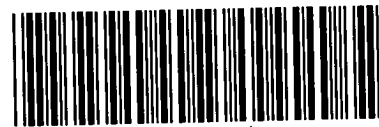


Company Registration No. 10163646 (England and Wales)

SALISBURY PLAIN ACADEMIES
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2019

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SALISBURY PLAIN ACADEMIES

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 15
Governance statement	16 - 19
Statement on regularity, propriety and compliance	20
Statement of trustees' responsibilities	21
Independent auditor's report on the accounts	22 - 24
Independent reporting accountant's report on regularity	25 - 26
Statement of financial activities including income and expenditure account	27 - 28
Balance sheet	29
Statement of cash flows	30
Notes to the accounts including accounting policies	31 - 54

SALISBURY PLAIN ACADEMIES

REFERENCE AND ADMINISTRATIVE DETAILS

Members

- Chair	Mr M Nash
- Corporate SDBE Member; Foundation	Ms C Tunnicliffe
- Member	Mr J Nutt
- Member (Resigned 16 October 2019)	Mrs L Wilkinson
- Member	Mrs W Ivess-Mash

Trustees

Mr J L Nutt (Chair)
Ms C Tunnicliffe (Vice Chair)
Ms A J Reeves
Mr N Beckett
Mrs J Mackay
Mr D Powell
Ms S McNab (Resigned 16 November 2018)
Ms A Chawla (Appointed 1 September 2018)
Mrs K L Allen (Appointed 1 April 2019)
Mrs E Carrell (Appointed 1 May 2019 and resigned 22 October 2019)
Mr D Harris (Appointed 1 April 2019 and resigned 31 October 2019)
Mr N J Richardson (Appointed 1 April 2019)

Senior management team

- CEO and Accounting Officer	T Evans
- Director of Business and Finance	B Lane
- Principal (Avon Valley College)	S Johnston
- Principal (Bulford St Leonard's)	J Trickett
- Principal (St Michael's Figheldean)	N Phillips
- Principal (Durrington All Saints)	L West (Left 31 August 2019)
- Principal (Pembroke Park)	Y Johnston
- Interim Principal (Netheravon All Saints)	C Griffin-Felton (1 December 2019 to 31 December 2019)
- Principal (Netheravon All Saints)	G Durrans (Joined 1 January 2019)

Company secretary

C Sawyer

Company registration number

10163646 (England and Wales)

Registered office

Avon Valley College
Durrington
Salisbury
Wiltshire
SP4 8HH

SALISBURY PLAIN ACADEMIES

REFERENCE AND ADMINISTRATIVE DETAILS

Academies operated

	Location
Pembroke Park Primary School Joined the Trust 01 September 2018	Salisbury
Netheravon All Saints Primary School Joined the Trust 01 December 2018	Netheravon
Avon Valley College	Durrington
St Michael's C of E Primary School	Figheldean
Bulford St Leonard's C of E Primary School	Bulford
Durrington All Saints C of E Infant School	Durrington

Principal

Yasmine Johnston

Gillian Durrans

Sam Johnston

Nicky Phillips

Jo Trickett

Lindsay West (Resigned 31 August 2019)

Tina Evans

Salisbury Plain Academies

Durrington

Independent auditor

Moore (South) LLP
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Solicitors

Taylor Culshaw
60 High Street
Burnham on Sea
Somerset
TA8 1AG

SALISBURY PLAIN ACADEMIES

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees present their annual report together with the accounts 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.

During the academic year 2018/19 the trust operated with 1 secondary, 4 primary and 1 infant academies in Wiltshire. Of these, two new schools joined within the academic year – one on September 1st 2018 and the second on December 1st 2018. Its academies have a combined pupil capacity between Reception and Y11 of 2,519 school age pupils, plus 108 Nursery places and up to 107 6th form places. The combined roll of the academy schools in the census of October 2019 was 1,456.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of Salisbury Plain Academies are also the directors of the charitable company for the purposes of company law. The charitable company operates as Salisbury Plain Academies.

Details of the Trustees who served during the year, and to the date these accounts are approved 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 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. The Salisbury Plain Academies Trust and all its Academies are members of the Risk Protection Arrangement and are covered in this regard to an unlimited value on any one loss and any one membership year.

Method of recruitment and appointment or election of trustees

The Articles of Association state that the Members shall appoint up to 12 Trustees of whom at least one shall be a person serving or having previously served in the Armed Forces of the United Kingdom. In making such appointments the Members shall ensure that the number of Foundation Trustees appointed does not fall below 50% of the total number of Trustees. Co-opted Trustees may also be appointed by the Trust Board.

The term of office for any Trustee is four years. Trustees are permitted to serve two terms of office if re-appointed.

Potential Trustees are interviewed by a panel consisting of the Chair of the Trust Board, the CEO plus at least one Member. Other Trustees may also join the interview panel when possible. Candidates for Trustees have been sought through several routes including via Academy Ambassadors. Trustees are sought following a Trust Board driven skills gap audit, to ensure that the most comprehensive set of skills and knowledge is represented on the Board. All appointments made are subject to the receipt of satisfactory references.

SALISBURY PLAIN ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new Trustees is tailored specifically to the needs of the individual and will depend on their existing skills and experience. All Trustees are provided with copies of documents that they will need to undertake their role as Trustees.

All Trustees and Academy Advisory Board members are required to undertake training on safeguarding and child protection.

Organisational structure

The Governance structure is distinct from the internal, operational "management" structure which comprises those people employed by the Trust to carry out specific functions as described in their job descriptions.

The Members are the people who hold the Trust company, and therefore all of the assets within it, for its charitable purposes. They appoint a Trust Board to run the Trust.

The Trust Board is made up of the Trustees who are, in legal terms, the directors of the Trust company, and it is this Board which is accountable for the operation of the Trust as a whole, and each academy within it. The management of the Trust is delegated by the Trust Board to its Executive.

In turn, the CEO is accountable to the Trust Board as a whole and must seek approval for certain decisions, and account for his or her own performance to the Trust Board.

The Trust employs other leaders, such as Principals/Headteachers, who are accountable to the Trust Board in two ways. Firstly, through the internal management structure when they report to the CEO and secondly, they are accountable to their own "non-executive" Academy Advisory Board, which reports to the Central Committees and through them, to the Trust Board.

Authority to make decisions on behalf of the Trust is delegated in three main ways:

- Formal Delegation of Governance functions by the Scheme of Delegation
- Policies & Procedures (which include the Strategic Plan and the Budget) which include authorisation for certain employees and external governance bodies to make certain decisions within the parameters of those policies
- Employment Contracts (through which all members of staff are required to make decisions – either day to day or more strategically, depending upon the nature of the role)

All Members, Trustees and Central Committee members must act in the best interests of the Trust, within the parameters of this Framework and in accordance with Trust policies and procedures and the published Academies Financial Handbook.

A Senior Leadership Team controls each academy at an executive level, implementing strategy and policies laid down by Trustees.

SALISBURY PLAIN ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Arrangements for setting pay and remuneration of key management personnel

Trustees aim to ensure that all staff are fairly and competitively rewarded for their individual contributions by means of pay and remuneration.

The pay and remuneration policy for all staff, including teaching and support staff, is based on principles established to ensure fairness and equity in pay rates and salary administration and transparency in the process. The pay policy ensures that staff of Salisbury Plain Academies are treated fairly in comparison with other local schools and academies.

There is a clear performance management process based on objective setting for all members of the teaching staff through interim and final reviews. There is an annual pay review based on this process with any salary increases linked to successfully having met performance management targets, as well as targets linked to additional or increased responsibilities.

The teachers' pay policy is approved by the Leadership, Management and HR Committee and any performance related pay increases for teachers and Principals are reviewed and approved by a Pay Panel consisting of members primarily from the Leadership and Management Committee.

In terms of key management personnel, Principals' salaries are established and benchmarked against national guidance and reflect the skills and experience of the individuals. Principals' performance is monitored by the CEO via SPA's performance management process and any performance related pay increases are reviewed and decisions approved by a Pay Panel.

