

MV BRISTOL LIMITED

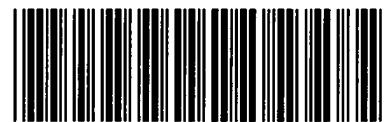
(Formerly The Venturers Trust)

**Annual report and consolidated
financial statements for year
ended 31 August 2017**

Company number 09465457

Charity number 1168516

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Reference and Administrative Details

Member

Society of Merchant Venturers

Present Trustees and Directors and those who have served during the period

Mr C J Curling (Chairman)
Mr T Smallwood
Mr J R Ancell
Mrs C-J Duckworth DL
Mr D Potter
Mr J S Laycock

The individuals listed above are the trustees of the charity and directors of the company. Throughout the Trustees' Report they will be referred to as Trustees.

Registered office MV Bristol Limited
Merchants' Hall
The Promenade
Bristol
BS8 3NH

Company Registration Number 09465457

Charity Number 1168516

Independent Auditor KPMG LLP
66 Queen Square
Bristol
BS1 4BE

Solicitors Womble Bond Dickinson (UK) LLP
3 Temple Quay
Temple Back East
Bristol
BS1 6DZ

Bankers Natwest Bank plc
32 Corn Street
Bristol
BS99 7UG

Investment Managers Smith & Williamson Investment Management
Portwall Place
Portwall Lane
Bristol
BS1 6NA

Trustees' Report

The Trustees, who are also directors of the company for the purposes of the Companies Act, present their report and audited financial statements for the year ended 31 August 2017. The report serves the purposes of a Trustees' Report, a Directors' Report and a Strategic report under company law.

MV Bristol Limited (formerly The Venturers Trust) ("the Trust") was set up by the Society of Merchant Venturers ("SMV") as an umbrella trust to support schools and school improvement in greater Bristol.

On 25 March 2015 control of Colston's Girls' School Trust ("CGST") (now renamed Venturers Trust) and of Merchants' Academy transferred to the Trust and the Trust became the joint sponsor, along with the University of Bristol, of CGST and Merchants' Academy, in place of SMV. In July 2016 a new multi-academy trust, Merchants' Academy Trust ("MAT"), controlled by the Trust, acquired Merchants' Academy and a new free school, Venturers' Academy, for children with autistic spectrum conditions.

On 1st September 2017 the two multi-academy trusts, CGST and MAT, merged through the transfer of the assets and liabilities of MAT to CGST. The Trust ceased to be a member of CGST. CGST was renamed Venturers Trust and SMV, with the University of Bristol, became the joint sponsor of Venturers Trust. It is the intention of the trustees to seek to have the Trust struck off in the near future.

During the period of this report the Trust has overseen the further growth of CGST (comprising one secondary and five primary schools across East Central Bristol) and the development of MAT (comprising one all age Academy and Venturers' Academy).

SMV was established under Royal Charter in 1552 and its membership is made up of men and women from a wide range of occupations and backgrounds. They give their time and skills to contribute to the prosperity and well-being of the greater Bristol area and help to enhance the quality of life for all. Today SMV focusses on education, care for the elderly, social business and charitable giving. In addition, SMV and its members play an active role in many local charities. SMV educational activity now focusses on two geographical areas; South Bristol and East Central Bristol.

SMV has had a long association with education and became involved with the creation of Merchants' Academy at the start of the Government Academy programme. SMV became a sponsor, with the University of Bristol, of the new state secondary academy on the site of the failing Withywood Community School. SMV's involvement was driven by a desire to help raise educational standards, improve the life chances of young people in this deprived area of the City and to support building a stronger, more resilient local community. Merchants' Academy opened in 2008. Subsequently, a local primary school, Gay Elms, joined Merchants' Academy, making the school an all-through academy. There has been a consistent drive to improve educational standards and raise aspirations for all the young people attending the school.

Colston's Girls' School (CGS) was an independent day school until it transferred into the state sector in 2008 and became an Academy School sponsored solely by SMV. Since then, pupil numbers have doubled and CGS continues to be a heavily over-subscribed school in the City with a reputation for academic excellence together with a rich extra-curricular offering. The academy has a very diverse intake and welcomes girls of all faiths and cultural backgrounds. Since the establishment of CGST a number of primary schools have joined from across East Central Bristol, including most recently Barton Hill Academy, which became part of CGST in September 2016.

Following the merger on 1 September 2017 of CGST and MAT the Trust ceased to be a member of CGST. Consequently, the sole asset of the Trust is now its membership of MAT, which itself has no assets or liabilities following their transfer into CGST (now Venturers Trust). It is the trustees' intention to strike off the Trust in the near future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and gained charitable status on 29 July 2015. The Trust's memorandum and articles of association are the primary governing documents of the Trust. The trustees of the Trust are also the directors of the charitable company for the purposes of company law.

Trustees' report (*continued*)

STRUCTURE, GOVERNANCE AND MANAGEMENT (*continued*)

Members and members' liability

As set out in the Articles of Association, the member of the Trust is the Society of Merchant Venturers. The Trust does not have share capital. The member of the Trust undertakes to contribute to the assets of the company in the event of it being wound up, such amount as may be required, but not exceeding £10, towards the debts and liabilities contracted by the Trust.

Directors/Trustees

Trustees are selected for the skills and expertise they can bring to the role and training is tailored specifically to each individual. All Trustees go through an induction programme which includes providing them with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustee. Where necessary, induction provides training on charity, educational, legal and financial matters. Trustees are also provided with regular updates on policies and procedures as well as refresher training as required.

Organisational management

The Trustees, as directors of the company, are legally responsible for the overall management and control of the Trust.

