Company Registration Number: 07657852 (England and Wales)

THE CHANTRY SCHOOL

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

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THE CHANTRY SCHOOL
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2019

Members

Dr A. Dickenson (resigned 12 November 2018)
Mr T. Nott
Mr P. Jackson
Mr P. F. Wilcox (appointed 12 November 2018)

Trustees

Mrs K. Barnett (appointed 13 December 2018)
Mrs A.K. Bates
Mr S.A. Butler (resigned 11 July 2019)
Mrs P. Cumming
Mr P.J. Cumming
Dr A. Dickenson
Mrs R. Elliott (appointed 13 September 2018)
Mrs J. Harrison (appointed 21 March 2019)
Mr M.R. Hill (appointed 21 March 2019)
Mrs K.B. Hollyhead
Mr P. Jackson
Mr T.M. King (resigned 21 September 2018)
Mrs C. Knight
Mr T. Nott
Mrs P.A. Owen (resigned 11 July 2019)
Mr S. Stelkunas (appointed 21 March 2019)
Mr D. Walton (appointed 13 September 2018)
Mr P.F. Wilcox, Chairman appointed 13/09/2018

Company registered number

07657852

Company name

The Chantry School

Principal and registered office

Martley
Worcester
Worcestershire
WR6 6QA

Company secretary

Mr D. Darling

Senior management team

Dr A. Dickenson, Headteacher
Mrs N. Clear, Deputy Headteacher
Mr M. Lake, Assistant Headteacher
Miss M. Palmer, Assistant Headteacher
Mr D. Darling, Schools Business Manager

Advisers (continued)

Independent auditor

Crowe U.K. LLP
Statutory Auditor
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Bankers

Lloyds Bank Plc
4 The Cross
Worcester
WR1 3PY

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 year 1 September 2018 to 31 August 2019. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 11 to 16 serving a catchment area in Martley. It had a pupil capacity of 850 aged 11 to 16 students with this capacity increasing from September 2018 as part of 5 year county council expansion programme. The academy had a roll of 763 students aged 11 to 16 in the school on census on 3 October 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The academy is a charitable company limited by guarantee and an exempt charity. The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Trustees of The Chantry School are also the directors of the charitable company for the purpose of company law.

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

MEMBERS' LIABILITY

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

TRUSTEES' INDEMNITIES

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The management of the academy is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. Nominations for vacant trustee positions are put before the Full Governing body and voted upon. The appointment is recorded in the minutes of that meeting. There is an open recruitment and election process for parent trustees by placing an advert in the school press. This is subsequently ratified at the next Full trustees meeting.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The academy has set up a comprehensive induction programme for new trustees and new trustees are also encouraged to attend the 'New trustee Training' course put on by Local Authority Governor Services. Trustee training is assessed periodically and courses and opportunities for development are offered as and when they arise. Training options are actively pursued if requested by a trustee. This includes coming into school and working with staff.

ORGANISATIONAL STRUCTURE

The structure of the academy consists of a Board of Directors (the trustees). The trustees are responsible for setting the academy's policies, adopting the academy Improvement Plan and budget, monitoring performance against these plans and making major decisions about the direction of the academy including its curriculum, the achievement and welfare of students and staffing.

The management structure of the academy consists of a Senior Leadership Team headed by the Headteacher (who also sits on the Board of Directors). The Senior Team also consists of the Deputy Head, 2 Assistant Heads and a Business Manager who is also the Company Secretary. Each has a distinct role in ensuring the objectives of the academy are met.

There are a number of middle Management roles in the academy which are essentially Heads of Faculties or subjects ensuring that the curriculum is delivered effectively and that children are progressing adequately and also Heads of Year groups ensuring that children's welfare and behaviour is good.

The trustees have established five sub committees. Each subcommittee has its own terms of reference detailing the responsibilities discharged to the subcommittee. The terms of reference and meeting frequency for each sub committee is reviewed and approved by the trustees annually. The terms of reference for the Finance Sub Committee detail the academy's authorised spending limits.

The sub committees of the Governing Body are the,

- Finance Committee
- Premises Committee
- Personnel Committee
- Curriculum Committee
- Pay Committee

Groups of trustees may be formally organised outside of the subcommittee structure to support the academy as required, to consider:

- Headteacher and Senior staff recruitment.
- Performance management of the Headteacher
- Pupil behaviour
- Staff discipline
- Complaints
- Significant areas of change management

PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The setting of pay on appointment is defined by the school's pay policy that is reviewed annually. For key teaching staff this is set in accordance with School Teachers Pay and Conditions document. For key management personnel that are not teaching staff, guidance from the school's Human Resources advisors is sought to ensure the pay grade is commensurate with the duties of the post and that of similar posts in other schools. For pay awards for teaching staff that are key management personnel, the schools performance management policy applies. This includes measures against specific performance objectives as well as Teachers Standards. A recommendation is made by the reviewer to the Headteacher. The Headteacher reviews this recommendation and presents each decision to the Pay Committee. The Headteacher's performance is reviewed by a committee of governors, drawn from Pay Committee and advised by an external independent consultant. This committee is responsible on behalf of the governors for making decisions about the Headteacher's pay award.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The academy continues to work with and support primary schools in the local pyramid. The academy is committed to working in partnership with these schools to ensure that there is long term cost benefit and successful transition for pupils. There is ongoing work to support literacy and numeracy projects in particular.
The academy is committed to working with the Aspire Free School which focuses on getting the best deal for children needing to access an alternative curriculum.