The Chief Executive Officer and Director of Business and Finance Officer's remuneration is set and reviewed by the Trust Board and reflect the responsibilities of the roles with consideration to the multi academy trust landscape.

Percentage of pay bill spent on facility time

Total cost of facility time	£1,050
Total pay bill	£5,878,570
Percentage of the total pay bill spent on facility time	0.018%

Related parties and other connected charities and organisations

SPA has relationships with the following related parties:

Excalibur Academies Trust (MAT-to-MAT support) during 2018/19.

As some of the academies within Salisbury Plain Academies are church schools, the Diocese of Salisbury is represented at both Member level (Corporate member/SDBE member) and at Trustee level by Foundation Trustees.

Partnership working with Magna Learning Partnership (MLP) has increased during 2018/19, with both Trusts benefitting from the sharing of staff expertise.

Benefits have been gained through grant awards from the Armed Forces Education Trust (AFET), and the Ministry of Defence Education Support Fund (MoD ESF)

SALISBURY PLAIN ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities

Objects and aims

Salisbury Plain Academies is a mixed multi-academy trust made up of six academies offering its communities all-through education from 2 -18 years:

- Avon Valley College Community Secondary School and sixth form
- Bulford St Leonard's Church of England Primary School
- Durrington All Saints Church of England Infant School
- Netheravon All Saints Primary School
- Pembroke Park Primary School
- St Michael's Church of England Primary School

SPA works closely with Wiltshire Council and the Diocese of Salisbury, the Regional Schools Commissioner, other local MAT's and the Directorate of Children and Young People (DCYP) representing military pupils.

SPA has no primary religious character – only the absolute determination to improve outcomes for all children, military and civilian within their communities.

Our Mission

Transforming life chances for children through educational excellence

Our Vision

United as a family of schools by our core values, SPA will be a beacon of educational excellence. SPA schools will be schools of parental first choice because of our uncompromisingly high standards, and our reputation for achieving success through pride and ambition.

SPA learners will be confident, compassionate and curious global citizens, contributing positively to society and thriving in a rapidly changing world. SPA staff will be ambitious and well-trained leaders, engaging in research such that their practice is data driven and grounded in evidence. SPA stakeholders will be proud of schools that transform life chances for children through educational excellence.

Our Values

- Honesty
- Endeavour
- Fairness
- Mutual respect

Our Mantra

Success, Pride & Ambition

Our partnership allows the schools to work together locally to enhance learning, raise aspiration and improve learning opportunities. We work co-operatively and collaboratively to develop and sustain best practice, support each other and optimise the use of resources across our schools.

SALISBURY PLAIN ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Objectives, strategies and activities

Salisbury Plain Academies will achieve its vision through focusing on five strategic objectives that will be reviewed and measured annually. Progress against these objectives is monitored through the Performance Management Framework, which is reviewed at every Committee and Trust Board meeting.

- To secure the highest possible personal and academic outcomes for all young people
- To create a professional and ambitious learning community for all staff
- To ensure strong financial leadership and governance to secure the Trust's sustainability and growth
- Building for the future. To ensure the Trust has a strategic growth and estates plan to secure future stability and sustainability
- The Trustees will enable strong governance and leadership of the Trust

Public benefit

The Trustees confirm that they have complied with the duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Salisbury Plain Academies exists for the educational benefit of those students in the communities across Salisbury Plain and of the adjacent towns and villages. The Trust is acutely aware of its duty to promote community cohesion and to lead through example.

Strategic report

Achievements and performance

Army Rebasing

Summer 2019 has seen the peak of rebasing of the Army from Germany alongside the relocation of multiple units within UK as the Army rationalises its real estate and basing. This has seen over 800 new Married Quarters being built in Larkhill and Bulford alone, plus the St Michael's school new build to accommodate the influx of several thousand personnel in 5 major units and multiple minor ones in a period of just a few months. With the increased focus of the British Army on Salisbury Plain this should be appreciated as the most unique and novel set of circumstances never before seen or indeed experienced anywhere else in UK - and never to be repeated. Despite the best possible planning and preparation by the Trust and schools on the basis of the information provided, the uncertainty over pupil numbers and lack of confirmed detail has created a wide range of complex and challenging issues, many of which still remain.

While 2019 was planned as being the peak for unit moves the reality is that the family growth is not yet complete and will continue for the next 3-4 years involving further unit (and family) moves yet to come. Four of the schools already operate with circa 50% of pupils coming from Service Families and in the case of St Michaels the proportion is circa 90%. These levels already produce their own difficulties through not least the higher mobility issues associated with Service life and the absence of parents on training and operations. The continuing arrival of units will also result in a period of prolonged turbulence in terms of pupil numbers and planning uncertainty for the Trust and the schools within.

SALISBURY PLAIN ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Academic Achievements:

EYFS and Y1 phonic results across the MAT continue to be in line with or above National. A particular improvement was seen at Bulford, where Y1 phonic outcomes improved by over 40% from 2018. This had been a key performance target for the MAT.

KS1 outcomes at Durrington Infants and St Michael's compare very favourably with National, both schools remaining above National indicators for the second consecutive year. KS2 progress factors in reading at Bulford also saw significant improvement to +1.73 for non-mobile pupils. Pupils with SEND achieve well throughout KS1 when compared with national data.

Overall Primary MAT results at KS1 and KS2 were impacted within 2018/19 by the addition of two new schools to the MAT, both of which brought challenges. Leadership capacity has now been stabilised and we expect to see significant improvements within two years.

Avon Valley College has attained a second year of improved results with Progress 8 scores increasing from -1.1 to -0.29 over two years. We fully expect the College to demonstrate progress positive outcomes in 2020. Standards and ambition across the College continue to rise significantly, supported by an influx of new staff in September 2019.

SPA schools continue to create opportunities for school to school support and collaborative working and there is now an even stronger sense of 'family' across the Trust which has created opportunities for bespoke CPD, supported by funding from external sources including the Armed Forces Education Trust (AFET). A focus on attendance has seen all schools except one improve attendance and decrease persistent absenteeism significantly, so they are at least in line with National indicators.

Additionally, two of our schools were judged Good by Ofsted within the 2018/19 academic year, and two received 'Good' SIAMS inspections. The positive impact of the work of the new leadership teams to secure school improvement and high ambition at both AVC and Bulford, was recognised in their respective Ofsted reports.

Business and Facilities Achievements:

2018/19 has been an exciting year in terms of the development of the SPA Estate.

The new school for St Michael's opened its doors in September 2018 and provides a state-of-the-art learning facility for the rapidly increasing number of returning service personnel and their families. The school has more than doubled in size within the year and now runs 8 classes compared to the original 4. This is set to increase to 10 or 11 classes within 2019/2020. The Nursery is also thriving.

The new build IT and Creativity block is underway at AVC, with 18 new classrooms being built, also with state-of-the-art technology, art, drama and IT facilities. A redundant garage space has been converted into a high-performance gym facility and a disused classroom into a community boxing facility. Lettings procedures have been reviewed and letting opportunities enhanced.

The engagement of a new Estates Manager has seen the Trust rapidly secure improvement in the condition of estates across all sites – including rapid response to fire damage at Bulford and significant roofing improvement at Pembroke Park. Cost saving work on catering, cleaning, landscaping and IT has seen more money diverted towards educational benefit. All schools within the Trust now benefit from a compliance agreement with the local authority and access risk assessment systems through a common online platform. Rapid and local HR advice continues to bring capacity to Headteachers, supporting them to manage HR processes quickly, and instigating effective measures to reduce staff absence.

SALISBURY PLAIN ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Key performance indicators

Key performance indicators are used by Salisbury Plain Academies to monitor progress against the Performance Management Framework. Salisbury Plain Academies complies with all terms and conditions of its Funding Agreement.

Performance across the trust is monitored by utilising examination and key stage results, pupil attendance data, pupil recruitment data and financial and investment performance.

