264	12,014	18,417	249,543	-
Leigh on Mendip	138,635	25,698	9,010	13,813	187,157	-
Peasedown St John	1,725,237	319,801	112,132	171,898	2,329,070	-
Shoscombe	286,512	53,109	18,622	28,547	386,792	-
St Johns	1,395,593	258,696	90,707	139,053	1,884,051	-
Wellow	1,192,262	64,531	22,626	34,686	469,973	-
Westfield	1,192,262	221,005	77,491	118,794	1,609,554	-
Academy Trust	26,091,137	4,836,427	1,695,810	2,599,664	35,223,038	21,010,891

General Annual Grant (GAG) represents the core funding for the educational activities of the academies that has been provided to the Trust via the Education and Skills Funding Agency by the Department for Education. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the Trust. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019. Funds are set aside for capital projects, as prioritised by the Trust.

The Inherited Fixed Assets Fund has been set up to recognise the tangible assets gifted to the Trust upon conversion by the local authority which represent the school sites inherited from the local authority including the Land and buildings and all material items of plant and machinery included therein. Depreciation charged on those inherited assets is allocated to the fund. The same principle has been applied to the acquisition of St Dunstan's Academy and The Dove Family Trust.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

Transfer between Funds

The method of accounting for fixed assets purchased from GAG or other ESFA recurrent grants is to show the purchase as a fixed asset on the balance sheet and transfer an amount equal to the purchase of fixed assets from the restricted general fund to the restricted fixed asset fund.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS 2019

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds 2019	Total funds 2018
	£	£	£	£	£
Tangible fixed assets	-	-	97,004,892	97,004,892	41,267,518
Current assets	821,511	5,056,981	-	5,878,492	2,440,757
Current liabilities	-	(2,818,720)	-	(2,818,720)	(1,228,408)
Non-current liabilities	-	(9,060)	-	(9,060)	(15,100)
Provisions for liabilities and charges	-	(27,448,000)	-	(27,448,000)	(8,647,000)
	821,511	(25,218,799)	97,004,892	72,607,604	33,817,767

ANALYSIS OF NET ASSETS BETWEEN FUNDS 2018

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds 2018	Total funds 2017
	£	£	£	£	£
Tangible fixed assets	-	-	41,267,518	41,267,518	39,332,963
Current assets	1,077,681	1,363,076	-	2,440,757	3,333,317
Current liabilities	-	(1,228,408)	-	(1,228,408)	(1,231,862)
Non-current liabilities	-	(15,100)	-	(15,100)	(21,140)
Provisions for liabilities and charges	-	(8,647,000)	-	(8,647,000)	(9,415,000)
	1,077,681	(8,527,432)	41,267,518	33,817,767	31,998,278

22 MEMBERS' LIABILITY

Midsomer Norton Schools' Trust is an exempt charity and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £1 to the assets of the company in the event of the company being wound up during the period of membership, or within one year thereafter.

23 COMMITMENTS UNDER OPERATING LEASES

At 31 August 2019, the total of the Trust's future minimum lease payments under non-cancellable operating leases was:	2019	2018
	£	£
Amounts due in one year	92,909	26,042
Amounts due between one and five years	121,215	84,580
Amounts due after five years	48,235	61,098
	<u>262,359</u>	<u>171,720</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

24 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2019 £	2018 £
Net income	46,598,837	(372,511)
Adjusted for:		
Depreciation	2,805,790	1,129,929
Cash received on conversion	(2,911,103)	(62,593)
Capital grants from DfE and other capital income	1,401,824	(904,831)
Interest receivable	(13,954)	(10,688)
Defined benefit pension scheme obligation on conversion	9,800,000	352,000
Defined benefit pension scheme cost less contributions payable	838,000	845,000
Defined benefit pension scheme finance cost	354,000	227,000
(Increase)/Decrease in stock	(64,057)	1,157
(Increase)/Decrease in debtors	(1,339,106)	47,182
Increase/(Decrease) in creditors	1,590,312	(3,454)
Impact of transfer upon conversion	(57,974,360)	(2,516,863)
Net cash provided by Operating Activities	1,086,183	(1,268,672)
25 CASH FLOWS FROM FINANCING ACTIVITIES	2019 £	2018 £
Repayment of borrowings	(6,040)	(6,040)
Net cash provided by financing activities	(6,040)	(6,040)
26 CASH FLOWS FROM INVESTING ACTIVITIES	2019 £	2018 £
Dividends, interest and rents from investments	13,954	10,688
Purchase of tangible fixed assets	(568,804)	(547,621)
Capital grants from DfE/ESFA	(1,401,824)	904,831
Cash received on conversion	2,911,103	62,593
Net cash provided by/ (used) in investing activities	954,429	430,491
27 ANALYSIS OF CASH AND CASH EQUIVALENTS	As at 31 August 2019 £	As at 31 August 2018 £
Cash in hand and at bank	4,064,145	2,029,573
Total Cash and Cash Equivalents	4,064,145	2,029,573

