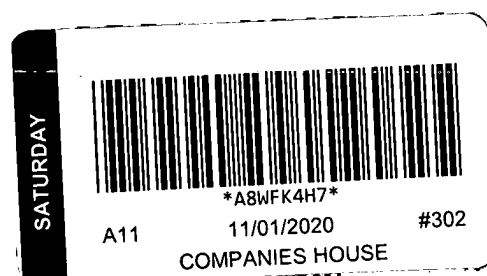


ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019



**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	S Spear A Kellas D C Edwards (resigned 31 August 2019) R J Aird
Trustees	K R J Lawrence K R J Lawrence, Chair of Trustees ¹ D Tubb, Vice Chair ² A Buckton, Trustee ^{1,2} P Brooks, Trustee ¹ D Desouza, Trustee ² S J Fairhurst, Trustee ² N Jones, Trustee ² A S M Lynas, Vice Chair ¹ P J MacDonald, Trustee ¹ ¹ Finance and Operations Committee ² Innovations and Outcomes Committee
Company registered number	11369471
Company name	Enable Trust
Principal and registered office	New Siblands Primary School Gillingstool Thornbury South Gloucestershire United Kingdom BS35 2EG
Chief executive officer	A Buckton
Senior leadership team	A Buckton, Chief Executive Officer T Moreton, Director of Finance and Operations C Osmond, New Siblands Headteacher S Hewitt, Culverhill Headteacher
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT
Bankers	Lloyds Bank plc 3 East Walk Yate Bristol BS37 4AT

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Solicitors	Veale Wasborough Vizards Narrow Quay House Narrow Quay Bristol BS1 4QA
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**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

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

The Trust operates 2 special academies in South Gloucestershire. Its academies have a combined pupil capacity of 255 and had a roll of 263 in the school census on 3 July 2019.

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 Enable Trust are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the academy trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the academy trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the academy trust. The limit of this indemnity is £10 million.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

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

- Minimum of 3 but no maximum of Trustees
- Up to 7 trustees appointed by the Members by ordinary resolution
- Under Article 57 of the Articles of Association, the CEO is appointed as a Trustee.

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

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

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the schools and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Induction is tailored specifically to the individual.

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Organisational Structure

Enable Trust has followed the organisational structure laid down in the Articles of Association. The structure is represented on page 1.

The Board of Trustees normally meets at least 3 times a year. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 2 committees as follows:

- Finance and Operations Committee - meets at least six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, risk management, external contracts, premises management, staffing, drafting the annual budget and including approval of staffing levels and compliance with reporting and regulatory requirements. It also incorporates the role of an audit committee and therefore receives reports from the external auditors regarding the annual accounts and Internal Assurance reports;
- Innovations and Outcomes Committee - meets at least six times monitoring the quality of teaching and learning, pupil progress, pupil outcomes and achievement, behaviour and attendance.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Trust to the CEO and Senior Leadership Team (SLT) of each school. The SLT implement the policies laid down by the Trustees and report back to them on performance.

The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Headteachers are responsible for the appointment of staff, though appointment panels for teaching posts will include a Governor.

The CEO is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Remuneration for the Trust's key management personnel is through the performance management process, managed by the CEO. Recommendations for increases in salary are presented to the Finance and Operations Committee for consideration and are also responsible for carrying out the appraisal for the CEO.

Headteachers' remuneration is through the performance management process overseen by the CEO and Chair of Governors of the school. Recommendations for increases in salary are presented to the Finance and Operations Committee for consideration.

The Trustees consider the Board of Trustees and the Senior Leadership Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the period.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

Connected Organisations, including Related Party Relationships

Enable Trust has a partnership with Special Partnership Trust to promote standards through informal collaboration and with North Avon Teaching School Alliance.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing two schools specifically organised to make special educational provision for pupils with severe, complex and profound and multiple learning difficulties.