There are strict rules around related party relationships. Trustees do not receive payment for their services as trustees and their services are not procured by the school and vice versa. Trustees are asked to declare business interests to the academy during meetings as well as when they become a trustee. Any trustee declaring an interest in any part of a meeting will remove themselves from that part of the meeting.

OBJECTIVES AND ACHIEVEMENTS

OBJECTS AND AIMS

As described, the object of The Chantry School is set out in the Company's Articles of Association.

The trustees continue to set the academy's strategic aims through the School Development Plan. These aims are monitored closely by the Board of Directors by way of Head teacher and Senior Team reports and through the work of the sub committees.

The key aims of the academy for the forthcoming year are to:

1. Develop Pupil Achievement so that The Chantry School is consistently in national Top 10% VA measures, as indicated by the range of Performance Measures
2. Further develop the capacity of Teaching Staff to ensure they are highly skilled practitioners and subject specialists, and so highly effective in their role. A particular focus this year is on subject specific pedagogy.
3. Pupils will continue to thrive as a result of their curriculum experience making them increasingly independent, engaged, motivated and trained to enable success at GCSE, with secure sustained post-16 destinations.
4. To further develop the quality and effectiveness of our pastoral system by consistently embedding best practice across all year groups, with a particular focus this year on pupil personal development.
5. Continue to serve The Chantry School's community by planning for, and delivering, an additional 30 pupil places per year from 2018- 22, whilst maintaining strong financial control, as well as considering the long term community need for school places beyond this time frame.

OBJECTIVES, STRATEGIES AND ACTIVITIES

To continue to work towards school and department KPI's are in line with top 10% performance of similar schools.

PUBLIC BENEFIT

The Academy Trust promotes for the benefit of the inhabitants of Martley and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities with the objective of improving the condition of life of said inhabitants.

In setting objectives and planning the Academy's activities, the trustees have paid due regard to the published guidance from the Charity Commission regarding the principle of public benefit.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Chantry School was legally formed on the 3rd June 2011.

The academy was rated as an 'Outstanding school' by Ofsted in 2009. Summer 2019 results continued to maintain the school's strong performance both in Attainment and Progress measures. The Progress 8 score of 0.23 rates the school, according to DfE, as above the national average. The school has an excellent reputation and is a sought after school in the local area.

The academy is committed to continual improvement which is achieved in a number of ways including: improvement planning, review meetings, continual professional development, lesson observations, performance management, learning walks, self-evaluation, data analysis and action planning.

KEY PERFORMANCE INDICATORS

Table 1 provides a summary of the academy's performance in the summer 2019 examination season which is a key performance indicator for the academy.

Table 1 Summary of GCSE examination results 2019

	Overall (143 students)
% English and Maths (Grade 4 +)	74%
Progress 8	0.23 (above average)
Attainment 8	5.0

GOING CONCERN

After consideration of the school's financial position and its financial plans, the trustees have a reasonable expectation that the academy has and will continue to have adequate resources to enable it to be a sustainable going concern in 2019/20. The school continues to be a going concern, although the financial climate is very challenging. The centrally funded GAG does not allow for annual national pay award rises and other inflationary costs and therefore the school will have to carefully budget and manage resources spent directly on pupils.

The school will continue to balance the annual budget with careful budget planning and by allocating funds according to priorities. The school will always aim to achieve the best value for money it can from limited resources. As the school expands over the coming years and welcomes more pupils and staff, increasing pupil income will be prioritised accordingly against rising expenditure costs. For this reason the academy continues to adopt the Going Concern principle in preparing its financial statements. Further details regarding the adoption of the Going Concern basis can be found in the statement of accounting policies.

FINANCIAL REVIEW

Restricted fund

The majority of the academy's income was received through Education Skills Funding Agency (ESFA) recurrent revenue grants into the restricted general fund, the use of which is restricted to the academy's charitable activities, its educational operations. These revenue grants, and the associated revenue expenditure made against them, are detailed in the Statement of Financial Activity (SOFA). General restricted fund income for the year was £3,618,114 expenditure against the fund was £3,775,201

A deficit of £1,994,512 has arisen on the General Restricted fund due to the deficit of £2,184,000 on the Local Government Pension Scheme ("LGPS") which is allocated to this fund. The LGPS liability will not crystallise immediately.

Unrestricted fund

Income received into the unrestricted fund was £419,423. Expenditure against the fund was £388,369 for the year.

Restricted fixed asset fund

The restricted fixed asset fund balance is reduced by an annual depreciation charge over the expected useful life of the assets concerned in line with the Academy's depreciation policy. Income received into the fund included Capital Improvement Funding and Formula Capital Funding of £82,204.