The Trustees, all of whom served throughout the year ended 31 August 2017 and up to the date of this report unless otherwise stated, are listed on page 1.

Ultimate controlling party

The Society of Merchant Venturers is the Trust's ultimate controlling party.

Subsidiary and associated companies

Until 31 August 2017 the Trust controlled MAT and Venturers Trust (formerly CGST) since it appointed a majority of Governors to each of these multi-academy trusts. Through MAT the Trust owned 100% of the issued ordinary shares of Merchants' Academy Services Limited, a company registered in England and Wales (no. 06707036). Further details about the subsidiary are given in note 10 to the accounts.

The Trust was also deemed to have control of Colston's Girls' School Trust Endowment Fund (registered charity number 1127105) through Venturers Trust (formerly CGST) which is the sole trustee of the fund.

Organisational structure of multi-academy trusts

Throughout the period of this report the Trust was an umbrella trust with both MAT and CGST sitting beneath its overarching structure. Each multi-academy trust had a board which was legally responsible for the overall management and control of that trust. The Trust was consulted on the appointment of the Chair and key Executive appointments of each multi-academy trust.

Both multi-academy trusts operated a committee structure which had clear terms of reference and had certain delegated functions from the multi-academy trust board. In each calendar year CGST and MAT delivered to the Trust their business plan for the following year and each quarter the multi-academy trusts delivered a projected out turn to the Trust showing actual performance against budget. Where any projected out turn identified a significant variation against the budget, the multi-academy trust was required to provide a commentary explaining the variance, the implications for the full year budget and any steps proposed in response to the variance. The Trust met four times a year and there was a cycle of reporting covering academic performance, risk, finances, property, development and governance and audit.

Trustees' report (*continued*)

STRUCTURE, GOVERNANCE AND MANAGEMENT (*continued*)

Schools within the Trust

Throughout the period of this report the following schools were controlled by the Trust:

as part of CGST:

Colston's Girls' School
Bannerman Road Community Academy
Barton Hill Academy
The Dolphin School
Fairlawn School
The Kingfisher School

as part of MAT:

Merchants' Academy (Secondary and Primary)
Venturers' Academy

OBJECTIVES AND ACTIVITIES

Charitable objects

The objects of the Trust are the advancement of education for the public benefit in Greater Bristol and the surrounding area, in particular by:

- (1) supporting, managing and developing academies;
- (2) providing teacher training and development; and
- (3) providing support and activities which develop people under the age of 25 years with skills, capacities and capabilities to enable them to participate in society and employment as mature and responsible individuals.

Public benefit

The facilities of each school within both MAT and CGST are free to the end users and therefore the Trustees consider that the public benefit requirement has been met.

The Trustees have paid due regard to the guidance published by the Charity Commission in this respect.

STRATEGIC REPORT

A Trust deed entered into between the Trust, CGST and MAT set out the agreed core values and ethos that underpinned the umbrella trust arrangements and the collaborative work of the parties. In addition there was an agreed schedule of prohibited matters requiring consent together with an agreed partnership protocol. Colston's School, the independent school controlled by SMV, was party to a similar deed with the Trust, under which it too participated in the collaborative work of the schools in the Trust.

Trustees' report (*continued*)

ACHIEVEMENTS AND PERFORMANCE

The objectives for the period were:

- To improve the level of educational attainment across all schools in the multi-academy trusts in addition to providing an enriching extra-curricular programme
- To fully integrate CGST and MAT into the Trust
- To develop the reporting and operating systems for the Trust
- To provide a robust framework for reporting from the academies to ensure delivery of the best possible outcomes for young people
- To provide a robust framework for assessment and due diligence for any new academies wishing to join the Trust.

Achievements for the period

The Trust oversaw greater collaborative working across the two multi-academy trusts which resulted in the merger of the two multi-academy trusts into one multi-academy trust, Venturers Trust, with effect from 1 September 2017.

CGST

- Colston's Girl's School achieved the highest Progress 8 in Bristol in the GCSE examinations for 2017. It is expected that this will place it in the top 10% of schools nationally, with a number of subjects making the top five. The school also achieved the best A level results to date.
- Bannerman Road Community Academy joined CGST in September 2015; it is an inner-city school where eight in ten pupils do not speak English as a first language. It has been transformed from a failing primary to one to which parents can send their children "with great confidence".
- Barton Hill Academy joined CGST in September 2016; it is an inner-city school where 74% of pupils do not speak English as a first language. With a change of leadership at the end of 2016-17 the school is well placed to continue making good progress towards achieving the national standards for pupil outcomes.
- Fairlawn Primary School is a growing primary with plans to grow to a maximum of 420 pupils by 2021. In 2017 78% of early years pupils achieved a Good Level of Development ("GLD").
- The Dolphin School moved into its new premises in May 2017. They are a pilot school for a new Bristol based curriculum 'Curious City'.
- The Kingfisher School was inspected by Ofsted in May 2017 and was judged as Inadequate. Significant support and new leadership has been put in place to assist rapid improvement. The school is currently being rebuilt and expanded and work is due for completion in September 2018.

Trustees' report (*continued*)

ACHIEVEMENTS AND PERFORMANCE (*continued*)

MAT

- The early years foundation stage achieved a 1% gain on 2016 results for GLD at 56% for 2017
- GCSE results in 2017 showed improvement from 2016 with 33% of pupils achieving A*-C including English and Maths, improved from 30% in 2016
- Venturers' Academy opened in September 2016 as part of MAT, a school for children with autistic spectrum condition. Children come from across Bath & North East Somerset, Bristol, South Gloucestershire and North Somerset
- Sam Williamson was appointed as the new Principal of Merchants' Academy
- Further progress was made towards the building of a new school on the existing MAT site to house Venturers' Academy and Merchants' Academy Primary.