Performance in respect of employee matters is monitored at Academy level analysing headcount and staff absence, alongside achievement against objectives (set as part of the annual performance management process) and overall realisation of the individual Academy Improvement Plans.

The following KPIs have been monitored during 2018/19:

Salary costs			2019	2018
% of salaries to main grant income			84%	81%
% of salaries to total restricted costs			78%	76%
EFA Guidance of % of salaries to main grant income (MAX)			80%	80%
Pupil Numbers (including Nursery)			1,456	873
Total income £ per pupil			5,612.25	5,684.81
Total cost £ per pupil			5,554.57	6,082.42

SALISBURY PLAIN ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Academy successes 2018/2019

- The Trust secured growth by 2 new schools with a total capacity when full of an additional 760 pupils plus 24 nursery pupils.
- Leadership at AVC continues to thrive and the impact of their work can be evidenced in significantly improved outcomes at AVC.
- A thorough and rigorous recruitment process was carried out to appoint a highly effective new Principal for Netheravon All Saints CE Primary School who took up post in January 2019 following a period of leadership transition for the school.
- The recruitment of a new and highly effective Estates Manager has resulted in an improvement in estates functionality and systems.
- As an outcome of the diligent work of the Estates Manager and the oversight of the Estates and Maintenance Committee, the past year has seen a reduction in the overall estate / building risk that the Trust is carrying.
- We maintain external HR and legal advice routes, but more and more of the Trust's work is being operated by highly effective internal expertise.
- Increasing success at grant applications (AFET) has secured significant additional capacity to support our military students at AVC
- Engagement with Army HQ, DCYP and other networks has supported the transition of significant increases in pupil numbers into 3 of our 6 schools, as the rebasing from Germany and the move of several units from within UK into the catchment areas has been completed, although with more yet to come.
- An effective leadership structure within and between schools is having a significant impact on securing better and consistent practice and outcomes. This is core to our target of becoming a self-sustaining, self-improving school led organisation.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of Trustees continues to adopt the 'going concern' basis in preparing the accounts. Further details regarding the adoption of the 'going concern' basis can be found in the statement of accounting policies.

SALISBURY PLAIN ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Financial review

The majority of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of its General Annual Grant (GAG), the use of which is restricted to particular purposes; i.e. the objects of the Academy Trust. The GAG received during the period covered by this Report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities (SOFA).

The deficit brought forward on conversion on the 1st July 2016 is covered by a 14 year loan from Wiltshire Council at a PSBR of 1.53%.

The land, building and other assets relating to Avon Valley College and Netheravon All Saints C of E Primary were transferred to the Trust upon conversion. The Trust has been granted 'permission to occupy' the land, building and other assets in respect of St Michael's C of E Primary School, Bulford St Leonard's C of E Primary School and Durrington All Saints C of E Infant School through a Church Supplement Agreement. These assets are treated as a notional donation for a rolling two year period in the Trust's financial statements. The Trust has been granted 'permission to occupy' the land, building and other assets in respect of Pembroke Park Primary in conjunction with the Local Authority.

The Trust has implemented strict financial controls since conversion with the aim of ensuring continued financial sustainability in the future.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 20 to the financial statements.

The Trust has in place Financial Plans covering the period to 2020/ 21, and a long-range 10 year plan to 2028. The Finance, Audit, Maintenance and Estates (FAME) Committee is responsible for reviewing and refreshing the Financial Plan at appropriate intervals during the business year. The Committee is responsible for reporting to the Trust Board accordingly.

Reviews will take place in November, January and July and will consider, amongst other things, the following;

- Latest numbers on roll along with the most recent pupil number projections
- Funding announcements
- Pay cost pressures created through Pay Review announcements, Pension revaluations, National Insurance changes
- Performance against Budget in the current year.
- Progress made against in year cost reduction and income generation targets.
- Progress against the Growth Strategy in respect of the plan to increase the number of schools within the MAT and the number of pupils within the schools

A revised Finance Plan will be produced following each of these reviews and actions taken as necessary to ensure continued financial viability and the maintenance of predicted cash balances at the levels stipulated in the Reserves Policy.

SALISBURY PLAIN ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Reserves policy

The Trustees have determined the level of reserves should equate to one month's average payroll costs. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

Currently due to the loan issued on conversion, the revenue funds are showing as a deficit balance. Once this loan is repaid, the reserves will be held per our above policy.

The Trustees review the reserve levels annually. The review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves.

All reserves are reported and reviewed regularly at management meetings and expenditure from reserves approved by the Trustees.

As at the 31st August 2019 the Trust has a deficit revenue reserve balance. The reason for the deficit is the loan from Wiltshire Council, which was awarded on conversion to cover the brought forward deficit. This loan is repayable over 14 years.

At 31 August 2019 the balances in the Trust's revenue funds were:

GAG restricted fund	£370,581
Restricted Loan	(£1,613,243)
Total revenue reserves	(£1,242,662)

Investment policy

The Trustees' investment powers are governed by the Memorandum and Articles of Association, which permit the Trust's funds to be held in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law.

The Trust has an Investment Policy which ensures that any invested surplus funds, in short or medium term deposits, achieve the optimum return.

The Trust's investments have continued to be managed in conformity with our policy and the Memorandum and Articles of Association.

Principal risks and uncertainties

At each meeting, the Trustees review major risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust maintains a risk register. Risks are monitored and reviewed through the Committees of the Trust. The Committees in turn report to the main Trust Board.

SALISBURY PLAIN ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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

- Financial – the Trust has considerable reliance in continued funding through the ESFA and additional grants from DfE including CIF and ESF bids. In the period 87% of the Trust's incoming resources was ultimately government funded and there is no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- Failures in Governance and / or Management – the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trust continues to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational – the success of the Trust is dependent on attracting student applicants in sufficient numbers to financially support the achievement of high educational standards. To mitigate this risk, Trustees ensure that student success and achievement is closely monitored, that school improvement plans are ambitious and grant opportunities to support school improvement are sourced.
- Fraud and mis-management of Funds – the Trust has implemented a financial handbook which outlines processes to be used for financial transactions. A fraud prevention policy is in place and all finance staff receive training to keep them up to date with finance practice requirements and develop their skills in this area.
- Safeguarding and Child Protection – the Trustees continue to ensure that the highest standards are maintained in the selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.
- Pupil numbers – the Trustees continue to closely monitor student numbers within the Trust. The impact of the MOD Salisbury Plain re-basing programme did not increase pupil numbers as significantly as received intelligence from the MOD and Local Authority led us to believe. However, there are signs of ongoing growth across the MAT as the impact of recruitment to the Super Garrison area continues.
- Staffing – the success of the Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Risk that financial data cannot be recovered in the event of a disaster – all electronic data is backed up offsite by our IT support company.

SALISBURY PLAIN ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Fundraising

Approach to fundraising / Fundraising conforming to recognised standards

The School / pupils raise money for local or national charities. Students vote for the charities they wish to support in an academic year. Usually fund raising for the school is decided by the senior leadership team and is led by a specific project leader.

Income from fundraising projects and requests run by the schools are used to benefit students directly and support the costs of resources, educational visits, activities, and improvements to educational facilities at individual schools. Publicity for fund raising events is measured and is restricted to students at the school, their family members and the local community.

For trips that occur during the school day, parents are requested to make a voluntary donation towards the costs of the trip. Parents are made aware that there is no obligation to contribute and no student will be omitted from the trip if their parents do not contribute, but the trip may not take place if sufficient voluntary contributions are not forthcoming.

The Trust does not work with any third-party commercial participators or professional fundraisers to raise funds. There have been no fundraising complaints during 2018/19.

Fund raising projects for the school are managed through the school newsletter and other local communications with parents. Voluntary donations towards trips are requested through letters to parents ensuring they are not made to feel pressurised into paying as payment is voluntary and not compulsory.

Plans for future periods

Salisbury Plain Academies has increased the number of academies within the MAT from an original number of four to six with effect from 1st December 2018.