Balance Sheet

The academy's assets were predominantly used for providing education to school students. Some assets were used by the local community, predominantly for Sport Martley Sports Centre which promotes local health and wellbeing. The net book value of the academy's tangible fixed assets was £6,968,039 as at 31st August 2019. The movement on these assets is detailed in note 12.

Cash in hand at 31st August 2019 was £668,320.

RESERVES POLICY

The Trustees review the academy's reserve policy annually as part of the budget setting process. They have determined that the annual budget should be balanced without the use of any carry forward reserves thus protecting the current balance of reserves for emergencies and future capital works. The Trustees have determined that the level of reserves, which are not invested in fixed assets at the year end to be £100,000.

The academy's free reserves as at 31st August 2019 were £498,370.

The reserves held in excess of the stated policy will support the Academy in the transition of expansion over the next few years.

INVESTMENT POLICY AND PERFORMANCE

Investments vehicles are approved by the trustees with the support of expert advice as necessary. The academy plans to invest a large proportion of its monthly cash reserves in a higher interest, long term but low risk cash investment plan with its supporting bank. The academy does not have any endowment funds.

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees have a comprehensive risk management process to identify and monitor the risks faced by the academy. The risks identified include governance, statutory compliance, finance, insurance, attainment, attendance, behaviour, health and safety, organisation, operations, safeguarding, reputation, HR and ICT. A risk rating mechanism is in place with greater emphasis directed towards those identified higher risk areas.

The principal financial risk facing the school is that funding is dependent upon pupil numbers. Numbers are currently healthy and expect the demand for places to increase in the next few years. The schools future funding is also dependent upon Government Policy for Education.

The Trustees consider a significant source of financial risk to be that of the funding requirements of the Local Government Pension Scheme ("LGPS"). In order to mitigate this risk, the current and foreseeable service cost is monitored and periodic actuarial valuations are reviewed to assess the impact of external factors on the scheme liability.

TRADE UNION FACILITY TIME

The school has no union officials and therefore had no time or costs spent on union activities during the year.

FUNDS HELD AS CUSTODIAN

The school has close links with the Worcester Association of School Business Management (WASBM). The academy administers funds for the association but WASBM has its own bank account and finance system. None of the transactions associated with the WASBM are included within these financial statements.

FUTURE DEVELOPMENTS

The academy strives to continually improve levels of attainment for all students, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into further and higher education or employment.

The curriculum, the quality of teaching and learning and informed interventions are consistently reviewed to help every child achieve their full potential.

The academy is particularly mindful of the need to continue to serve its traditional catchment area in the very long term. Whilst recent expansion has increased the number of available spaces, long term projections suggest that this may be insufficient within 10 years. This is dependent on house building projects coming to completion. The academy will maintain a dialogue with the local authority and their provision planning team to understand how this need may develop and be responded to.

The academy governing body have recently reviewed their status as a Single Academy Trust. The governing body are currently satisfied that this structure is capable of meeting the aims of the academy trust, and deliver effective secondary education. However, the governing body will regularly review their position in order to ensure this continues to be the case.

FUNDRAISING

The Charitable Company had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 12 December 2019 and signed on its behalf by:

Mr P. F. Wilcox
Chair of Trustees

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs K. Barnett	3	3
Mrs A.K. Bates	4	4
Mr S.A. Butler	2	4
Mrs P. Cumming	3	4
Mr P.J. Cumming	3	4
Dr A. Dickenson	4	4
Mrs R. Elliott	4	4
Mrs J. Harrison	2	2
Mr M.R. Hill	2	2
Mrs K.B. Hollyhead	2	4
Mr P. Jackson	1	4
Mr T.M. King	0	1
Mrs C. Knight	3	4
Mr T. Nott	1	4
Mrs P.A. Owen	4	4
Mr S. Steikunas	1	2
Mr D. Walton	3	4
Mr P.F. Wilcox	4	4

Governors are provided in advance of meetings with comprehensive documentation to support the meeting agenda for the full board and for the sub committees. Agendas are agreed with relevant Chair, Head and other Senior Officers in some cases. The Clerk to the Governors will send documentation out a week in advance of the meeting, where possible, giving Governors time to read and digest the information up for discussion.
Governors are encouraged to contact relevant staff if they have any queries in advance of, or after the meeting. This advice will usually be provided by the specialist Officer in that area e.g. Safeguarding by the Designated Safeguarding Lead, Finance by the Business Manager and School Data by the Headteacher. The information provided during and in between meetings is used by Governors for monitoring and to support strategic decision making in school.

GOVERNANCE STATEMENT (continued)

The governing board has determined that is it able to convene on a termly basis and maintain effective oversight, particularly as the Chair of the Board meets regularly with the Headteacher to monitor progress and is kept informed of any pertinent matters which may arise from time to time. Trustees receive monthly reports relating to the financial position and are regularly provided with other relevant reports relating to matters at the School. Email communications have continued to prove to be an effective way in which to keep Trustees informed between meetings and there are occasional specially convened meetings outside of the prescribed schedule. Trustees are also encouraged to visit the School and there numerous Governor Learning Walks based on a particular topic, the results of which are fed back to the full board.