FINANCIAL REVIEW AND RESULTS FOR THE PERIOD

Throughout the period of this report the majority of the Trust's income was received from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which was restricted to particular purposes. The grants received during the period and the associated expenditure are shown as restricted funds in the Consolidated Statement of Financial Activities.

The Trust also received grants for fixed assets from the EFSA. In accordance with the Charity Commissioners' Statement of Recommended Practice, grants and donations are shown in the Consolidated Statement of Financial Activities as restricted fixed asset funds. The balance sheet restricted fixed asset fund is reduced by transfers of amounts equivalent to any depreciation charges over the expected life of the assets concerned.

Expenditure for the period was covered by grants from the EFSA. As shown in the Consolidated Statement of Financial Activities on page 11 there was a net surplus of £4,555,000 (2016: £5,781,000) for the year.

Financial position

The fund balances are adequate to fulfil the obligations of the Trust and provide a balance against most unforeseen events. To achieve the development plan objectives and for other major capital projects of individual schools the Trust remains dependent on the provision of grants from the EFSA and commercial supporters.

Reserves

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. As a state funded entity the Trustees have assumed that state funding will continue at least at current levels in real terms.

Investment powers, policy and performance

The Trust's policy is to increase income whilst preserving the real value of the investments with short term returns being used to enhance the activities of the Trust.

Going concern

Following the merger on 1 September 2017 of CGST and MAT the Trust ceased to be a member of CGST. Consequently, the sole asset of the Trust is now its membership of MAT, which itself has no assets or liabilities following their transfer into CGST (now Venturers Trust). It is the trustees' intention to strike off the Trust in the near future.

Trustees' report (*continued*)

FINANCIAL REVIEW AND RESULTS FOR THE PERIOD (*continued*)

PRINCIPAL RISKS AND UNCERTAINTIES

In the light of Corporate Governance guidance contained within the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 2015 applicable in the UK and Republic of Ireland (FRS 102), the Trustees have spent time in identifying the major risks to which the Trust is exposed. The Trust and each multi-academy trust jointly perform an Annual Risk Assessment to monitor and assess its achievement, quality of teaching, behaviour and safety and quality of leadership. The format used is based on risk assessment guidelines (RAG) which are consistent with OFSTED guidelines.

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

- Failure of Academies to meet public expectation and standards
- Loss of Executive Principals
- Loss of Education Adviser
- Financial risk due to changes in Government funding
- Major Health & Safety compliance failure which undermined public confidence

PLANS FOR FUTURE PERIODS

Following the merger on 1 September 2017 of CGST and MAT the Trust ceased to be a member of CGST. Consequently, the sole asset of the Trust is now its membership of MAT, which itself has no assets or liabilities following their transfer into CGST (now Venturers Trust). It is the trustees' intention to strike off the Trust in the near future.

AUDITOR

In so far as the Trustees are aware:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Our auditor, KPMG LLP, have indicated their willingness to continue in office and a resolution to reappoint them as auditor will be proposed at the Annual General Meeting.

Trustees' report (*continued*)

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES OF MV BRISTOL LIMITED (formerly The Venturers Trust) IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 group and charitable company and of the group's excess of income over expenditure for that period. In preparing each of the group and charitable company financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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; and
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so. As explained in note 1, the trustees do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Approved by order of the members of the board of trustees on ~~30 MAY 2019~~ and signed on its behalf by:



C J Curling
Chairman

Independent Auditor's Report to the members of MV Bristol Limited (formerly The Venturers Trust)

Opinion

We have audited the financial statements of MV Bristol Limited (formerly The Venturers Trust) ("the charitable company") for the year ended 31 August 2017 which comprise the consolidated statement of financial activities (including the income and expenditure account), consolidated balance sheet, Trust balance sheet, consolidated statement of cash flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2017 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter – non going concern basis of preparation

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements are now not prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information, which comprises Trustees' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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

Independent Auditor's Report to the members of MV Bristol Limited (formerly The Venturers Trust) (continued)

Matters on which we are required to report by exception (continued)

- 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.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 8, the trustees (who 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and 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 they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.



Victoria Sewell (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

Date: 31 May 2018

Consolidated Statement of Financial Activities (including the income and expenditure account)
for the year ended 31 August 2017

	Note	Unrestricted funds	Restricted General funds	Restricted Fixed asset funds	Property Endowment fund	Restricted Endowment fund	Year ended 31 August 2017	17 month period ended 31 August 2016
		£000	£000	£000	£000	£000	£000	£000
Income and endowments from:								
Donations and capital grants	2	938	110	6,018	-	-	7,066	11,343
Charitable activities								
Funding for the Trust's educational operations	3	13	20,773	-	-	-	20,786	23,565
Other trading activities		445	129	-	-	-	574	1,074
Investment income	4	82	77	-	-	-	159	194
Total		1,478	21,089	6,018	-	-	28,585	36,176
Expenditure on								
Raising funds	5	363	54	-	-	-	417	685
Charitable activities:								
The Trust's educational operations	5	59	23,140	1,362	60	-	24,621	27,238
Total	5	422	23,194	1,362	60	-	25,038	27,923
Net income/(expenditure)		1,056	(2,105)	4,656	(60)	-	3,547	8,253
Transfers between funds		(560)	233	327	-	-	-	-
Other recognised losses								
Actuarial gains/(losses) on defined benefit pension schemes	18	-	621	-	-	-	621	(2,607)
Net gain on investment	12	-	-	-	-	187	187	135
Net movements in funds		496	(1,251)	4,983	(60)	187	4,355	5,781
Reconciliation of funds								
Funds brought forward at 1 September	15	1,868	(3,585)	43,352	6,939	1,738	50,312	44,531
Funds carried forward at 31 August		2,364	(4,836)	48,335	6,879	1,925	54,667	50,312

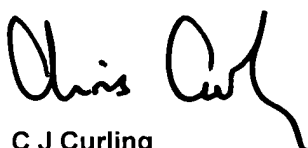
All of the Trust's activities derive from continuing operations during the above two financial periods.