St Michael's Primary successfully moved from the village of Fighledean to a brand new 420 place primary (plus 60 place Nursery) in Larkhill on the 1st September 2018.

During 2019 a building project at Avon Valley College is expected to open creating a new wing for the academy.

The Trust is exploring other local growth opportunities, in line with its growth strategy.

Funds held as custodian trustee on behalf of others

As at the 31st August 2019 Salisbury Plain Academies does not act as Custodian Trustee on the behalf of others.

SALISBURY PLAIN ACADEMIES

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

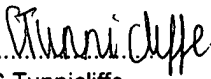
Auditor

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.

A resolution proposing that Moore (South) LLP be reappointed as auditor of the charitable company will be put to the members.

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

.....

Ms C Tunnicliffe
Vice Chair

SALISBURY PLAIN ACADEMIES

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Salisbury Plain Academies 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 CEO 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 Salisbury Plain Academies and the Secretary of State for Education. The CEO is 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 five times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr J L Nutt (Chair)	4	4
Ms C Tunnicliffe (Vice Chair)	4	4
Ms A J Reeves	4	4
Mr N Beckett	3	4
Mrs J Mackay	3	4
Mr D Powell	3	4
Ms S McNab (Resigned 16 November 2018)	0	0
Ms A Chawla (Appointed 1 September 2018)	4	4
Mrs K L Allen (Appointed 1 April 2019)	2	2
Mrs E Carrell (Appointed 1 May 2019 and resigned 22 October 2019)	0	0
Mr D Harris (Appointed 1 April 2019 and resigned 31 October 2019)	1	2
Mr N J Richardson (Appointed 1 April 2019)	2	2

Additionally, the following new Trustees were appointed in 2018/2019: Mrs K Allen (1st April 2019), Ms A Chawla (1st September 2018), Mrs E Carrell (24th July 2019), Mrs D Harris (1st April 2019) and Mr N Richardson (1st April 2019). All Trustee appointments are made following a skills gap audit which identifies areas of expertise and knowledge that is sought.

The Chair of the Board carries out individual review meetings with each Trustee. A Board Away Day took place in Feb 2019 where the celebrations and challenges of each school were considered subsequent to presentations by the Principals.

The Finance, Audit, Estates and Maintenance committee is a committee of the main board of Trustees. Its purpose is to ensure that the CEO and Director of Business and Finance are operating within the parameters of the Funding Agreements and Academies Financial Handbook and providing value for money.

B Lane is the Director of Business and Finance and is a qualified chartered accountant.

SALISBURY PLAIN ACADEMIES

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Attendance at meetings in the period was as follows:

Trustees	Meetings attended	Out of possible
Ms C Tunnicliffe (Vice Chair)	3	3
Mr N Beckett	3	3
Mr D Powell	2	3
Ms S McNab (Resigned 16 November 2018)	1	1
Mr N J Richardson (Appointed 1 April 2019)	1	1

Review of value for money

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

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

- Implementing strict purchase controls and obtaining quotes for larger purchases
- Monitoring previously established contracts, such as facilities management, to ensure that best value is obtained.
- Strict sign off process for recruitment requests to ensure that opportunities for improved efficiencies and savings are explored before commencing a recruitment process.
- Participation in an Integrated curriculum and financial planning (ICFP) and engagement with a Schools Resource Management Adviser (SRMA)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Salisbury Plain Academies for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

SALISBURY PLAIN ACADEMIES

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees;
- development and regular scrutiny of a 3 year financial forecast
- regular reviews by the finance, audit, maintenance and estates committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment guidelines);
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and a programme of internal checks has taken place during the 2018/2019 academic year, carried out by external auditor Moore (South) LLP.

During 2018/ 2019 Internal Audits were conducted on the following areas of activity

- Systems Checks for Central Services
- Systems Checks for Avon Valley College
- Systems Checks for Durrington All Saints Infants School

The schedule of work was delivered, with visits and reports in June and July 2019. The following high severity issues were reported to the Trust:

- Opening balances have not yet been posted for 2017 or 2018 so the trust is unable to see its true financial position.
- The Scheme of Delegation and Gifts and Hospitality policy do not include any guidance for incurring potentially contentious costs such as contributions to staff events and leaving gifts, plants and weekly flowers and alcohol. The alcohol purchase is irregular under the Academy Accounts Direction.

Remedial action was taken to post opening balance adjustments in September 2019.

Medium severity issues were reported in relation to the purchase cycle, cheque payments, expense claims, payroll controls, trips and visits, BACS authorisation, bank reconciliations, structures, governance, management of conflicts of interest, management accounts, management letter implementation, staff welfare, gifts and hospitality, budgetary controls/discussions with the head teacher and nominal ledger postings.

Due to the challenges the trust has faced as reported in the statement of regularity, most of the issues identified are yet to be addressed but will be considered going forwards by the FAME committee and the new finance manager.

The statutory auditor will report to the Board of Trustees, through the Finance, Audit and Estates Management Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

SALISBURY PLAIN ACADEMIES

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

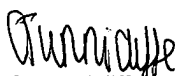
Review of effectiveness

As Accounting Officer, the Chief Executive 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 external auditor;
- the financial management and governance self-assessment process;
- undertaking both ICFP and SRMA assessments
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

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



Ms C Tunnicliffe
Vice Chair



Ms T Evans
Accounting Officer

SALISBURY PLAIN ACADEMIES

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2019

As accounting officer of Salisbury Plain Academies 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's 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 the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

2018/19 has proved to be another challenging year for the trust, partly due to high staff turnover and capacity issues within the finance department. As a result, a lot of the intended changes reported last year to the internal control systems have not happened this year.

Although payroll is now being approved by the head of schools, it has not been authorised by the CEO as intended. Due to errors and delays in processing of the initial postings to the finance system, bank reconciliations and VAT 126 forms and hence management accounts have not been prepared on a timely basis for the board. Although a purchase order system has been introduced, a large percentage of purchases are still being made without a purchase order.

Notwithstanding the successes reported earlier in this report, capacity to manage the financial position effectively has been a significant concern throughout the year and has been raised through the FAME committee and within CEO reports. The Board of Trustees have taken action and since the year end have taken steps to ensure this situation does not repeat itself for the current year, including the appointment of a new finance manager, with the support of Moore (South) LLP. The trustees have requested that the systems and processes in place are documented and scrutinised to identify where the issues are occurring, with a view to ensuring that the source data is accurate within the finance system, which in turn will lead to timely reconciliations and management reporting. The board of trustees have indicated that they require the systems and processing to be up to date and running properly by the end of January 2020 to enable the Trust to move forwards.



Ms T Evans
Accounting Officer

19/12/19

SALISBURY PLAIN ACADEMIES

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees (who act as governors for Salisbury Plain Academies and are also the directors of Salisbury Plain Academies for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare accounts for each financial year. Under company law the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements 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 accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

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


Ms C Tunnicliffe
Vice Chair

SALISBURY PLAIN ACADEMIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SALISBURY PLAIN ACADEMIES

Opinion

We have audited the accounts of Salisbury Plain Academies for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

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

Material uncertainty relating to going concern

We draw attention to Note 1.2 in the financial statements, which indicates that the academy trust had available revenue reserves of £372,828 at 31 August 2019. A deficit for the year to 31 August 2020 is anticipated to be incurred totalling £238,000 which would reduce the available revenue reserves to £134,828. As stated in Note 1.2, these events and conditions, along with the other matters as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Other information includes the trustees' report (incorporating the strategic report and directors' report) the governance statement and the statement of regularity, propriety and compliance. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

Opinions 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 incorporated strategic report and directors' report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report and directors' report have been prepared in accordance with applicable legal requirements.

SALISBURY PLAIN ACADEMIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SALISBURY PLAIN ACADEMIES (CONTINUED)

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

Louise Hastings (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP

Chartered Accountants
Statutory Auditor

19/12/19

33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

SALISBURY PLAIN ACADEMIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SALISBURY PLAIN ACADEMIES (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report and directors' report, including the incorporated strategic report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the academy trust'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 trust, 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 accounts 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 accounts.