Enable Trust has 7 strategic intents:

1. Special school voice is promoted to be strong in the educational system - locally, regionally and nationally. The holistic needs of pupils with SEN in specialist settings are understood by LA, stakeholders, partners, Ofsted, Government. Knowledge is better able to inform National policy. This will be enhanced by Enable Trust's Growth Strategy
2. Expertise in SEND is shared. Families and stakeholders are supported. Wider system expertise in SEN is enhanced through high quality outreach support and CPD. ETHOS establishes adaptable packages of support to mainstream schools to enhance outcomes for pupils with SEN. Training in key areas such as ASD, SEMH, SLCN is high quality and has strong impact on outcomes for pupils in mainstream schools. CPD released through partnership work and TSA. Families supported through a strong culture of advocacy, help, training and access to professionals and services that enhance children's outcomes and aid family well-being.
3. Expertise and leadership in SEND is grown. Highly skilled leaders of SEN equipped and released. Highly skilled sustainable workforce. All staff have an agreed standard of SEN expertise that ensures an exceptionally high quality of SEN provision within the Trust. Clear routes for career progression within the Trust are mapped out. Robust succession and sustainability plan - talent for leadership growth recognised and developed. Professional leadership qualifications for leaders developed and established through TSA and partnership with Special Partnership Trust. Governance consistently strong and sustainable.
4. Exceptional holistic outcomes and assessment for pupils. Clear accountability and delivery of provision for sustainable contribution to EHCP from Social care and Health. Social care and health contribute appropriately to EHC provision, including funding. Consistent and fair access to provision for pupils' mental health needs. Clarity regarding thresholds to services and commitment from health and social care to provide for meeting SEMH needs of pupils. OFSTED Outstanding - strength in securing exceptional outcomes for all pupils in the Trust recognised by OFSTED. Equality – ensuring needs are met for all pupils. Holding all services to account to ensure we have system assessment, making sure that findings from the Rochford Review are meaningful.
5. Secure funding - Financial position is low risk with sustainable resourcing across the Trust despite challenging fiscal climate.
6. Inclusion - Strong partnerships facilitate improvements in outcomes for pupils through shared values. Disability awareness and community ethos significantly strengthened.
7. Life skills college - Post 16 and Post 19 students are further prepared for adult life through enhanced life skills programmes and vocational preparation. Their transition to their next steps is timely and purposeful. Students have local provision to meet needs. Provision supports students to develop skills for successful vocational routes in the community and / or on-going relationship with students within Enable Trust community.

Objectives, Strategies and Activities

Enable Trust's work has been established to focus on 3 core strands:

1. Special school voice – to have a stronger voice in shaping policy and practice in the wider system
2. Raising Standards – through inquiry led pedagogy, partnerships, sharing best practice, engagement
3. Outreach (Enable Trust Holistic Outreach Service / ETHOS) – develop training for mainstream and special schools, develop support for parents and families, develop leadership in the sector

Public Benefit

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

STRATEGIC REPORT

Achievements and Performance

The Academy Trust is in its first year of operation and the report for the period covers 15 days that pupil attended school in July 2018. Detailed self evaluation for each school in Enable Trust for performance during the whole academic year can be found in their Self Evaluation Forms and in progress information published on the websites.

Key Performance Indicators

The academies in Enable Trust are funded based on place numbers. Due to the high demand in South Gloucestershire for special school provision, both schools breached their standard place numbers of 255 in 2018/19, ending the year with 262 pupils on roll.

Key Performance indicators trustees reviewed during the year included:

- Level of reserves as a % of total income: 4%
- Staffing costs as percentage of total income: 81.2%
- Average Teacher Cost: £58k
- Staff Cost Per Pupil £19k (based on all trust staff)

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 it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Going Concern policy.

FINANCIAL REVIEW

Financial Review

Most of the Academy Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy 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.

During the period ended 31 August 2019, the Academy Trust received total income (excluding fixed asset funds) of £5,756,141 and incurred total expenditure (excluding fixed asset funds) of £6,303,687. The excess of expenditure over income was £547,546.

At August 2018 the net book value of fixed assets was £20,739,040 and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

Key financial policies adopted include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending.

Reserves Policy

The Trustees have reviewed the future plans of the Academy and have set a reserves policy as follows:

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

ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees have determined that the appropriate level of free reserves should be approximately equal to one months' payroll costs which is £421,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of funding and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Total reserves of the Trust amount to £16,187,313 although £15,985,040 of this is invested in fixed assets or represents non GAG restricted funds. The remaining £202,273 (being unrestricted and restricted general funds) is the balance that Trustees monitor.

The Trust is working towards building up its reserves to the target level by ensuring that pupil numbers are increased from current levels and making cost savings.