Consolidated Balance Sheet

As at 31 August 2017

	Note	2017 £000	2016 £000
Fixed assets			
Property Endowment	11	6,879	6,938
Tangible assets	11	47,640	42,235
Investments	12	2,159	1,922
		<u>56,678</u>	<u>51,095</u>
Current assets			
Debtors	13	932	1,102
Cash at bank and in hand		4,547	4,030
		<u>5,479</u>	<u>5,132</u>
Creditors: amounts falling due within one year	14	<u>(2,030)</u>	<u>(1,676)</u>
Net current assets		<u>3,449</u>	<u>3,456</u>
Total assets less current liabilities		<u>60,127</u>	<u>54,551</u>
 Pensions and similar obligations	18	 (5,460)	 (4,239)
Net assets including pension scheme liability		<u>54,667</u>	<u>50,312</u>
Charity funds			
Restricted funds			
Fixed asset funds	15	48,335	43,352
General funds	15	(4,836)	(3,585)
Property Endowment Fund	15	6,879	6,939
Restricted Endowment	15	1,925	1,738
Total restricted funds	15	<u>52,303</u>	<u>48,444</u>
Unrestricted funds			
General funds	15	1,733	971
Designated capital fund	15	631	897
Total unrestricted funds	15	<u>2,364</u>	<u>1,868</u>
Total funds		<u>54,667</u>	<u>50,312</u>

These financial statements were approved by the board of directors on **30 MAY 2018** and were signed on its behalf by:



C J Curling
Chairman

Company registered number: 09465457

Trust Balance Sheet
as at 31 August 2017

	Note	2017	2016
		£000	£000
Current assets			
Cash at bank and in hand		12	4
		<hr/>	<hr/>
Creditors: amounts falling due within one year	14	12 (12)	4 (4)
		<hr/>	<hr/>
Net current assets		-	-
		<hr/>	<hr/>
Total assets less current liabilities		-	-
		<hr/>	<hr/>
Net assets		-	-
		<hr/>	<hr/>
Unrestricted funds			
General fund		-	-
		<hr/>	<hr/>
Total unrestricted funds		-	-
		<hr/>	<hr/>

These financial statements were approved by the board of directors on **30 MAY 2018** and were signed on its behalf by:



C J Curling
Chairman

Company registered number: 09465457

Consolidated Statement of Cash Flows

for the year ended 31 August 2017

	Note	2017 £000	2016 £000
Cash flows from operating activities			
Net income for the period		3,547	8,253
Adjustments for:			
Depreciation	11	1,444	1,613
Capital grant income	2	(1,144)	(7,565)
Interest receivable and similar income	4	(12)	(32)
Dividends received	4	(77)	(95)
Rental income	4	(70)	(67)
Defined benefit pension scheme cost less contributions paid	18	727	370
Defined benefit pension scheme finance cost	18	112	54
Fixed assets recognised on transfer of school	11	(4,884)	(3,566)
Pension liability recognised on transfer of school	18	1,003	435
		<hr/>	<hr/>
		646	(600)
Decrease in trade and other debtors		170	166
Increase in trade and other creditors		354	517
		<hr/>	<hr/>
Net cash from operating activities		1,170	83
		<hr/>	<hr/>
Cash flows from investing activities			
Cash recognised on gaining control of multi-academy trusts		-	3,091
Dividends, interest and rents receivable	4	159	194
Acquisition of tangible fixed assets	11	(1,906)	(6,857)
Capital grants received	2	1,144	7,565
Investment in Endowment Fund		(50)	(46)
		<hr/>	<hr/>
Net cash from investing activities		(653)	3,947
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		517	4,030
		<hr/>	<hr/>
Cash and cash equivalents at 01 September		4,030	-
		<hr/>	<hr/>
Cash and cash equivalents at 31 August		4,547	4,030
		<hr/>	<hr/>

Notes

(forming part of the financial statements)

1 Principal accounting policies

The accounting policies that the Group has adopted to determine the amounts included in respect of material items shown in the balance sheet and also to determine the income and expenditure have been applied consistently in the current and prior period and are shown below.

Basis of preparation

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention amended for the revaluation of investment assets to market value 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 Charities Act 2011 and the Companies Act 2006.

The Trust meets the definition of a public benefit entity under FRS 102.

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of authorisation for issue of the financial statements.

In previous years, the financial statements have been prepared on a going concern basis. However, as explained in note 23, following the merger of Venturers Trust (formerly Colston's Girl's School Trust) and Merchants' Academy Trust in September 2017, the Trust is no longer a member of Venturers Trust, and the trustees intend to seek to have MV Bristol Limited struck off in the near future. Accordingly, the trustees have not prepared the financial statements on a going concern basis. As Venturers Trust continues to operate and is a going concern, the change to the basis of preparation does not impact the assets and liabilities of that subsidiary in the consolidated balance sheet. For MV Bristol Limited Trust balance sheet, the change in the basis of preparation has not resulted in any adjustments to the balances presented.