The Academy Trust carried out a Governance review in the year. Governors were asked to complete the Governor Space self evaluation tool covering the following competencies:

1) Strategic Leadership – Score 5.4 / 6
2) Accountability – Score 5.3 / 6
3) People – Score 5.7 / 6
4) Structures – Score 5.5 / 6
5) Compliance – Score 5.5 / 6
6) Evaluation – Score 4.3 / 6

The review was very positive overall with 'Evaluation' being the only area that Governors evidenced any weaknesses and are subsequently reviewing some actions against this.

The Finance Committee is a sub-committee of the main board of trustees. Its purpose is:

1. The recommendation of the annual budget to the governing body;
2. The delegation of the budget responsibilities to budget managers;
3. Ensuring that financial policy and process is strong;

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs K. Barnett	1	2
Mr P.J. Cumming	3	3
Dr A. Dickenson	3	3
Mrs J.Harrison	1	1
Mr M. Hill	1	1
Mrs K. Hollyhead	1	3
Mr P. Jackson	2	3
Mr T. Nott	1	3
Mr S. Steikunas	1	1
Mr D. Walton	2	3
Mr P. Wilcox	0	3

REVIEW OF VALUE FOR MONEY

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

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

- Continued strong systems in relation to procuring goods and services across the school budget with regular review and quality assurance systems in place;
- Reviewing staff pay and structures where possible and utilising apprenticeship schemes;
  Using school expansion money creatively to deliver wider school benefits addressing condition and suitability issues;
- Utilise the skill set of the site staff within school to maintain the school buildings in a cost effective way.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Chantry School for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

GOVERNANCE STATEMENT (continued)

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Fred Dowdeswell, the Business Manager of Dyson Perrins C of E Academy to perform peer review.

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

- testing of income systems
- testing of journal systems
- testing of control accounts
- testing of cash transactions

On a semi-annual basis, the reviewer reports to the board of trustees through the finance committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

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

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

Approved by order of the members of the board of trustees on Select date above 12.12.19 and signed on their behalf, by:

Mr P. F. Wilcox
Chair of Trustees

Dr. A. Dickenson
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

Dr. A. Dickenson
Accounting Officer

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2019

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

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

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

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

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

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

Approved by order of the members of the board of trustees on 12 December 2019 and signed on its behalf by:

Mr P. F. Wilcox
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE CHANTRY SCHOOL

OPINION

We have audited the financial statements of The Chantry School (the 'academy') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE CHANTRY SCHOOL

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report (which includes the Reference and Administrative Details, the Report of the Directors and Strategic Report and the Governance Statement), other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE CHANTRY SCHOOL

RESPONSIBILITIES OF TRUSTEES

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

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

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

USE OF OUR REPORT

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Drew (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG
Date: 13-12-19

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE CHANTRY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 3 October 2011 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the governing body during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF THE GOVERNING BODY'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of the governing body's funding agreement with the Secretary of State for Education dated 14 October 2016, and the Academies Financial Handbook extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE CHANTRY SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Crowe UK LLP

Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Date: 19-12-19

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	*Total funds 2018 £*
INCOME FROM:						
Donations and capital grants	2	500	-	82,204	82,704	*18,144*
Charitable activities	3	413,085	3,618,114	-	4,031,199	*3,776,870*
Other trading activities	4	5,350	-	-	5,350	*4,605*
Investments	5	488	-	-	488	*298*
TOTAL INCOME		419,423	3,618,114	82,204	4,119,741	*3,799,917*
EXPENDITURE ON:						
Raising funds		1,200	-	-	1,200	*120*
Charitable activities		387,169	3,775,201	212,323	4,374,693	*3,928,975*
TOTAL EXPENDITURE	6	388,369	3,775,201	212,323	4,375,893	*3,929,095*
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		31,054	(157,087)	(130,119)	(256,152)	*(129,178)*
Transfers between Funds	16	-	62,609	(62,609)	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		31,054	(94,478)	(192,728)	(256,152)	*(129,178)*
Actuarial gains/(losses) on defined benefit pension schemes	21	-	(707,000)	-	(707,000)	*328,000*
NET MOVEMENT IN FUNDS		31,054	(801,478)	(192,728)	(963,152)	*198,822*
RECONCILIATION OF FUNDS:						
Total funds brought forward		277,828	(1,193,034)	7,237,272	6,322,066	*6,123,244*
TOTAL FUNDS CARRIED FORWARD		308,882	(1,994,512)	7,044,544	5,358,914	*6,322,066*

The notes on pages 25 to 47 form part of these financial statements.