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

Investment Policy

The Trustees have agreed the following:

Investments must be made only in accordance with written procedures approved by the Board of Trustees. All investments must be recorded in detail including date of purchase, cost and description, to identify it and to enable market value to be calculated. Additional procedures may be required to ensure all relevant income is received.

Principal Risks And Uncertainties

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

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

Financial – the Trust has considerable reliance on continued Government funding through the ESFA. In the last year, 98% of the School's incoming resources were ultimately Government funded and whilst this level is expected to continue, 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 School's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

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

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

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

Fraud and mismanagement of funds - The Trust has appointed an internal auditor, whose reports are reviewed by the Finance & Operations Committee to carry out checks on financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

The School has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. The Trust has an agreed Risk Register and a Risk Management Plan. These have been discussed and approved by Trustees and include the financial risks to the Trust. The register and plan will be regularly reviewed in light of any new information and formally reviewed annually.

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

Whilst the Schools in the Trust are over-subscribed, risks to revenue funding from falling rolls are small. However, the lack of any increases to the Place-Led or top-up funding and increasing payroll and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health of the Trust formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance & Operations Committee meetings. The Trustees also regularly review financial forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity. The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

FUNDRAISING

The trust only held small fundraising events in each school during the year with the funds raised donated to other registered charities. No formal fundraising took place during the year.

PLANS FOR FUTURE PERIODS

The trust will continue to strive to provide outstanding education and improve the levels of performance of its learners at all levels. The trust has the following plans in place for 2019/20 to continue to improve the outcomes of its young people:

Continue to raise the special school voice in the system by ensuring Enable Trust has a strong presence on accountability and development boards in the system.

Continue to work with partner schools and Trusts to improve the educational opportunities for young people in the wider community.

Planning to submit Condition Improvement Fund bids in order to obtain funding to improve its premises.

Prior to conversion Enable Trust was granted approval to establish a free school, Two Bridges, in South Gloucestershire. Whilst this project has been delayed from the initial planned opening of September 2019, it is anticipated work will finally commence in 2020/21 and that the Trust will be working on establishing the new school which is expected to open in September 2022.

The Trust will consider other options for growth such as bidding for proposed new free special schools.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Disclosure of information to auditors

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

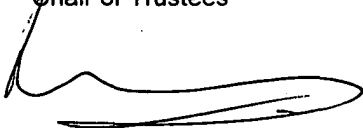
- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors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

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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

K R J Lawrence
Chair of Trustees



A Buckton
Accounting Officer



**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of Trustees has delegated the day-to-day responsibility to 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 Enable Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 4 times during the year.

The Finance and Operations Committee is a sub-committee of the main Board of Trustees. It has wide ranging responsibility for the quality of the physical, IT and learning environment managed within a secure and enabling financial framework.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
K R J Lawrence, Chair of Trustees	4	4
D Tubb, Vice Chair	3	4
A Buckton, Trustee	4	4
P Brooks, Trustee	1	4
D Desouza, Trustee	4	4
S J Fairhurst, Trustee	4	4
N Jones, Trustee	4	4
A S M Lynas, Vice Chair	4	4
P J MacDonald, Trustee	4	4

Although the full board met only 4 times (including one emergency meeting), the Finance & Operations committee met termly i.e. 6 times and Innovations & outcomes meeting 5 times during 2018/19. Chairs communicate regarding common topics of interest and documents are shared between committees as required. Each trustee can attend all meetings.

The Finance and Operations Committee is a sub-committee of the main board of Trustees. During the first full year of operation the committee has focussed on putting procedures and policies in place and reviewing and setting the budgets, balancing the increasing costs with funding that has either remained static for many years (place led funding) or seen a reduction in recent years (top-up funding).

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
A Buckton	6	6
K Lawrence	6	6
P MacDonald	6	6
S Lynas	6	6
P Brooks	3	6
D Tubb	2	6

GOVERNANCE STATEMENT (CONTINUED)

REVIEW OF VALUE FOR MONEY

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

The accounting officer considers how the Trust's use of its resources has provided good value for money during the 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 Trust has delivered improved value for money during the year by:

- Robust financial governance and budget management;
- Value for money purchasing;
- Reviewing controls and managing risk;
- Considering the allocation of resources in line with the school development plans and the Trust's Strategic Business Plan and vision;
- Making comparisons with similar academies using data provided by the ESFA and the Government as well as use of internal benchmarking data;
- Challenging proposals and examining their effectiveness and efficiency; and
- Deploying staff effectively.