Basis of consolidation

The Group financial statements consolidate the financial statements of the charitable company (MV Bristol Limited) and its subsidiaries: Merchants' Academy Trust, Merchants' Academy Services Limited, Venturers Trust (formerly Colston's Girls' School Trust) and Colston's Girls' School Trust Endowment Fund for the period ended 31 August 2017.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short term deposits.

Notes (continued)

1 Principal accounting policies (continued)

Incoming resources

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

- **Grants receivable**

Grants are included in the Consolidated 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.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable 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.

- **Sponsorship**

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Consolidated Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it is measurable.

- **Donations**

Donations are recognised in the Consolidated Statement of Financial Activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and receivable by the balance sheet date.

- **Other income**

Other income including the hire of facilities and commission from school uniform sales is recognised in the period it is receivable.

- **Investment income**

Investment income is accounted for on a receivable basis.

- **Donated services and gifts in kind**

The value of donated services and gifts in kind provided to the Trust is recognised in the Consolidated Statement of Financial Activities at their value to the Trust, as determined by the Trustees, in the period in which they are receivable, and where the benefit is both quantifiable and material.

Resources expended

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation. All costs have been directly attributed to one of the functional categories of resources expended in the statement of financial activities. Support costs are

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

Notes (continued)

1 Principal accounting policies (continued)

Allocation of costs

Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned, these include:

Cost category	Basis of apportionment
Maintenance of premises	Capacity of accommodation utilised
Other occupancy costs	Capacity of accommodation utilised
Depreciation	Capacity of accommodation utilised

Tangible fixed assets

Tangible fixed assets are included in the financial statements at cost. 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. The related grants are credited to a restricted fixed asset fund (in the Consolidated Statement of Financial Activities and carried forward in the balance sheet) and depreciation is charged to the fund over the expected useful economic life of the related assets.

Depreciation

Depreciation has been provided at the following annual rates in order to reduce each asset to its estimated residual value at the end of its estimated useful life. A full year's depreciation is charged in the first year of acquisition.

Freehold Land	Not depreciated
Leasehold Land	Depreciated over the life of the lease
Long leasehold property	0.8% on cost
Buildings	2% on cost
Fixtures, fittings and equipment	10% to 33⅓% on cost
Computer equipment	25% to 33⅓% on cost
Motor vehicles	33⅓% on cost
Assets in the course of construction	Not depreciated

Operating leases

Rentals payable under operating leases are charged to the income and expenditure account on a straight line basis over the life of the lease.

Investments

Fixed asset investments are stated at the closing mid-market value at the balance sheet date. This is not in accordance with the FRS102 which generally recommends bid value but is consistent with the entity's performance management process. Using bid value would lead to a reduction in the valuation of these listed investment of an amount which is considered by the Trustees to be immaterial.

Any realised or unrealised gains and losses on revaluation or disposal are shown separately in the statement of financial activities.

Taxation

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

The trading subsidiary, Merchants' Academy Trust Services Limited has a policy of gifting its profits to the Trust every year where distributable profits exist, with no tax charge arising. Where profits are not gifted to the parent charity they are subject to corporation tax.

Notes *(continued)*

1 Principal accounting policies *(continued)*

Pensions

Retirement benefits to employees of the Group are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Group.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Group in such a way that the pension cost is a substantial 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 18, the TPS is a multi-employer scheme and the Group 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. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

The LGPS is a funded scheme and the assets are held separately from those of the Group 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, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability is also recognised in the Consolidated Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by using the fair value of the scheme assets and the beginning of the period by the rate used to discount the benefit obligations.

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

Liquid resources

Term deposits of less than one year are classified as cash within current assets.

Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for a particular purpose.

Unrestricted funds with designations placed upon them by the Trustees are detailed in note 15.

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

Restricted general and other funds comprise all other restricted funds received, to be used for specific purposes, and include grants from the Education Funding Agency/Department for Education.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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.

Notes (continued)

1 Principal accounting policies (continued)

Pensions (continued)

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 assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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 2017. 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.

Critical areas of judgement

There are no such judgements in either the current or prior period.

2 Donations and capital grants

Consolidated	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Endowment	-	7	7	45
Other donations	-	93	93	132
Capital grants	-	1,144	1,144	7,565
Transfer of school to Venturers Trust (formerly CGST)	938	4,884	5,822	3,601
	<u>938</u>	<u>6,128</u>	<u>7,066</u>	<u>11,343</u>
2016 total	<u>54</u>	<u>11,289</u>	<u>11,343</u>	

Notes (continued)

3 Funding for the Trust's educational operations

Consolidated	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
DfE/EFSA revenue grants				
General Annual Grant (GAG)	-	16,464	16,464	19,913
Start-up grants	-	147	147	85
Other Local Authority Grants (LEA)	-	1,679	1,679	1,282
Other DfE/EFSA grants	-	2,026	2,026	2,034
Non EFSA income	13	457	470	251
	<u>14</u>	<u>20,773</u>	<u>20,786</u>	<u>23,565</u>
2016 total	<u>18</u>	<u>23,547</u>	<u>23,565</u>	

4 Investment income

Consolidated	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Investment listed on recognised stock exchange	-	77	77	95
Short-term deposits	12	-	12	32
Rental income	70	-	70	67
	<u>82</u>	<u>77</u>	<u>159</u>	<u>194</u>
2016 total	<u>99</u>	<u>95</u>	<u>194</u>	