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2019 £	2018 £	2018 £
FIXED ASSETS					
Tangible assets	12		6,968,039		6,804,864
CURRENT ASSETS					
Debtors	13	281,538		675,158	
Cash at bank and in hand		668,320		635,314	
		949,858		1,310,472	
CREDITORS: amounts falling due within one year	14	(370,559)		(435,582)	
NET CURRENT ASSETS			579,299		874,890
TOTAL ASSETS LESS CURRENT LIABILITIES			7,547,338		7,679,754
CREDITORS: amounts falling due after more than one year	15		(4,424)		(5,688)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			7,542,914		7,674,066
Defined benefit pension scheme liability	21		(2,184,000)		(1,352,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			5,358,914		6,322,066
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	16	189,488		158,966	
Restricted fixed asset funds	16	7,044,544		7,237,272	
Restricted funds excluding pension liability		7,234,032		7,396,238	
Pension reserve		(2,184,000)		(1,352,000)	
Total restricted income funds			5,050,032		6,044,238
Unrestricted income funds	16		308,882		277,828
TOTAL FUNDS			5,358,914		6,322,066

The financial statements on pages 22 to 47 were approved by the Trustees, and authorised for issue, on 12 December 2019 and are signed on their behalf, by:

Mr P. F. Wilcox
Chair of Trustees

The notes on pages 25 to 47 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	18	327,076	1,780,712
Cash flows from investing activities:			
Purchase of tangible fixed assets		(375,498)	(1,772,165)
Capital grants from DfE Group		82,204	16,083
Net cash used in investing activities		(293,294)	(1,756,082)
Cash flows from financing activities:			
Repayments of borrowings		(1,264)	(1,264)
Interest receivable		488	298
Net cash used in financing activities		(776)	(966)
Change in cash and cash equivalents in the year		33,006	23,664
Cash and cash equivalents brought forward		635,314	611,650
Cash and cash equivalents carried forward		668,320	635,314

The notes on pages 25 to 47 form part of these financial statements.

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

The Chantry School constitutes a public benefit entity as defined by FRS 102.

1.2 Company status

The academy is a company limited by guarantee and was incorporated in England & Wales (registered number is 07657852). The address of the registered office is The Chantry School, Martley, Worcester, Worcestershire, WR6 6QA.

1.3 Going concern

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

1.4 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

1. ACCOUNTING POLICIES (continued)

1.5 Income

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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

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

1.6 Expenditure

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

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

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

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

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

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

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

L/Term leasehold property	-	50 years straight line
Motor vehicles	-	5 - 10 years straight line
Furniture and fixtures	-	3 - 10 years straight line
Computer equipment	-	3 - 5 years straight line

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

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

Leasehold land is depreciated over the shorter of the term of the lease and its useful economic life.

1.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.9 Taxation

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

1. ACCOUNTING POLICIES (continued)

1.10 Liabilities and provisions

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

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 14 and 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

1. ACCOUNTING POLICIES (continued)

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

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

1.13 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	*Total funds 2018 £*
Donations	500	-	-	500	*2,061*
Capital Grants	-	-	82,204	82,204	*16,083*
	500	-	82,204	82,704	*18,144*
Total 2018	-	*2,061*	*16,083*	*18,144*	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	*Total funds 2018 £*
Funding for educational operations	22,035	3,618,114	3,640,149	*3,490,407*
School fund income	391,050	-	391,050	*286,463*
	413,085	3,618,114	4,031,199	*3,776,870*
Total 2018	*311,342*	*3,465,528*	*3,776,870*	

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	*Total funds 2018 £*
DfE/ESFA grants				
General annual grant	-	3,292,765	3,292,765	*3,239,140*
Other DfE/ESFA grants	-	138,174	138,174	*89,561*
	-	3,430,939	3,430,939	*3,328,701*
Other government grants				
Local Authority grants	-	98,711	98,711	*60,593*
	-	98,711	98,711	*60,593*
Other funding				
Other income	10,347	88,464	98,811	*88,762*
Catering profit share	11,688	-	11,688	*12,351*
	22,035	88,464	110,499	*101,113*
	22,035	3,618,114	3,640,149	*3,490,407*
Total 2018	*24,879*	*3,465,528*	*3,490,407*	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Total funds 2019 £	*Total funds 2018 £*
Hire of facilities	2,444	2,444	*1,282*
Other income	2,906	2,906	*3,323*
	5,350	5,350	*4,605*
Total 2018	*4,605*	*4,605*	

5. INVESTMENT INCOME

	Unrestricted funds 2019 £	Total funds 2019 £	*Total funds 2018 £*
Bank interest	488	488	*298*
Total 2018	*298*	*298*	

6. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2019 £	Premises 2019 £	Other costs 2019 £	Total 2019 £	*Total 2018 £*
Expenditure on raising funds:					
Direct costs	1,200	-	-	1,200	*120*
Support costs	-	-	-	-	-
Funding for education:					
Direct costs	2,574,610	212,323	146,382	2,933,315	*2,796,342*
Support costs	596,786	-	457,423	1,054,209	*856,292*
School fund costs	-	-	387,169	387,169	*276,341*
	3,172,596	212,323	990,974	4,375,893	*3,929,095*
Total 2018	*2,978,613*	*226,408*	*724,074*	*3,929,095*	