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

28 PENSION & SIMILAR OBLIGATIONS

The 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, through Peninsula Pensions (managed by Somerset County Council) and Avon Pension Fund (managed by Bath & North East Somerset Council, "BANES"). Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2016 and of the LGPS 31 March 2016.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 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 in April 2019. The key elements of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI

During the year the employer contribution rate was 23.6%. The TPS valuation for 2016 determined an employer rate of 16.8% during 2018/19. DfE have agreed to pay a teachers' pension employer contribution grant to cover the costs during the 2019/20 academic year.

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

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

The pension costs paid to TPS in the period amounted to £2,329,328 (2018: £1,360,245).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £1,493,320 of which employer's contributions total £1,112,065 and employees' contribution totalled £381,255. The agreed rates for future years are 13.1% - 22.8% for employers and between 5.5% and 9.9% for employees.

The deficit is £27,448,000 to be recovered over 19 years.

The Academy Trust also makes additional contributions in addition to normal funding levels. These annual deficit recovery contributions were calculated to be paid over a period of 20 years from 1 September 2014.

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

- The LGPS obligation relates to employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

Principal actuarial assumptions – Bath & North East Somerset County Council

	As at 31 August 2019	As at 31 August 2018
Rate of increase in salaries	3.6%	3.6%
Rate of increase in pensions in payment	2.2%	2.2%
Discount rate	1.8%	2.8%
Inflation assumption		
- rpi	N/A	N/A
- cpi	2.1%	2.1%

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

28 PENSION & SIMILAR OBLIGATIONS (continued)

Sensitivity analysis - BANES

	Central	Sensitivity 1 +0.1% p.a discount rate	Sensitivity 2 +0.1% p.a. inflation	Sensitivity 3 +0.1% p.a. pay growth	Sensitivity 4 1 year increase in life expectancy
	£000s	£000s	£000s	£000s	£000s
Liabilities	39,351	38,521	40,199	39,539	40,038
Assets	(15,172)	(15,172)	(15,172)	(15,172)	(15,172)
Deficit	24,179	23,349	25,027	24,367	24,886
Projected service cost for next year	3,566	3,476	3,661	3,566	3,631
Projected Net interest cost for next year	420	427	435	423	432

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

	2019 Years	2018 Years
Retiring today:		
Males	23.7	23.6
Females	26.2	26.1
Retiring in 20 years:		
Males	26.3	26.2
Females	29.0	28.8

The assets in the BANES scheme and the expected rate of return were:

	Value at 31 August 2019		Value at 31 August 2018	
	%	£'000	%	£'000
Equities	46.8	7,101	49.5	2,636
Bonds	10.9	1,654	7.7	827
Property	5.5	834	8.8	625
Cash	1.2	182	3.6	256
Gilts	-	-	11.2	780
Other	35.6	5,401	19.2	1,601
Total market value of assets		15,172		6,725
Present value of scheme liabilities		(39,351)		(13,789)
Deficit in the scheme		(24,179)		(7,064)

Principal actuarial assumptions – Somerset County Council

	As at 31 August 2019	As at 31 August 2018
Rate of increase in salaries	3.7%	3.8%
Rate of increase in pensions in payment	2.2%	2.3%
Discount rate	1.85%	2.65%
Inflation assumption - rpi	N/A	N/A
- cpi	2.2%	2.3%

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

28 PENSION & SIMILAR OBLIGATIONS (continued)

Sensitivity analysis - SCC

	£000s	£000s	£000s
	+0.1%	0.0%	(0.1%)
Adjustment to discount rate			
- Present value of total obligation	5,436	5,568	5,703
- Projected service cost	382	391	401
Adjustment to long term salary increase			
- Present value of total obligation	5,584	5,568	5,552
- Projected service cost	391	391	391
Adjustment to pension increases and deferred revaluation			
- Present value of total obligation	5,686	5,568	5,453
- Projected service cost	400	391	382
	+ 1 year	None	(1 year)
Adjustment to life expectancy assumptions			
- Present value of total obligation	5,767	5,568	5,376
- Projected service cost	405	391	378