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

SALISBURY PLAIN ACADEMIES

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SALISBURY PLAIN ACADEMIES AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2019

In accordance with the terms of our engagement letter dated 15 October 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Salisbury Plain Academies during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Salisbury Plain Academies's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Salisbury Plain Academies's funding agreement with the Secretary of State for Education dated 29 June 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 period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;
- analytical procedures on the general activities of the academy trust;
- a review of minutes of committees and board meetings which may be relevant to regularity;
- consideration of discussions with key personnel including the accounting officer and governing body;
- tests of control have been carried out on a control activity which are relevant to regularity;.

SALISBURY PLAIN ACADEMIES

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SALISBURY PLAIN ACADEMIES AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Conclusion

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

During the course of our work, we identified a number of weaknesses to the internal control systems of the Trust. These included:

- Monthly payroll reports are not being signed as authorised by the CEO
- Bank reconciliations are not being prepared every month on a timely basis
- No VAT 126 forms have been completed during the year
- Monthly management accounts are not being prepared on a timely basis for the board
- 45% of purchases are being processed without a purchase order
- The prior year opening balances had not been corrected in the finance system and opening balances for new schools joining the trust had not been processed

Because of the above, the board of trustees have not been able to fulfil their obligations to maintain robust oversight over the finance function of the trust as required by the academies financial handbook.

The above has been discussed with the trustees and steps have already been taken to ensure this does not repeat itself in the current year, including the appointment of a new finance manager, with the support of Moore (South) LLP. The trustees have requested that the systems and processes in place are documented and scrutinised to identify where the issues are occurring, with a view to ensuring that the source data is accurate within the finance system, which in turn will lead to timely reconciliations and management reporting. The board of trustees have indicated that they require the systems and processing to be up to date and running properly by the end of January 2020 to enable the Trust to move forwards.

Moore (South) LLP

Reporting Accountant

Moore (South) LLP
33 The Clarendon Centre
Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Dated: 19/12/19

SALISBURY PLAIN ACADEMIES

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

	Notes	Unrestricted Funds £	Restricted funds: General £ Fixed asset £	Total 2019 £	Total 2018 £
Income and endowments from:					
Donations and capital grants	3	-	-	650,819	540,267
Donations - transfer of existing academy into the trust		29,932	98,854	6,295,840	-
Charitable activities:					
- Funding for educational operations	4	-	7,096,804	-	5,421,739
Other trading activities	5	423,288	-	-	268,108
Investments	6	528	-	-	3,670
Total		453,748	7,195,658	6,946,659	6,233,784
Expenditure on:					
Charitable activities:					
- Educational operations	9	453,748	7,337,350	296,356	6,112,562
Total	7	453,748	7,337,350	296,356	6,112,562
Net income/(expenditure)		-	(141,692)	6,650,303	121,222
Transfers between funds	18	-	(125,139)	125,139	-
Other recognised gains/(losses)					
Actuarial (losses)/gains on defined benefit pension schemes	20	-	(791,000)	-	537,000
Net movement in funds		-	(1,057,831)	6,775,442	658,222
Reconciliation of funds					
Total funds brought forward		-	(1,960,831)	9,158,634	6,539,582
Total funds carried forward		-	(3,018,662)	15,934,076	12,915,414

SALISBURY PLAIN ACADEMIES

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

Comparative year information Year ended 31 August 2018	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2018 £
Income and endowments from:					
Donations and capital grants	3	103,186	-	437,081	540,267
Charitable activities:					
- Funding for educational operations	4	-	5,421,739	-	5,421,739
Other trading activities	5	268,108	-	-	268,108
Investments	6	3,670	-	-	3,670
Total		<u>374,964</u>	<u>5,421,739</u>	<u>437,081</u>	<u>6,233,784</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	374,964	5,625,085	112,513	6,112,562
Total	7	<u>374,964</u>	<u>5,625,085</u>	<u>112,513</u>	<u>6,112,562</u>
Net income/(expenditure)		-	(203,346)	324,568	121,222
Transfers between funds	18	-	36,375	(36,375)	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	20	-	537,000	-	537,000
Net movement in funds		-	370,029	288,193	658,222
Reconciliation of funds					
Total funds brought forward		-	(2,330,860)	8,870,442	6,539,582
Total funds carried forward		-	(1,960,831)	9,158,635	7,197,804

SALISBURY PLAIN ACADEMIES

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	13		15,590,489		9,046,169
Current assets					
Debtors	14	841,686		342,914	
Cash at bank and in hand		760,054		894,932	
		1,601,740		1,237,846	
Current liabilities					
Creditors: amounts falling due within one year	15	(884,325)		(605,773)	
Net current assets			717,415		632,073
Total assets less current liabilities			16,307,904		9,678,242
Creditors: amounts falling due after more than one year	16		(1,616,490)		(1,576,438)
Net assets before defined benefit pension scheme liability			14,691,414		8,101,804
Defined benefit pension scheme liability	20		(1,776,000)		(904,000)
Total net assets			12,915,414		7,197,804
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds			15,934,076		9,158,635
- Restricted income funds			(1,242,662)		(1,056,831)
- Pension reserve			(1,776,000)		(904,000)
Total restricted funds			12,915,414		7,197,804
Unrestricted income funds	18		-		-
Total funds			12,915,414		7,197,804

The accounts on pages 27 to 54 were approved by the trustees and authorised for issue on 19 Dec 2019 and are signed on their behalf by:

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 Ms C Tunnicliffe
 Vice Chair

Company Number 10163646

SALISBURY PLAIN ACADEMIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	21	(364,867)		25,312	
Cash funds transferred on conversion		120,317		-	
		<u>(244,550)</u>		<u>25,312</u>	
Cash flows from investing activities					
Dividends, interest and rents from investments		528		3,670	
Capital grants from DfE Group		650,819		279,533	
Capital funding received from sponsors and others		-		157,548	
Purchase of tangible fixed assets		<u>(543,982)</u>		<u>(361,046)</u>	
Net cash provided by investing activities			107,365		79,705
Cash flows from financing activities					
Repayment of long term bank loan		28,352		290,383	
Repayment of other loan		6,494		-	
Finance costs		<u>(32,539)</u>		<u>(27,770)</u>	
Net cash provided by financing activities			2,307		262,613
Net (decrease)/increase in cash and cash equivalents in the reporting period			(134,878)		367,630
Cash and cash equivalents at beginning of the year			894,932		527,302
Cash and cash equivalents at end of the year			<u>760,054</u>		<u>894,932</u>

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

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

1.1 Basis of preparation

The accounts 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 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Salisbury Plain Academies meets the definition of a public benefit entity under FRS 102.

The Academy incorporated on the 5 May 2016 and started operating as an Multi-Academy Trust on 1 July 2016.

1.2 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 charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts.

The Multi Academy Trust has reported an in year deficit on revenue reserves of £286,617 during 2018/19. The Restricted Fund balance as at 31st August 2019 shows a deficit balance of £1,242,662 of which £1,616,490 is held as long term loans. Reserves net of the long term loan stand at £372,828 surplus at 31st August 2019. The Trust Board is aware of the implications of ongoing deficit budgets that were set in order to retain capacity for the re-basing of Army units into the area. The Trustees have approved an in-year consolidated deficit budget for 2019/20 of £238,000 whilst work is undertaken to return to a surplus budget. This deficit budget includes a £29,000 contingency and a £50,000 allocation for potential restructuring costs in 2019/20. The £238,000 in year deficit would reduce the revenue surplus to £134,828 by 31st August 2020. Cash at bank and in hand stood at £760,054 at 31st August 2019, with Net Current Assets of £717,415. The Trust Board expects to be able to manage its cash flow position through 2019/ 20 by utilising the cash balances and through careful cashflow management. The Trust Board is actively exploring options to strengthen its predicted revenue reserve by the 31st August 2020 by revisiting saving and income generation proposals, considered during the budget setting process for 2019/20 and at the time set aside. In addition to this further work will be conducted within the Senior Leadership Team to explore non-recurring opportunities for reducing spend and/ or increasing revenue streams.