7. SUPPORT COSTS

	Educational operations £	Total 2019 £	*Total 2018 £*
Technology costs	52,280	52,280	*22,805*
Premises costs	201,079	201,079	*210,075*
Other support costs	192,464	192,464	*122,525*
Governance costs	11,600	11,600	*11,275*
Wages and salaries	386,096	386,096	*333,090*
National insurance	24,959	24,959	*21,322*
Pension cost	185,731	185,731	*135,200*
	1,054,209	1,054,209	*856,292*
Total 2018	*856,292*	*856,292*	

Included within governance costs are any costs associated with the strategic as opposed to day-to-day management of the charity's activities. These costs will include any employee benefits for trusteeship, the cost of the charity employee involved in meetings with trustees, the cost of any administrative support provided to the trustees, and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts.

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2019 £	*2018 £*
Depreciation of tangible fixed assets:		
- owned by the charity	212,323	*156,757*
Auditor's remuneration - audit	8,000	*8,000*
Auditor's remuneration - other services	3,600	*3,275*
Operating lease rentals	4,606	*5,284*

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	2,437,955	2,311,878
Social security costs	226,970	213,812
Operating costs of defined benefit pension schemes	507,671	452,923
	3,172,596	2,978,613

b. Staff numbers

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

	2019 No.	2018 No.
Teachers	49	48
Admin and Support	41	42
Management	5	5
	95	95

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	1	1
In the band £80,001 - £90,000	1	1

d. Key management personnel

The key management personnel of the academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £380,208 (*2018:* £371,357).

10. TRUSTEES' REMUNERATION AND EXPENSES

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

		2019 £	*2018* *£*
A Dickenson	Remuneration	80,000-85,000	*80,000-85,000*
	Pension contributions paid	10,000-15,000	*10,000-15,000*
L Irish	Remuneration		*20,000-25,000*
	Pension contributions paid		*0-5,000*
K Hollyhead	Remuneration	0-5,000	*0-5,000*
	Pension contributions paid	0-5,000	*0-5,000*
A Bates	Remuneration	50,000-55,000	*50,000-55,000*
	Pension contributions paid	5,000-10,000	*5,000-10,000*
K Barnett	Remuneration	25,000-30,000	
	Pension contributions paid	0-5,000	

During the year ended 31 August 2019, no Trustees received any reimbursement of expenses (2018 - NIL).

11. TRUSTEES' AND OFFICERS' INSURANCE

The Academy has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides unlimited cover on any one claim *(2018: unlimited)*. It is not possible to quantify the Governors and officers indemnity element from the overall cost of the RPA scheme.

12. TANGIBLE FIXED ASSETS

	L/term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Assets under construction £	Total £
Cost						
At 1 September 2018	6,117,310	26,012	361,413	299,243	1,057,385	7,861,363
Additions	315,357	-	30,090	30,051	-	375,498
Transfer between classes	1,057,385	-	-	-	(1,057,385)	-
At 31 August 2019	7,490,052	26,012	391,503	329,294	-	8,236,861
Depreciation						
At 1 September 2018	647,431	16,672	223,591	168,805	-	1,056,499
Charge for the year	144,306	1,601	30,416	36,000	-	212,323
At 31 August 2019	791,737	18,273	254,007	204,805	-	1,268,822
Net book value						
At 31 August 2019	6,698,315	7,739	137,496	124,489	-	6,968,039
At 31 August 2018	*5,469,879*	*9,340*	*137,822*	*130,438*	*1,057,385*	*6,804,864*

13. DEBTORS

	2019 £	*2018 £*
Trade debtors	10,781	*82,036*
Other debtors	43,981	*81,420*
Prepayments and accrued income	226,776	*511,702*
	281,538	*675,158*

14. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Other loans	1,264	1,264
Trade creditors	132,569	187,072
Other taxation and social security	58,209	56,105
Other creditors	50,372	51,226
Accruals and deferred income	128,145	139,915
	370,559	435,582

	2019 £	2018 £
Deferred income		
Deferred income at 1 September 2018	114,477	66,192
Resources deferred during the year	46,579	114,477
Amounts released from previous years	(114,477)	(66,192)
Deferred income at 31 August 2019	46,579	114,477

Included within deferred income are monies received for school trips in advance of the next academic year.

15. CREDITORS: Amounts falling due after more than one year

	2019 £	2018 £
Other loans	4,424	5,688

Included within the above are amounts falling due as follows:

	2019 £	2018 £
Between one and two years		
Other loans	1,264	1,264
Between two and five years		
Other loans	3,160	3,792
Over five years		
Other loans	-	632

15. CREDITORS: Amounts falling due after more than one year (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

	2019 £	*2018* *£*
Repayable by instalments	-	*632*

Other loans from Salix Finance Ltd of £5,688 *(2018: £6,952)* are unsecured, interest free and has fixed repayment terms up to September 2023.