5 Expenditure

Consolidated

	Non-pay expenditure				
	Staff Costs £000	Premises £000	Other £000	2017 £000	2016 £000
Expenditure on raising funds	146	67	204	417	685
The Trust's educational operations					
- Direct costs	13,945	839	3,251	18,035	20,197
- Allocated support costs	3,560	1,489	1,537	6,586	7,041
	<u>17,651</u>	<u>2,395</u>	<u>4,992</u>	<u>25,038</u>	<u>27,923</u>
2016 total	<u>19,240</u>	<u>3,326</u>	<u>5,177</u>	<u>27,923</u>	

Notes (continued)

6 Net movement in funds

Consolidated	2017 £000	2016 £000
Net movement in funds is stated after charging:		
Depreciation	1,444	1,613
Operating leases – land and buildings	139	180
Operating leases - equipment	18	31
Auditors' remuneration		
- For audit services	32	30
- For corporation tax services	2	2
- Other services	-	2
	<u>1,635</u>	<u>1,858</u>

7 Information regarding Employees

Consolidated	2017 £000	2016 £000
Staff costs during the period:		
Wages and salaries	13,294	15,317
Social security costs	1,105	1,096
Pension costs	3,772	2,493
Apprenticeship levy	9	-
	<u>18,180</u>	<u>18,906</u>
Supply teacher costs	531	577
Restructuring costs	70	-
	<u>18,781</u>	<u>19,483</u>

Notes (continued)

7 Information regarding Employees (continued)

Average number of persons employed:

	No.	No.
Teaching	246	157
Administrative and support	314	174
Management	13	12
	<u>573</u>	<u>343</u>

The number of employees whose emoluments fell within the following bands was:

	Number	Number
£60,001 to £70,000 per annum	5	4
£70,001 to £80,000 per annum	2	3
£110,001 to £120,000 per annum	2	-
£120,001 to £130,000 per annum	-	1
£140,001 to £150,000 per annum	1	-
	<u></u>	<u></u>

Trust only

The Trust has no employees.

8 Trustees' remuneration and expenses

Consolidated and Trust

The Treasurer of the Society of Merchant Venturers only receives remuneration in respect of services provided undertaking this role and not in respect of their services as Trustee to the Trust.

No Trustee received any remuneration or expenses from the Trust during the current period.

9 Trustees' insurance

Trust only

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The cost for the period ended 31 August 2017 was £13 (2016: £13).

10 Investment in subsidiaries

Subsidiary	Company Number	Charity Number	Means of Control
Venturers Trust (formerly Colston's Girls' School Trust) ¹	6511936	-	MV Bristol Limited was sponsor until 31 August 2017 and appoints up to nine governors
Merchants' Academy Trust ²	5598063	-	MV Bristol Limited was principal sponsor until 31 August 2017 and appoints up to six governors
Colston's Girls' School Trust Endowment Fund ³	-	1127105	Venturers Trust (formerly Colston's Girls' School Trust) is the Trustee
Merchants' Academy Services Ltd ¹	6707036	-	Merchants' Academy Trust owned 100% issued share capital until 31 August 2017

¹ Registered office address: [Here] Bath Road, Arnos Vale, Bristol, England, BS4 3AP

² Registered office address: Merchants' Academy Gatehouse Avenue, Withywood, Bristol, BS13 9AJ

³ Registered office address: Colston's Girls' School, Cheltenham Road, Bristol, BS6 5RD

Notes (continued)

10 Investment in subsidiaries (continued)

Financial Information

Subsidiary	At 31 August 2017			Period ended 31 August 2017		
	Assets £000	Liabilities £000	Funds £000	Income £000	Expenditure £000	Surplus £000
Venturers Trust (formerly Colston's Girls' School Trust)	35,743	3,951	31,792	19,329	14,512	4,817
Merchants' Academy Trust	24,074	3,480	20,594	9,042	10,338	(1,296)
Colston's Girls' School Trust						
Endowment Fund	2,202	17	2,219	28	1	27
Merchants' Academy Services Ltd	376	314	62	217	222	(5)

11 Tangible fixed assets

Consolidated only

	Assets under construction	Land and buildings £000	Property endowment (leasehold) £000	Long leasehold £000	Leasehold improvements £000	Fixtures and fittings £000	Total £000
Cost							
Balance at 1 September 2016	7,174	26,357	7,413	3,513	10,019	3,046	57,522
Transfer from Academy Trusts	-	-	-	-	-	-	-
Additions	1,384	198	-	44	20	260	1,906
Transfer to Trust	-	-	-	4,792	13	79	4,884
Transfers	(8,448)	-	-	8,250	131	67	-
Disposals	-	-	-	-	-	-	-
Balance at 31 August 2017	110	26,555	7,413	16,599	10,183	3,452	64,312
Depreciation							
Balance at 1 September 2016	-	4,170	475	58	1,139	2,507	8,349
Transfer from Academy Trusts	-	-	-	-	-	-	-
Charge for the year	-	535	59	251	262	337	1,444
Disposals	-	-	-	-	-	-	-
Balance at 31 August 2017	-	4,705	534	309	1,401	2,844	9,793
Net book value							
At 31 August 2017	110	21,850	6,879	16,290	8,782	608	54,519
At 31 August 2016	7,174	22,187	6,938	3,455	8,880	539	49,173

Notes (continued)

12 Investments

Consolidated only	2017 £000	2016 £000
Index linked investments	82	82
UK Fixed interest investments	212	145
UK Specialist credit	77	-
Overseas Fixed interest investments	49	46
Global	317	-
UK Equities	749	895
Overseas investments	394	456
Funds held awaiting investment	6	4
Alternative investments	273	294
	<u>2,159</u>	<u>1,922</u>
Analysis of movements of investments:	£000	£000
Market value at 1 September 2016	1,922	-
Transfer at 25 March 2016	-	1,742
Additions in the year	50	46
Gain on revaluation	187	134
	<u>2,159</u>	<u>1,922</u>
Market value at 31 August 2017		