The detailed budget setting process for 2020/ 21 will commence in quarter 2 of 2019/ 20 and will be conducted on the basis of returning the Multi Academy Trust to an in year surplus and therefore restoring the revenue reserves to at least the level included in its Reserves Policy. During this period the Multi Academy Trust will continue to work closely and pro-actively with the ESFA while it implements its recovery plan.

Based on the above detail, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

Transfer of assets from existing academies

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. Income equal to the net assets transferred is recognised within donations and capital grant income.

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.4 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold land & buildings	50 years
Leasehold land & buildings	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	3 years

1.6 Liabilities

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

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust 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. 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 cost. 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 instrument.

1.9 Taxation

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

1.10 Pensions benefits

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

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

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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

1.11 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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 2013 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.

Critical areas of judgement

On conversion to an academy trust, the assets and liabilities of the School are measured at fair value. This includes any buildings. The valuation of the buildings involves a significant degree of estimation, refer to note 13 for further detail of this estimation.

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Capital grants	-	650,819	650,819	437,081
Other donations	-	-	-	103,186
	-	650,819	650,819	540,267

Other unrestricted donations includes School Fund bank accounts monies transferred into the Trust for Avon Valley College.

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
DfE / ESFA grants				
General annual grant (GAG)	-	5,566,151	5,566,151	4,665,057
Other DfE group grants	-	832,522	832,522	513,801
	-	6,398,673	6,398,673	5,178,858
Other government grants				
Local authority grants	-	444,532	444,532	216,881
Other government grants	-	253,599	253,599	26,000
	-	698,131	698,131	242,881
Total funding	-	7,096,804	7,096,804	5,421,739

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Hire of facilities	16,444	-	16,444	10,272
Catering income	25,726	-	25,726	76,359
Other income	381,118	-	381,118	181,477
	423,288	-	423,288	268,108

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Short term deposits	528	-	528	3,670

7 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2019 £	Total 2018 £
Academy's educational operations					
- Direct costs	4,499,851	-	561,472	5,061,323	3,980,448
- Allocated support costs	1,452,701	902,210	671,220	3,026,131	2,132,114
	5,952,552	902,210	1,232,692	8,087,454	6,112,562

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Fees payable to auditor for:		
- Audit	12,300	7,750
- Other services	13,987	3,375
Operating lease rentals	19,308	8,699
Depreciation of tangible fixed assets	296,356	112,513
Bank and loan interest	32,539	27,770
Net interest on defined benefit pension liability	25,000	34,000

8 Central services

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

- human resources;
- financial services;
- school improvement;
- legal services; and
- educational support services

The academy trust charges for these services on the following basis:

- flat percentage of income (6.5%), with a reduction for a part de-centralisation of the finance function.

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

8 Central services

(Continued)

The amounts charged during the year were as follows:

	2019 £	2018 £
Pembroke Park Primary School Joined the Trust 01 September 2018	59,014	-
Netheravon All Saints Primary School Joined the Trust 01 December 2018	35,955	-
Avon Valley College	134,245	184,436
St Michael's C of E Primary School	20,193	22,000
Bulford St Leonard's C of E Primary School	31,917	59,218
Durrington All Saints C of E Infant School	33,233	37,774
Salisbury Plain Academies	-	-
	<u>314,557</u>	<u>303,428</u>

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Direct costs				
Educational operations	238,703	4,822,620	5,061,323	3,980,448
Support costs				
Educational operations	215,045	2,811,086	3,026,131	2,132,114
	<u>453,748</u>	<u>7,633,706</u>	<u>8,087,454</u>	<u>6,112,562</u>

Analysis of costs

	2019 £	2018 £
Direct costs		
Teaching and educational support staff costs	4,499,851	3,631,797
Staff development	49,090	21,488
Technology costs	100,358	40,914
Educational supplies and services	224,908	190,445
Examination fees	42,110	29,032
Educational consultancy	49,464	20,158
Other direct costs	95,542	46,614
	<u>5,061,323</u>	<u>3,980,448</u>
Support costs		
Support staff costs	1,501,808	822,958
Depreciation	296,356	112,513
Technology costs	101,073	182,986
Recruitment and support	24,045	68,613
Maintenance of premises and equipment	165,867	170,357
Cleaning	172,053	145,695
Energy costs	155,242	107,217
Rent, rates and other occupancy costs	77,777	36,991

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

9 Charitable activities (Continued)

Insurance	34,915	26,697
Security and transport	57,962	69,183
Catering	162,879	155,797
Finance costs	57,539	61,770
Other support costs	165,233	123,488
Governance costs	53,382	47,849
	<u>3,026,131</u>	<u>2,132,114</u>

10 Staff

Staff costs

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	4,497,282	3,217,286
Social security costs	396,455	290,363
Pension costs	988,084	711,430
Amounts paid to employees	<u>5,881,821</u>	<u>4,219,079</u>
Agency staff costs	70,731	169,807
Staff restructuring costs	-	16,659
Amounts paid to staff	<u>5,952,552</u>	<u>4,405,545</u>
Staff development and other staff costs	98,197	70,698
Total staff expenditure	<u>6,050,749</u>	<u>4,476,243</u>

Staff restructuring costs comprise:

Severance payments	-	16,659
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SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

10 Staff

(Continued)

Staff numbers

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

	2019 Number	2018 Number
Teachers	77	58
Administration and support	169	111
Management	8	6
Admin and support casual	30	35
Teaching staff casual	20	23
	<u>304</u>	<u>233</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2019 Number	2018 Number
Teachers	70	53
Administration and support	71	49
Management	8	6
	<u>149</u>	<u>108</u>

Higher paid staff

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

	2019 Number	2018 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	2	-
	<u>4</u>	<u>2</u>

The Trust would like to highlight the amount of casual staff employed by the trust due to the large difference between headcount and FTE.

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £636,284 (2018: £382,246).

The 2018 comparative above does not include the cost of one member of the key management personnel who was paid via invoice, total cost of £86,000. Details can be seen in the related party note.

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

11 Trustees' remuneration and expenses

During the year, no expenses were reimbursed to trustees (2018: £Nil).

Other related party transactions involving the trustees are set out within the related parties note.

12 Trustees and officers insurance

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

13 Tangible fixed assets

	Freehold land & buildings £	Leasehold land & buildings £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost					
At 1 September 2018	9,103,201	-	72,770	113,315	9,289,286
Transfer of academy into the academy trust	2,305,529	3,959,992	8,552	22,621	6,296,694
Additions	330,448	-	86,365	127,169	543,982
At 31 August 2019	11,739,178	3,959,992	167,687	263,105	16,129,962
Depreciation					
At 1 September 2018	228,843	-	12,892	1,382	243,117
Charge for the year	142,314	33,115	45,692	75,235	296,356
At 31 August 2019	371,157	33,115	58,584	76,617	539,473
Net book value					
At 31 August 2019	11,368,021	3,926,877	109,103	186,488	15,590,489
At 31 August 2018	8,874,358	-	59,878	111,933	9,046,169

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

13 Tangible fixed assets

(Continued)

The land and buildings were valued on the depreciated replacement cost method in an exercise undertaken by the Education and Skills Funding Agency as at 31 August 2016. The valuation is for Avon Valley College, the land was valued at £2,747,000 and the buildings at £1,848,000.

Also included in the value of land and buildings above is a proportion of the land for the three church schools; Durrington Infants, Bulford St Leonards Infants and St Michael's Infants, which are held under a 125 year lease with Wiltshire Council. The buildings and the remainder of the land for the church schools are not owned by the Trust. The land is recognised as follows:

Durrington Infants - £357,945
 Bulford St Leonards Infants - £185,110
 St Michael's Infants - £336,505

The buildings and remainder of the land have been removed by way of a prior year adjustment due to the clarification by the ESFA on Church owned land and buildings operated by the Trust on a Church Supplementary Agreement. A notional rent value has not been included as it cannot be reliably measured.