16. STATEMENT OF FUNDS

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	277,828	419,423	(388,369)	-	-	308,882
Restricted funds						
General Annual Grant (GAG)	158,966	3,292,765	(3,324,852)	62,609	-	189,488
Other DfE/ESFA grants	-	138,174	(138,174)	-	-	-
Local Authority grants	-	98,711	(98,711)	-	-	-
Other Income	-	88,464	(88,464)	-	-	-
Pension reserve	(1,352,000)	-	(125,000)	-	(707,000)	(2,184,000)
	(1,193,034)	3,618,114	(3,775,201)	62,609	(707,000)	(1,994,512)
Restricted fixed asset funds						
Restricted Fixed Asset Funds	5,134,732	82,204	(174,076)	1,925,179	-	6,968,039
Capital Funding Contribution	2,102,540	-	(38,247)	(1,987,788)	-	76,505
	7,237,272	82,204	(212,323)	(62,609)	-	7,044,544
Total restricted funds	6,044,238	3,700,318	(3,987,524)	-	(707,000)	5,050,032
Total of funds	6,322,066	4,119,741	(4,375,893)	-	(707,000)	5,358,914

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

Restricted fixed asset fund
This fund represents the carrying value of the fixed assets that have been funded by grants from the EFA plus amounts received to be expended in the future on fixed assets.

Capital Funding Contribution contains unspent grant monies relating to the PAN expansion project.

Transfers
These represent amounts utilised from the DfE grants which have been used for the acquisition of fixed assets during the year.

Gains and losses
These represent the actuarial losses on the Local Government Pension Scheme.

16. STATEMENT OF FUNDS (continued)

Restricted general funds
This fund represents grants received for the Academy's operational activities and development and includes the General Annual Grant.

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

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2017 £	*Income* £	*Expenditure* £	*Transfers In/out* £	*Gains/ (Losses)* £	*Balance at 31 August 2018* £
General Funds	*238,044*	*316,245*	*(276,461)*	-	-	*277,828*
Restricted funds						
General Annual Grant (GAG)	*174,248*	*3,239,140*	*(3,180,428)*	*(73,994)*	-	*158,966*
Other DfE/ESFA grants	-	*89,561*	*(89,561)*	-	-	-
Local Authority grants	-	*60,593*	*(60,593)*	-	-	-
Donations	-	*2,061*	*(2,061)*	-	-	-
Other Income	-	*76,234*	*(76,234)*	-	-	-
Pension reserve	*(1,593,000)*	-	*(87,000)*	-	*328,000*	*(1,352,000)*
	(1,418,752)	*3,467,589*	*(3,495,877)*	*(73,994)*	*328,000*	*(1,193,034)*
Restricted fixed asset funds						
Restricted Fixed Asset Funds	*5,201,412*	*16,083*	*(156,757)*	*73,994*	-	*5,134,732*
Capital Funding Contribution	*2,102,540*	-	-	-	-	*2,102,540*
Total restricted funds	*5,885,200*	*3,483,672*	*(3,652,634)*	-	*328,000*	*6,044,238*
Total of funds	*6,123,244*	*3,799,917*	*(3,929,095)*	-	*328,000*	*6,322,066*

16. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
General funds	277,828	419,423	(388,369)	-	-	308,882
Restricted funds	(1,193,034)	3,618,114	(3,775,201)	62,609	(707,000)	(1,994,512)
Restricted fixed asset funds	7,237,272	82,204	(212,323)	(62,609)	-	7,044,544
	6,322,066	4,119,741	(4,375,893)	-	(707,000)	5,358,914

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 September 2017 £	*Income £*	*Expenditure £*	*Transfers In/out £*	*Gains/ (Losses) £*	*Balance at 31 August 2018 £*
General funds	*238,044*	*316,245*	*(276,461)*	-	-	*277,828*
Restricted funds	*(1,418,752)*	*3,467,589*	*(3,495,877)*	*(73,994)*	*328,000*	*(1,193,034)*
Restricted fixed asset funds	*7,303,952*	*16,083*	*(156,757)*	*73,994*	-	*7,237,272*
	6,123,244	*3,799,917*	*(3,929,095)*	-	*328,000*	*6,322,066*

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	6,968,039	6,968,039
Current assets	308,882	564,471	76,505	949,858
Creditors due within one year	-	(370,559)	-	(370,559)
Creditors due in more than one year	-	(4,424)	-	(4,424)
Provisions for liabilities and charges	-	(2,184,000)	-	(2,184,000)
	308,882	(1,994,512)	7,044,544	5,358,914

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds	*Restricted funds*	*Restricted fixed asset funds*	*Total funds*
	2018	*2018*	*2018*	*2018*
	£	*£*	*£*	*£*
Tangible fixed assets	-	-	*6,804,864*	*6,804,864*
Current assets	*277,828*	*600,236*	*432,408*	*1,310,472*
Creditors due within one year	-	*(435,582)*	-	*(435,582)*
Creditors due in more than one year	-	*(5,688)*	-	*(5,688)*
Provisions for liabilities and charges	-	*(1,352,000)*	-	*(1,352,000)*
	277,828	*(1,193,034)*	*7,237,272*	*6,322,066*