13 Debtors

	Group 2017 £000	Group 2016 £000	Trust 2017 £000	Trust 2016 £000
Trade debtors	72	97	-	-
Prepayments and accrued income	357	329	-	-
Other debtors	450	676	-	-
Intercompany debtors	53	-	-	-
	<u>932</u>	<u>1,102</u>	<u>-</u>	<u>-</u>

Notes (continued)

14 Creditors: amounts falling due within one year

	Group 2017 £000	Group 2016 £000	Trust 2017 £000	Trust 2016 £000
Trade creditors	381	484	-	-
Taxation and social security	596	474	-	-
Accruals	360	490	12	4
Deferred income	693	228	-	-
	<u>2,030</u>	<u>1,676</u>	<u>12</u>	<u>4</u>

Consolidated

Deferred Income

	2017 £000	2016 £000
Deferred income at 1 September 2016	228	-
Transfer from Academies at 25 March 2015	-	224
Released from previous years	(217)	(322)
Resources deferred in the year	682	326
	<u>693</u>	<u>228</u>
Deferred income at 31 August 2017	693	228

Notes (continued)

15 Funds

Consolidated	At 1 September 2016	Incoming Resources	Resources Expended	Gains, losses and transfers	At 31 August 2017
Restricted Reserves					
Fixed Asset Funds	£000	£000	£000	£000	£000
DfE/ESFA capital grants	27,664	55	(750)	(246)	26,723
Capital Expenditure from GAG	119	-	(47)	-	72
Capital Expenditure from Unrestricted LEA grants	71	-	(33)	266	304
	15,498	5,963	(532)	307	21,236
	43,352	6,018	(1,362)	327	48,335
General funds					
General Annual Grant (GAG)	33	16,464	(16,894)	487	90
Start Up grant	250	42	-	(254)	38
Pupil Premium	-	1,616	(1,616)	-	-
Other DEF/EFSA grants	17	280	(297)	-	-
Other LEA grants	-	776	(776)	-	-
Other restricted grants	185	1,846	(1,722)	-	309
Pension reserve	(4,239)	-	(1,842)	621	(5,460)
Army Cadet Centre	46	-	(3)	-	43
Merchants Academy Trust Hall	13	-	-	-	13
Youth Worker	21	-	-	-	21
Fundraising	29	-	(1)	-	28
Osborne Clarke	8	-	-	-	8
Other	52	65	(43)	-	74
	(3,585)	21,089	(23,194)	854	(4,836)
Property Endowment Fund	6,939	-	(60)	-	6,879
Restricted endowment	1,738	-	-	187	1,925
Unrestricted funds					
General fund	971	1,465	(409)	-	1,733
Designated capital fund	897	-	-	(560)	631
	1,868	1,465	(469)	(373)	2,364
Total funds	50,312	28,572	(24,616)	808	54,667

Notes *(continued)*

15 Funds *(continued)*

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

Restricted general funds

This fund represents grants received for the Trust's operational activities and development and includes the Trust's share of the deficit to the Local Government Pension Scheme administered by Avon Pension Fund.

From time to time, additional funds are applied as set out above for specific purposes laid down by the grant provider and to be used in the short-term.

Restricted fixed asset fund

These grants relate to funding received from the DfE, EFSA and private sponsors to carry out works of a capital nature as part of the School Building project.

DfE/EFSA capital grants is capital funding for the construction of the new Trust buildings, including fixtures and fittings, received from the Education Funding Agency.

Unrestricted funds

The general fund represent funds available to the Trustees to apply for the general purposes of the Trust. These funds are earmarked to contribute to future capital programmes that the Trust wishes to undertake.

The designated capital fund relates to funds that Trustees have put aside for future capital projects. These projects may or may not have been identified yet but the Venturers Trust (formerly Colston's Girl's School Trust) has plans for future development of the sites and recognises that it may need to use some of its own reserves to fund this.

Notes (continued)

15 Funds (continued)

Total funds analysis by academy

Consolidated fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £000	Total 2016 £000
<u>Colston's Girls' School Trust</u>		
Colston's Girls' School	455	393
The Dolphin School	345	304
The Kingfisher School	(128)	(52)
Fairlawn School	62	64
Bannerman Road School	(4)	5
Barton Hill School	1,286	-
Colston's Girls' School Trust	(618)	(293)
Endowment Fund	294	267
	<hr/>	<hr/>
Total before fixed asset and pension reserve	1,692	688
Restricted fixed asset fund	35,094	29,662
Pension reserve	(2,775)	(1,626)
	<hr/>	<hr/>
	34,011	28,724
	<hr/>	<hr/>
<u>Merchants' Academy Trust</u>		
Merchants' Academy	1,281	1,819
Venturers Academy	15	15
	<hr/>	<hr/>
Total before fixed asset and pension reserve	1,296	1,834
Restricted fixed asset fund	22,045	22,367
Pension reserve	(2,685)	(2,613)
	<hr/>	<hr/>
	20,656	21,588
	<hr/>	<hr/>
Total reserves	54,667	50,312
	<hr/>	<hr/>

Notes (continued)

16 Analysis of net assets between funds

Consolidated fund balances at 31 August 2017 are represented by:

	Unrestricted Funds	Restricted Funds	Fixed Asset Funds	Restricted Endowment Funds	Total 2017
	£000	£000	£000	£000	£000
Tangible fixed assets	106	-	54,413	2,159	56,678
Net current assets	2,258	624	801	(234)	3,449
Pension fund deficit	-	(5,460)	-	-	(5,460)
Total net assets	2,364	(4,836)	55,214	1,925	54,667

17 Members' liability

The Trust is a company limited by guarantee. The member has undertaken to contribute to the assets of the company to meet its liabilities in the event of it being wound up, such amount as may be required, not exceeding £10 for the debts and liabilities contracted.