The Trust continues to look for efficiencies in order to achieve economies of scale and it has been recognised by the Board of Trustees that the Trust will need to expand and diversify to achieve this aim. The future expansion of the trust will be supported by the plan to centralise the finance, HR and premises functions during 2019/20.

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 Enable Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance and General Purposes 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 appointed South Gloucestershire Council Internal Audit Department as internal auditor.

The reviewer's role will include giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. Three audits were carried out in 2018/19 as follows: an indepth review of each academy and one on Risk Management.

All internal audit reports are reviewed by the Finance and Operations Committee. The internal auditor has delivered their schedule of work as part of an initial 20 month contract to 31st August 2020.


REVIEW OF EFFECTIVENESS

As accounting officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Trustees on 12 / 12 / 19 and signed on their behalf by:


K R J Lawrence
Chair of Trustees


A Buckton
Accounting Officer

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



A Buckton

Accounting Officer

Date: 12/12/19

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the board of Trustees and signed on its behalf by:



K R J Lawrence
Chair of Trustees
Date: 12/12/19

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ENABLE TRUST

OPINION

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

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ENABLE TRUST (CONTINUED)

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ENABLE TRUST (CONTINUED)

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the academy 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 to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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



David Butler FCA DChA (Senior statutory auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date: 19 March 2019

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 17 October 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Enable Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF ENABLE TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Enable Trust's funding agreement with the Secretary of State for Education dated 18 May 2018 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by 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.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ENABLE
TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 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.

Bishop Fleming Ltd

David Butler FCA DChA (Reporting Accountant)

Bishop Fleming LLP
16 Queen Square
Bristol
BS1 4NT

Date: *19 December 2019*

ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:						
Donations and capital grants	3	2,922	35,332	5,000	43,254	18,684,103
Charitable activities	4	29,507	5,683,080	-	5,712,587	864,830
Other trading activities	5	5,082	-	-	5,082	-
Investments	6	218	-	-	218	-
TOTAL INCOME		37,729	5,718,412	5,000	5,761,141	19,548,933
EXPENDITURE ON:						
Charitable activities	8	176,325	6,127,362	363,365	6,667,052	1,010,709
TOTAL EXPENDITURE		176,325	6,127,362	363,365	6,667,052	1,010,709
NET EXPENDITURE		(138,596)	(408,950)	(358,365)	(905,911)	18,538,224
Transfers between funds	18	-	(6,872)	6,872	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)						
		(138,596)	(415,822)	(351,493)	(905,911)	18,538,224
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	23	-	(1,296,000)	-	(1,296,000)	(149,000)
NET MOVEMENT IN FUNDS		(138,596)	(1,711,822)	(351,493)	(2,201,911)	18,389,224
RECONCILIATION OF FUNDS:						
Total funds brought forward		247,291	(2,948,600)	21,090,533	18,389,224	-
Net movement in funds		(138,596)	(1,711,822)	(351,493)	(2,201,911)	18,389,224
TOTAL FUNDS CARRIED FORWARD		108,695	(4,660,422)	20,739,040	16,187,313	18,389,224

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 48 form part of these financial statements.

ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:11369471

BALANCE SHEET
AS AT 31 AUGUST 2019


	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	14	20,739,040	21,090,533
		<u>20,739,040</u>	<u>21,090,533</u>
CURRENT ASSETS			
Debtors	15	98,160	380,982
Cash at bank and in hand		355,680	216,811
		<u>453,840</u>	<u>597,793</u>
Creditors: amounts falling due within one year	16	(251,567)	(326,102)
		<u>202,273</u>	<u>271,691</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>20,941,313</u>	<u>21,362,224</u>
Defined benefit pension scheme liability	23	(4,754,000)	(2,973,000)
		<u>16,187,313</u>	<u>18,389,224</u>
TOTAL NET ASSETS			


FUNDS OF THE ACADEMY TRUST

Restricted funds:

Fixed asset funds	18	20,739,040	21,090,533
Restricted income funds	18	93,578	24,400
		<u>20,832,618</u>	<u>21,114,933</u>
Restricted funds excluding pension asset	18	20,832,618	21,114,933
Pension reserve	18	(4,754,000)	(2,973,000)
		<u>16,078,618</u>	<u>18,141,933</u>
Total restricted funds	18	16,078,618	18,141,933
Unrestricted income funds	18	108,695	247,291
		<u>16,187,313</u>	<u>18,389,224</u>
TOTAL FUNDS			

The financial statements on pages 20 to 48 were approved by the Trustees, and authorised for issue on 12/12/19 and are signed on their behalf, by:


K R J Lawrence
Chair of Trustees


A Buckton
Accounting Officer

The notes on pages 23 to 48 form part of these financial statements.

ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by/(used in) operating activities	20	150,523	(103,286)
CASH FLOWS FROM INVESTING ACTIVITIES	21	(11,654)	320,097
		<hr/>	<hr/>
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		138,869	216,811
Cash and cash equivalents at the beginning of the year		216,811	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	22	355,680	216,811
		<hr/>	<hr/>

The notes on pages 23 to 48 form part of these financial statements

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**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), judgments and key sources of estimation uncertainty, is set out below.

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

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 academy trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 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.

• **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the year 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.

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME (CONTINUED)

• **Transfer on conversion**

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred 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. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

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 allocated on the portion of the asset's use.

• **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.

All resources expended are inclusive of irrecoverable VAT.

1.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 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 Part 11, chapter 3 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.

ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

1. ACCOUNTING POLICIES (continued)

1.7 TANGIBLE FIXED ASSETS

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long-term leasehold land	- over the life of the lease
Long-term leasehold buildings	- 2% straight line
Computer equipment	- 20% straight line

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

1.8 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.10 LIABILITIES

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

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.11 PROVISIONS

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

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

1.12 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment. 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 as detailed in note 16. 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. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment.

1.13 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

**ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.14 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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. As stated in note 22, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded 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 net income/expenditure 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.

1.15 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 the funders where the asset acquired or created is held for a specific purpose.

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

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

ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtained use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Transfer on conversion	-	-	-	-	18,679,934
Donations	2,922	18,954	5,000	26,876	4,169
Grants	-	16,378	-	16,378	-
	2,922	35,332	5,000	43,254	4,169
TOTAL 2019	2,922	35,332	5,000	43,254	18,684,103
TOTAL 2018	363,417	(2,791,000)	21,111,686	18,684,103	

ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DFE/ESFA GRANTS				
General Annual Grant	-	2,622,012	2,622,012	430,461
Other DfE/EFSA grants	-	190,004	190,004	-
	-	2,812,016	2,812,016	430,461
Other Government grants				
High Needs	-	2,831,535	2,831,535	434,369
Other government grants: capital	-	35,545	35,545	-
	-	2,867,080	2,867,080	434,369
Other funding				
Internal catering income	28,780	-	28,780	-
Other	727	3,984	4,711	-
	29,507	3,984	33,491	-
	29,507	5,683,080	5,712,587	864,830
TOTAL 2018	-	864,830	864,830	

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Total funds 2019 £
Lettings	2,322	2,322
Consultancy	2,760	2,760
	5,082	5,082

ENABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

6. INVESTMENT INCOME

	Unrestricted funds 2019 £	Total funds 2019 £
Bank interest	218	218

7. EXPENDITURE

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Charitable activities					
Direct costs	4,068,707	274,891	130,242	4,473,840	730,734
Allocated support costs	1,287,038	343,521	562,653	2,193,212	279,975
TOTAL 2019	5,355,745	618,412	692,895	6,667,052	1,010,709
TOTAL 2018	799,514	98,284	112,911	1,010,709	

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8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Education	4,473,840	2,193,212	6,667,052	1,010,709
TOTAL 2018	730,734	279,975	1,010,709	

Analysis of direct costs

	Total funds 2019 £	Total funds 2018 £
Pension finance costs	55,000	7,000
Staff costs	3,923,000	655,079
Depreciation	274,891	50,321
Educational supplies	147,777	11,637
Examination fees	12,137	-
Staff development	29,464	2,917
Other costs	11,203	3,144
Supply teachers	20,368	636
	4,473,840	730,734