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

	2019	*2018*
	£	*£*
Net expenditure for the year (as per Statement of Financial Activities)	**(256,152)**	*(129,178)*
Adjustment for:		
Depreciation charges	**212,323**	*156,757*
Decrease in debtors	**393,620**	*1,644,544*
(Decrease)/increase in creditors	**(65,023)**	*37,970*
Capital grants from DfE and other capital income	**(82,204)**	*(16,083)*
Defined benefit pension scheme cost less contributions payable	**90,000**	*50,000*
Defined benefit pension scheme finance cost	**35,000**	*37,000*
Interest receivable	**(488)**	*(298)*
Net cash provided by operating activities	**327,076**	*1,780,712*

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019	*2018*
	£	*£*
Cash in hand	**668,320**	*635,314*
Total	**668,320**	*635,314*

20. CONTINGENT LIABILITIES

On 26 October 2018 the High Court ruled that equalisation for the effect of unequal Guaranteed Minimum Pensions (GMPs) is required. This ruling confirmed that trustess have a duty "to equalise benefits for men and women so as to alter the results which is at present produced in relation to GMPs". According to HM Treasury, any impact of GMPs is unlikely to be material to the pension valuation and therefore no allowance for GMP equalisation has been made in the FRS102 LGPS pension liability for this year. Full GMP indexation will be applied to the LGPS pension liability once changes to the LGPS have been formally announced.

21. PENSION COMMITMENTS

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

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

Teachers' Pension Scheme

The Academy Trust participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £298,207 *(2018 - £292,439)* and at the year-end £39,376 *(2018 - £38,584)* was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced

21. PENSION COMMITMENTS (continued)

that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until a remedy to the discrimination conclusion has been determined by the Employment Tribunal it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £163,000 *(2018 - £150,000)*, of which employer's contributions totalled £131,000 *(2018 - £121,000)* and employees' contributions totalled £32,000 *(2018 - £29,000)*. The agreed contribution rates for future years are 0% for employers and 5.5-12.5% for employees.

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

	2019	*2018*
Discount rate for scheme liabilities	1.80 %	*2.80 %*
Rate of increase in salaries	3.60 %	*3.60 %*
Rate of increase for pensions in payment / inflation	2.20 %	*2.20 %*
Inflation assumption (CPI)	2.10 %	*2.10 %*

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

	2019	*2018*
Retiring today		
Males	22.8	*22.7*
Females	25.8	*25.7*
Retiring in 20 years		
Males	25.1	*24.9*
Females	28.2	*28*

Sensitivity analysis	**At 31 August 2019 £**	*At 31 August 2018 £*
Discount rate +0.1%	2,103,000	*2,601,000*
Mortality assumption - 1 year increase	2,249,000	*2,706,000*
CPI rate +0.1%	2,775,000	*2,719,000*

21. PENSION COMMITMENTS (continued)

The sensitivity analysis above shows the effect on the present value of the defined benefit obligation when flexing the principal actuarial assumptions.

As the scheme is in a deficit position the Academy Trust is making additional contributions. Future contributions for 2019/20, 2020/21, 2021/22 & 2022/23 are £47,900, £51,000, £53,000 & £55,000 respectively.

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

	Fair value at 31 August 2019 £	*Fair value at 31 August 2018 £*
Equities	**1,073,000**	*1,007,000*
Gilts	**114,000**	*105,000*
Other bonds	**76,000**	*60,000*
Property	**91,000**	*61,000*
Cash	**44,000**	*27,000*
Other	**117,000**	*47,000*
Total market value of assets	**1,515,000**	*1,307,000*

The actual return on scheme assets was £60,000 *(2018 - £77,000)*.

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2019 £	*2018 £*
Current service cost	**162,000**	*169,000*
Net interest cost	**35,000**	*37,000*
Administration expenses	**2,000**	*2,000*
Past service cost	**57,000**	*-*
Total	**256,000**	*208,000*

21. PENSION COMMITMENTS (continued)

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

	2019 £	2018 £
Opening defined benefit obligation	2,659,000	2,714,000
Current service cost	162,000	169,000
Interest cost	74,000	65,000
Employee contributions	32,000	29,000
Actuarial losses/(gains)	728,000	(279,000)
Benefits/transfers paid	(13,000)	(39,000)
Past service cost	57,000	-
Closing defined benefit obligation	3,699,000	2,659,000

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

	2019 £	2018 £
Opening fair value of scheme assets	1,307,000	1,121,000
Interest income	39,000	28,000
Actuarial losses	21,000	49,000
Employer contributions	131,000	121,000
Employee contributions	32,000	29,000
Benefits/transfers paid	(13,000)	(39,000)
Administration expenses	(2,000)	(2,000)
Closing fair value of scheme assets	1,515,000	1,307,000

22. OPERATING LEASE COMMITMENTS

At 31 August 2019 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts payable:		
Within 1 year	4,606	4,606
Between 1 and 5 years	10,364	14,970
Total	14,970	19,576

23. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

24. MEMBERS' LIABILITY

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