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

	2019 Years	2018 Years
Retiring today:		
Males	22.9	24.0
Females	24.0	25.2
Retiring in 20 years:		
Males	24.6	26.3
Females	25.8	27.5

The assets in the SCC scheme and the expected rate of return were:

	Value at 31 August 2019		Value at 31 August 2018	
	%	£'000	%	£'000
Equities	71	1,628	72	932
Bonds	-	-	-	-
Property	8	187	9	115
Cash	6	137	5	62
Gilts	6	137	5	69
Other	9	210	9	117
Total market value of assets		2,299		1,295
Present value of scheme liabilities		(5,568)		(2,878)
Deficit in the scheme		(3,269)		(1,583)

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

28 PENSION & SIMILAR OBLIGATIONS (continued)

Analysis of the amount charged to the Statement of Financial Activities	2019	2018
	£'000	£'000
As staff costs:		
Current service cost	2,126	1,336
Administration expenses	31	18
Losses on curtailments	-	-
Inherited deficit on transferred members	-	-
Total operating charge	<u>2,157</u>	<u>1,354</u>
As finance costs:		
Expected return on assets	(334)	(176)
Interest on liabilities	688	403
Other finance costs	354	227
Total pension costs	<u>2,511</u>	<u>1,581</u>
Analysis of changes in the present value of defined benefit obligations:	2019	2018
	£'000	£'000
Opening defined benefit obligations	16,667	16,044
Acquired on conversion	2,655	554
Business combinations	14,133	394
Members' contributions	387	213
Current service cost	2,126	1,366
Past service benefit	1,138	13
Losses on curtailments	-	-
Interest cost	688	403
Actuarial experience loss/(gain)	7,385	(2,126)
Benefits paid	(260)	(194)
Closing defined benefit obligations	<u>44,919</u>	<u>16,667</u>
Analysis of changes in the fair value of plan assets:	2019	2018
	£'000	£'000
Opening fair value of assets	8,020	6,629
Acquired on conversion	808	202
Business combinations	6,180	-
Employer contributions	1,319	933
Members' contributions	387	213
Expected return	334	176
Actuarial experience gain/(Loss)	714	79
Administration Expense	(31)	(18)
Benefits paid	(260)	(194)
Closing fair value of assets	<u>17,471</u>	<u>8,020</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019**

29 RELATED PARTY TRANSACTIONS

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a Trustee may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures. No transactions require disclosure under related party rules.

30 AGENCY ARRANGEMENTS

The Academy Trust administers the disbursement of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA, there was a balance carried forward of £28,908. In the year it received £74,790 and disbursed £25,602 with therefore an amount of £78,096 at the 31 August 2019 which is included in other creditors. The Academy Trust retained a beneficial interest in individual transactions such that £2,251 has been recognised in income and expenditure in the Statement of Financial Activities.

31 CAPITAL COMMITMENTS

	2019	2018
	£	£
Contracted for, but not provided for in the financial statements	-	-

32 SCHOOLS TRANSFERRED IN

Westfield Primary School (01 October 2018), Wellow Primary School (01 December 2018), Shoscombe Primary School (01 December 2018), St Johns Primary School (01 December 2018), Beechen Cliff Secondary School (01 February 2019), Writhlington Secondary School (01 April 2019), Mendip Secondary School (01 April 2019) Peasedown St Johns Primary School (01 April 2019) joined the Trust under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Midsomer Norton Schools Partnership Ltd from Bath & North East Somerset Local Authority for £nil consideration.

Leigh on Mendip (01 November 2018), Critchill Primary School (01 June 2019) converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Midsomer Norton Schools Partnership Ltd from Somerset County Council for £nil consideration.