Pembroke Park Primary leasehold buildings were transferred into the trust on 1 September 2018.

Netheravon All Saints Primary Academy land and buildings transferred into the trust on 1 December 2018. The land and buildings were valued on the depreciated replacement cost method in an exercise undertaken by the Education Funding agency as at the 31 March 2015. The land was valued at £547,000 and the buildings at £1,848,000, and transferred into the trust at net book value. The academy has not obtained a separate valuation. The academy did not consider it an effective use of public funds to obtain an additional valuation. The land and buildings are owned by the trust. The Academy Trust lease a mobile classroom to a Pre-School the term of the agreement is until 1st January 2024.

14 Debtors	2019 £	2018 £
Trade debtors	19,688	18,755
VAT recoverable	463,372	145,179
Prepayments and accrued income	358,626	178,980
	<u>841,686</u>	<u>342,914</u>
	<u><u>841,686</u></u>	<u><u>342,914</u></u>
15 Creditors: amounts falling due within one year	2019 £	2018 £
Government loans	-	8,453
Other loans	3,247	-
Trade creditors	323,266	305,269
Other taxation and social security	97,155	13,849
Other creditors	-	(1,500)
Accruals and deferred income	460,657	279,702
	<u>884,325</u>	<u>605,773</u>
	<u><u>884,325</u></u>	<u><u>605,773</u></u>

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

16 Creditors: amounts falling due after more than one year	2019 £	2018 £
Government loans	1,613,243	1,576,438
Other loans	3,247	-
	<u>1,616,490</u>	<u>1,576,438</u>
Analysis of loans		
Not wholly repayable within five years by instalments	1,096,738	892,201
Wholly repayable within five years	522,999	692,690
	<u>1,619,737</u>	<u>1,584,891</u>
Less: included in current liabilities	(3,247)	(8,453)
Amounts included above	<u>1,616,490</u>	<u>1,576,438</u>
Loan maturity		
Debt due in one year or less	3,247	8,453
Due in more than one year but not more than two years	48,897	167,183
Due in more than two years but not more than five years	470,855	517,054
Due in more than five years	1,096,738	892,201
	<u>1,619,737</u>	<u>1,584,891</u>

The government loan is a loan from Wiltshire Council for £1,275,000 made on conversion on 1 July 2016, being the estimated deficit prior to conversion. A further £292,593 was advanced on 4 December 2017 to cover the full historic deficit before conversion. During the year, the terms of the loan have been renegotiated with the next repayment of £50,000 due in June 2021, followed by annual repayments of £192,702 from June 2022 until June 2030 when the loan is fully repaid. The loan interest rate is charged at 1.53% per annum, with total interest over the life of the loan amounts of £241,724. The loan repayments shown above take account of the interest charged and therefore only show the capital element being repaid.

The other loans balance is £6,494 due to Salix Finance Ltd to be repaid in 6 monthly instalments of £1,624 from September 2019 to March 2021.

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17	Deferred income	2019 £	2018 £
	Deferred income is included within:		
	Creditors due within one year	376,123	172,198
	Deferred income at 1 September 2018	172,198	101,450
	Released from previous years	(172,198)	(101,450)
	Resources deferred in the year	376,123	172,198
	Deferred income at 31 August 2019	376,123	172,198

Deferred income refers to income received in the period to 31 August 2019 which relates to the year ending 31 August 2020:

UIFSM	£90,497
SGO Grant	£13,883
Education Support Grant	£226,200
School Fund	£11,583
Other income	<u>£33,960</u>
Total	<u>£376,123</u>

18	Funds	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
	Restricted general funds					
	General Annual Grant (GAG)	232,483	5,600,721	(5,337,484)	(125,139)	370,581
	Other DfE / ESFA grants	-	832,522	(832,522)	-	-
	Other government grants	-	698,131	(698,131)	-	-
	Other Restricted Funds	(1,289,314)	36,284	(360,213)	-	(1,613,243)
	Pension reserve	(904,000)	28,000	(109,000)	(791,000)	(1,776,000)
		<u>(1,960,831)</u>	<u>7,195,658</u>	<u>(7,337,350)</u>	<u>(916,139)</u>	<u>(3,018,662)</u>
	Restricted fixed asset funds					
	DfE group capital grants	9,158,634	6,946,659	(296,356)	125,139	15,934,076
	Total restricted funds	<u>7,197,803</u>	<u>14,142,317</u>	<u>(7,633,706)</u>	<u>(791,000)</u>	<u>12,915,414</u>
	Unrestricted funds					
	General funds	-	453,748	(453,748)	-	-
	Total funds	<u>7,197,803</u>	<u>14,596,065</u>	<u>(8,087,454)</u>	<u>(791,000)</u>	<u>12,915,414</u>

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Funds

(Continued)

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

The fixed asset fund was created with the donation of the schools land and buildings to the academy. Additional assets are added to the fund which is also written down by depreciation each year.

The restricted general funds are made up of the General Annual Grant received, to be spent on education within the academy, and other related DfE of other authority grants.

Unrestricted funds are general donations and fund raising activities of the academy and are used to support the provision of education within the academy.

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

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	315,454	4,665,057	(4,784,403)	36,375	232,483
Other DfE / ESFA grants	-	513,801	(513,801)	-	-
Other government grants	-	242,881	(242,881)	-	-
Other Restricted Funds	(1,289,314)	-	-	-	(1,289,314)
Pension reserve	(1,357,000)	-	(84,000)	537,000	(904,000)
	<u>(2,330,860)</u>	<u>5,421,739</u>	<u>(5,625,085)</u>	<u>573,375</u>	<u>(1,960,831)</u>
Restricted fixed asset funds					
DfE group capital grants	<u>8,870,442</u>	<u>437,081</u>	<u>(112,513)</u>	<u>(36,375)</u>	<u>9,158,635</u>
Total restricted funds	<u>6,539,582</u>	<u>5,858,820</u>	<u>(5,737,598)</u>	<u>537,000</u>	<u>7,197,804</u>
Unrestricted funds					
General funds	<u>-</u>	<u>374,964</u>	<u>(374,964)</u>	<u>-</u>	<u>-</u>
Total funds	<u>6,539,582</u>	<u>6,233,784</u>	<u>(6,112,562)</u>	<u>537,000</u>	<u>7,197,804</u>

SALISBURY PLAIN ACADEMIES

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

18 Funds (Continued)

Total funds analysis by academy

	2019 £	2018 £
Fund balances at 31 August 2019 were allocated as follows:		
Pembroke Park Primary School Joined the Trust 01 September 2018	(30,012)	-
Netheravon All Saints Primary School Joined the Trust 01 December 2018	109,826	-
Avon Valley College	(1,449,813)	(1,066,414)
St Michael's C of E Primary School	73,474	(38,585)
Bulford St Leonard's C of E Primary School	(53,309)	(30,215)
Durrington All Saints C of E Infant School	136,970	147,877
Salisbury Plain Academies	(29,798)	(69,494)
Total before fixed assets fund and pension reserve	(1,242,662)	(1,056,831)
Restricted fixed asset fund	15,934,076	9,158,635
Pension reserve	(1,776,000)	(904,000)
Total funds	12,915,414	7,197,804

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Pembroke Park Primary School Joined the Trust 01 September 2018	783,827	220,371	39,283	130,675	1,174,156	-
Netheravon All Saints Primary School Joined the Trust 01 December 2018	438,788	98,299	50,542	68,904	656,533	-
Avon Valley College	1,797,967	300,966	333,017	589,883	3,021,833	3,195,825
St Michael's C of E Primary School	368,612	148,063	3,542	99,504	619,721	425,388
Bulford St Leonard's C of E Primary School	698,141	255,476	59,407	121,301	1,134,325	1,207,045
Durrington All Saints C of E Infant School	405,611	99,076	32,263	105,867	642,817	648,809
Salisbury Plain Academies	6,904	295,557	43,419	86,833	432,713	438,912
	4,499,850	1,417,808	561,473	1,202,967	7,682,098	5,915,979

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Funds (Continued)

Total cost analysis by academy agrees to total costs (£8,087,454) less depreciation (£296,356) and FRS102 pension valuation service costs (£84,000) and finance costs (£25,000).