18 Pensions and similar obligations

Consolidated

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, which is managed by Avon Pension Fund. Both are multi-employer defined-benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

Notes (continued)

18 Pensions and similar obligations (continued)

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (previously 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015. The next valuation of the TPS is currently underway based on the April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £1,310,000 (2016: £1,497,000).

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 2017 was £859,000 (2016: £639,000), of which employer's contributions totalled £630,000 (2016: £444,000) and employees' contributions totalled £229,000 (2016: £195,000). The agreed contribution rates for future years are 14.2% and 15.2% for 2016/17 and 5.5% to 9.9% for employees depending on salary banding.

As the scheme is in a deficit position the Trust is paying an additional annual contribution over and above the contribution rates noted above. For the year ending 31 August 2017 this payment was £10,000 (2016: £10,000).

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

Rate of increase in salaries	3.3-3.4%
Rate of increase for pensions in payment/inflation	1.9-2.0%
Discount rate for scheme liabilities	2.1-2.2%
Inflation assumption (CPI)	1.8-1.9%

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

Retiring today

Males	23.4-23.5
Females	25.9-26.0

Retiring in 20 years

Males	25.8-25.9
Females	28.8-28.9

Notes (continued)

18 Pensions and similar obligations (continued)

The Trust's share of net assets in the scheme were:

	Fair value at 31 August 2017 £000	Fair value at 31 August 2016 £000
Equities	4,938	3,563
Government bonds	1,117	861
Other bonds	768	677
Property	877	685
Cash/liquidity	360	(34)
Other assets	1,915	1,306
Total market value of assets	9,975	7,058

	2017 £000	2016 £000
Current service cost (net of employee contributions)	1,315	924
Net interest cost	112	53
Benefit changes, (gain)/loss on curtailment and (gain)/loss on settlement	24	-
Administration expenses	18	16
Total operating charge	1,469	993

Notes (continued)

18 Pensions and similar obligations (continued)

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

	2017 £000	2016 £000
At 1 September 2016	(11,297)	-
Transfer at 25 March 2015	-	(6,166)
Current service cost	(1,315)	(924)
Interest cost	(283)	(383)
Employee contributions	(229)	(245)
Benefits paid	135	368
Actuarial loss	(465)	(3,227)
Curtailments	(24)	(27)
Transfer of school into the Trust	(1,957)	(693)
At 31 August 2017	(15,435)	(11,297)

Movements in the fair value of the Trust's share of scheme assets

	2017 £000	2016 £000
At 1 September 2016	7,058	-
Transfer at 25 March 2015	-	5,393
Interest on plan assets	171	330
Actuarial gain/(loss)	1,387	620
Employer contributions	630	596
Employee contributions	229	245
Benefits paid	(135)	(368)
Administration expenses	(18)	(16)
Transfer of school into the Trust	208	258
Business combinations	445	-
At 31 August 2017	9,975	7,058

Notes (continued)

19 Capital commitments

	2017 £000	2016 £000
Contracted for but not provided in the financial statements	-	878

20 Financial commitments

Consolidated only

The Venturers Trust leases certain land and buildings and other assets on short and long-term leases. Rental amounts payable under non-cancellable operating leases are as follows:

	Land and buildings		Other	
	2017	2016	Fair value at 31 August 2017 £000	Fair value at 31 August 2016 £000
	£000	£000	£000	£000
Less than one year	129	127	20	13
Two to five years	545	520	41	-
More than five years	788	828	-	-
	<u>1,462</u>	<u>1,475</u>	<u>61</u>	<u>13</u>

21 Related parties 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 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.

The following related party transactions took place in the period of account:

Consolidated

- Pattersons (Bristol) Limited – a company in which C Patterson, a former Trustee of CGST, is a Director. Transactions totalling £1,838 (2016: £nil) relating to the purchase of kitchen equipment took place during the year. This was provided at cost. £nil was outstanding as at 31 August 2017 (2016: £nil).
- Nisbets PLC – a company in which A Nisbet, a Governor of Merchants' Academy Trust, has a majority interest. Transactions totalling £7,000 (2016: £4,000) relating to the purchase of kitchen equipment took place during the year. This was provided at cost. £nil was outstanding as at 31 August 2017 (2016: £nil).
- The Society of Merchant Venturers – an entity that controls the Trust through its powers to nominate Trustees. Transactions totalling £19,544 (2016: £16,000) relating to the purchase of PR services took place in the period. This was provided at cost. No amounts were outstanding as at 31 August 2017 (2016: £nil).
- Delegated Services C.I.C. – a company in which P McCarthy, a former Governor of Merchants' Academy Trust, has a majority interest. Transactions totalling £nil (2016: £28,000) relating to the purchases of some facilities management services. This was provided at cost. £nil was outstanding as at 31 August 2017 (2016: £3,000).

Notes *(continued)*

22 Ultimate controlling party

The Trust is controlled by the Society of Merchant Venturers as it nominates all the Trustees of the Trust. Further details on appointment of Trustees are included in the Trustees' Report.

23 Events after the reporting period

On 1st September 2017 Merchants' Academy Trust transferred all its assets and liabilities into Colston's Girls' School Trust which was renamed Venturers Trust and MV Bristol Limited ceased to control Venturers Trust (formerly Colston's Girls' School Trust).