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

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

Transfer from local authority on conversion	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total £
Tangible fixed assets				
- Leasehold land and buildings	-	-	6,945,000	6,945,000
Surplus inherited	-	705,579	-	705,579
LGPS pension (deficit)	-	(1,847,000)	-	(1,847,000)
Net assets/(liabilities)	-	(1,141,421)	6,945,000	5,803,579

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

Transfer from existing academies	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total £
Tangible fixed assets				
Leasehold land and buildings	-	-	28,673,488	28,673,488
Freehold Land and buildings	-	-	20,416,427	20,416,427
Other tangible fixed assets	-	-	1,939,447	1,939,447
Surplus inherited	-	1,876,382	-	1,876,382
LGPS pension (deficit)	-	(7,953,000)	-	(7,953,000)
Net assets/(liabilities)	-	(6,076,618)	51,029,362	44,952,744

33 POST BALANCE SHEET EVENTS

Nil

34 TEACHING SCHOOL TRADING ACCOUNT

		2018/19	2017/2018
Income			
	Direct Income	-	66,000
	Other Income	-	-
		-	66,000
Total Income			
Expenditure			
	Direct Costs	66,000	22,738
	Other direct costs	-	1,000
	Total direct costs	66,000	23,738
Total Expenditure			
Surplus/(Deficit) from all sources		(66,000)	42,262
Teaching school balances at 1 September 2018		42,262	-
Teaching school balances at 31 August 2019		(23,738)	42,262

Midsomer Norton Schools' Partnership

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 AUGUST 2019

35 ACADEMY BOARDING TRADING ACCOUNT

	For the period: 01.02.19 to 31.08.19
INCOME	
Boarding Income	194,544
DIRECT COSTS	
Educational supplies	7,910
Other costs	3,002
Wages and salaries	61,543
	<u>72,455</u>
SUPPORT COSTS	
Other costs	3,758
Maintenance of premises and equipment	8,964
Cleaning	454
Rent and rates	3,756
Insurance	1,004
Catering	26,821
Legal and professional	1,251
Wages and salaries	41,479
	<u>87,487</u>
(DEFICIT) Introduced	<u>(180,170)</u>
(DEFICIT) CARRY FORWARD	<u>(145,568)</u>

Midsomer Norton Schools' Partnership

COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2019
including Income and Expenditure Account

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2018 £	Year end 31 August 2017 £
INCOME FROM:						
Transfer from local authority on conversion	32	-	(289,407)	2,516,863	2,227,456	227,318
Donations and Capital Grants	2	-	-	904,831	904,831	687,525
Funding for the Trust's educational operations	3	-	17,756,808	-	17,756,808	16,207,778
Teaching Schools		-	66,000	-	66,000	-
Other Trading Activities	4	185,465	308,171	-	493,636	467,365
Other income from Academy Trust's educational operations		677,281	703,609	-	1,380,890	1,337,902
Investment income	5	10,688	-	-	10,688	10,897
TOTAL		873,434	18,545,181	3,421,694	22,840,309	18,938,785
EXPENDITURE ON:						
Raising funds:	7	856,176	624,517	-	1,480,693	1,303,935
Charitable activities:						
Teaching Schools		-	23,738	-	23,738	-
Trust's educational operations	8	-	20,578,460	1,129,929	21,708,389	19,617,310
TOTAL		856,176	21,226,715	1,129,929	23,212,820	20,921,245
NET INCOME/(EXPENDITURE) FOR THE YEAR		17,258	(2,681,534)	2,291,765	(372,511)	(1,982,460)
TRANSFERS						
Gross transfers between funds		-	357,210	(357,210)	-	-
OTHER RECOGNISED GAINS AND (LOSSES)						
Actuarial gains /(losses) on defined benefit pension schemes		-	2,192,000	-	2,192,000	644,000
NET MOVEMENT IN FUNDS		17,258	(132,324)	1,934,555	1,819,489	1,338,460
RECONCILIATION OF FUNDS						
Total funds brought forward	20	1,060,423	(8,395,108)	39,332,963	31,998,278	33,336,738
Total funds carried forward	20	1,077,681	(8,527,432)	41,267,518	33,817,767	31,998,278

Midsomer Norton Schools' Partnership

COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 August 2019
including Income and Expenditure Account

Comparative Other Trading Activities	Unrestricted funds	Restricted funds	Total 2018
	£	£	£
Sundry lettings, services and hire of facilities	142,470	-	142,470
Student teacher training	-	17,370	17,370
Other Income	-	290,801	290,801
Departmental and miscellaneous sales	42,995	-	42,995
Fees charged for music tuition	-	31,282	31,282
Catering income	677,281	-	677,281
Trips income	-	672,327	672,327
	<u>862,746</u>	<u>1,011,780</u>	<u>1,874,526</u>