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Endowment Funds £	Total Funds £
Fund balances at 31 August 2019 are represented by:					
Tangible fixed assets	-	-	15,590,489	-	15,590,489
Current assets	-	1,251,659	350,081	-	1,601,740
Creditors falling due within one year	3,247	(884,325)	(3,247)	-	(884,325)
Creditors falling due after one year	(3,247)	(1,609,996)	(3,247)	-	(1,616,490)
Defined benefit pension liability	-	(1,776,000)	-	-	(1,776,000)
Total net assets	-	(3,018,662)	15,934,076	-	12,915,414

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Endowment Funds £	Total Funds £
Fund balances at 31 August 2018 are represented by:					
Tangible fixed assets	-	-	9,046,169	-	9,046,169
Current assets	-	1,125,380	112,466	-	1,237,846
Creditors falling due within one year	-	(605,773)	-	-	(605,773)
Creditors falling due after one year	-	(1,576,438)	-	-	(1,576,438)
Defined benefit pension liability	-	(904,000)	-	-	(904,000)
Total net assets	-	(1,960,831)	9,158,635	-	7,197,804

20 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Wiltshire County Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

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

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

20 Pension and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education in March 2019.

The key elements of the valuation and subsequent consultation are:

- an increase in employer rates from 16.48% to 23.68% of pensionable pay (including a 0.08% employer administration charge)
- the rise in contribution delayed from 1 April to September 2019
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,000 million giving a notional past service deficit of £22,100 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- there will be funding from the DFE for the financial year 2019/20 to help maintained schools and academies meet the additional costs resulting from the scheme valuation. Funding for 2020/21 onwards will be discussed as part of the next Spending Review round.

The TPS valuation for 2016 determined an employer rate of 23.6%, which is payable from September 2019. The next valuation of the TPS will be at March 2020 and will be based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £453,679 (2018: £337,505).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 25.0 to 30.2% for employers and 5.5 to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £461,000 (2018: £295,000)

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

20 Pension and similar obligations

(Continued)

As described in note the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

The contributions made to the LGPS scheme for the period are as follows:

Total contributions made	2019 £	2018 £
Employer's contributions	442,000	315,000
Employees' contributions	93,000	58,000
Total contributions	535,000	373,000
Principal actuarial assumptions	2019 %	2018 %
Rate of increase in salaries	2.6	2.6
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.9	2.8

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

	2019 Years	2018 Years
Retiring today		
- Males	21.4	22.5
- Females	23.7	24.9
Retiring in 20 years		
- Males	22.3	24.1
- Females	25.1	26.7

SALISBURY PLAIN ACADEMIES

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

20 Pension and similar obligations

(Continued)

Sensitivity Analysis

Change in assumptions at 31st August 2019

	Approximate % increase in employer liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	14%	854
1 year increase in member life expectancy	3-5%	185-308
0.5% increase in the Salary Increase Rate	3%	158
0.5% increase in the Pension Increase Rate	11%	677

Defined benefit pension scheme net liability

Scheme assets	4,385,000	2,750,000
Scheme obligations	(6,161,000)	(3,654,000)
Net liability	(1,776,000)	(904,000)

The academy trust's share of the assets in the scheme

	2019 Fair value £	2018 Fair value £
Equities	3,113,350	1,952,500
Bonds	613,900	385,000
Cash	87,700	55,000
Property	570,050	357,500
Total market value of assets	4,385,000	2,750,000

The actual return on scheme assets was £312,000 (2018: £204,000).

Amount recognised in the Statement of Financial Activities

	2019 £	2018 £
Current service cost	60,000	50,000
Past service cost	24,000	-
Interest income	(107,000)	(59,000)
Interest cost	132,000	93,000
Total operating charge	109,000	84,000

SALISBURY PLAIN ACADEMIES

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

20 Pension and similar obligations

(Continued)

Changes in the present value of defined benefit obligations	2019 £
At 1 September 2018	3,654,000
Transferred in on existing academies joining the academy trust	812,000
Current service cost	502,000
Interest cost	132,000
Employee contributions	93,000
Actuarial loss/(gain)	996,000
Benefits paid	(52,000)
Past service cost	24,000
At 31 August 2019	6,161,000

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

	2019 £
At 1 September 2018	2,750,000
Transferred in on existing academies joining the academy trust	840,000
Interest income	107,000
Actuarial gain	205,000
Employer contributions	442,000
Employee contributions	93,000
Benefits paid	(52,000)
At 31 August 2019	4,385,000

SALISBURY PLAIN ACADEMIES

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

21 Reconciliation of net income to net cash flow from operating activities

	2019 £	2018 £
Net income for the reporting period (as per the statement of financial activities)	6,508,610	121,222
Adjusted for:		
Net surplus on transfer of academy in the trust	(6,424,626)	-
Capital grants from DfE and other capital income	(650,819)	(437,081)
Investment income receivable	(528)	(3,670)
Finance costs payable	32,539	27,770
Defined benefit pension costs less contributions payable	84,000	50,000
Defined benefit pension scheme finance cost	25,000	34,000
Depreciation of tangible fixed assets	296,356	112,513
(Increase)/decrease in debtors	(498,772)	54,242
Increase in creditors	283,758	66,316
Stocks, debtors and creditors transferred on conversion	(20,385)	-
Net cash (used in)/provided by operating activities	(364,867)	25,312

22 Commitments under operating leases

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

	2019 £	2018 £
Amounts due within one year	19,041	24,162
Amounts due in two and five years	2,349	10,946
	21,390	35,108

23 Capital commitments

	2019 £	2018 £
Expenditure contracted for but not provided in the accounts	-	156,645

The Trust had £nil capital commitments at the year end.

(2018: The Trust had the following capital commitments at the year end:

St Michael's new build fit out £89,201, committed not contracted.

St Michael's new build equipment £13,251, committed not contracted.

Avon Valley College changing rooms and sports hall £54,193, contracted.)

SALISBURY PLAIN ACADEMIES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

24 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

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

Expenditure related party transactions

From 1st September 2018, the CEO has been remunerated via Salisbury Plain Academies payroll. During the year ended 31st August 2018 the Trust operated with a CEO who was paid via invoice.

Payments made to her for her services as CEO during the period 1st September 2017 to 31st August 2018 amounted to £86,000.

Salary of £12,600 (2018: £33,164) was paid to Mrs C Nash, spouse of Chair of Members Mr M Nash, for her teaching position at Bulford St Leonard's.

25 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

26 Transfer of existing academies into the academy trust

Pembroke Park Academy

On 1 September Pembroke Park Academy transferred into Salisbury Plain Academies and all the operations and assets and liabilities were transferred to Salisbury Plain Academies from The Education Fellowship Trust for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer of existing academy into the trust.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

SALISBURY PLAIN ACADEMIES

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

26 Transfer of existing academies into the academy trust

(Continued)

	Transfer in recognised £
Net assets acquired	
Leasehold land and buildings	3,959,992
Pension scheme	116,000
	<hr/>
Total net assets	4,075,992
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There were no fair value adjustments required to the values reported by the transferring trust.

On 1 December Netheravon All Saints Academy Trust transferred into Salisbury Plain Academies and all the operations and assets and liabilities were transferred to Salisbury Plain Academies from Netheravon All Saints Academy Trust for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer of existing academy into the trust.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

	Transfer in recognised £
Net assets acquired	
Freehold land and buildings	2,305,529
Other tangible fixed assets	31,173
Debtors	37,596
Liabilities	(57,981)
Cash and cash equivalents	120,317
Pension scheme	(88,000)
	<hr/>
Total net assets	2,348,634
	<hr/> <hr/>

There were no fair value adjustments required to the values reported by the transferring trust.