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NOTES TO THE FINANCIAL STATEMENTS
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8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Pension finance costs	30,000	7,000
Staff costs	1,287,038	136,969
Depreciation	88,474	9,983
Other costs	805	3,002
Supply teachers	125,339	6,830
Recruitment and support	10,854	464
Maintenance of premises and equipment	80,166	39,610
Cleaning	69,472	8,682
Rent and rates	10,732	-
Energy costs	63,224	4,115
Insurance	64,424	12,384
Security and transport	29,330	10,570
Catering	96,772	9,039
Technology costs	56,637	3,540
Office overheads	23,973	5,240
Legal and professional	132,631	11,003
Bank interest and charges	579	140
Governance costs	22,762	11,404
	2,193,212	279,975

9. NET EXPENDITURE

Net expenditure for the year includes:

	2019 £	2018 £
Operating lease rentals	3,155	673
Depreciation of tangible fixed assets	365,565	60,304
Fees paid to auditors for:		
- audit	10,000	7,000

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

10. STAFF COSTS

a. STAFF COSTS

Staff costs during the year were as follows:

	2019	2018
	£	£
Wages and salaries	3,782,110	607,991
Social security costs	324,107	50,897
Pension costs	1,103,821	133,160
	5,210,038	792,048
Agency staff costs	145,707	7,466
	5,355,745	799,514

b. STAFF NUMBERS

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

	2019	2018
	No.	No.
Teachers	45	41
Administration and support	141	138
Management	1	2
	187	181

The average headcount expressed as full-time equivalents was:

	2019	2018
	No.	No.
Teachers	36	36
Administration and support	82	86
Management	1	2
	119	124

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10. STAFF COSTS (CONTINUED)

c. HIGHER PAID STAFF

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

	2019	2018
	No.	No.
In the band £60,001 - £70,000	2	-
In the band £90,001 - £100,000	1	-
	<u>2</u>	<u>1</u>

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as 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 £309,132 (2018: £55,618).

11. CENTRAL SERVICES

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

- Financial services;
- Human resources;
- Strategic management staff salaries;
- Legal, audit and governance;
- School improvement planning;
- Brand development, website and prospectus production; and
- Research and development.

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

4%-5% of ESFA funding

The actual amounts charged during the year were as follows:

	2019	2018
	£	£
Culverhill School	123,992	20,683
New Siblands School	116,202	20,372
TOTAL	<u>240,194</u>	<u>41,055</u>

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12. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows: A Buckton: remuneration £95,000 - £100,000 (2018: £10,000 - £15,000), employer's pension contributions £15,000 - £20,000 (2018: £Nil - £5,000).

During the year ended 31 August 2019, expenses totalling £618 were reimbursed or paid directly to 2 Trustees (2018 - £113 to 2 Trustees).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance 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.

14. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Computer equipment £	Total £
COST OR VALUATION			
At 1 September 2018	21,150,837	-	21,150,837
Additions	-	11,872	11,872
At 31 August 2019	21,150,837	11,872	21,162,709
DEPRECIATION			
At 1 September 2018	60,304	-	60,304
Charge for the year	361,825	1,540	363,365
At 31 August 2019	422,129	1,540	423,669
NET BOOK VALUE			
At 31 August 2019	20,728,708	10,332	20,739,040
At 31 August 2018	21,090,533	-	21,090,533

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FOR THE YEAR ENDED 31 AUGUST 2019

15. DEBTORS

	2019 £	2018 £
DUE WITHIN ONE YEAR		
Trade debtors	55,982	-
Prepayments and accrued income	39,588	369,913
VAT recoverable	2,590	11,069
	<u>98,160</u>	<u>380,982</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	3,805	90,471
Other taxation and social security	152,585	146,378
Accruals and deferred income	95,177	89,253
	<u>251,567</u>	<u>326,102</u>

	2019 £	2018 £
Resources deferred during the year	<u>18,014</u>	<u>-</u>

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

17. FINANCIAL INSTRUMENTS

	2019 £	2018 £
FINANCIAL ASSETS		
Financial assets measured at fair value through income and expenditure	355,680	216,811
Financial assets that are debt instruments measured at amortised cost	87,010	355,686
	<u>442,690</u>	<u>572,497</u>
	2019 £	2018 £
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	<u>(80,968)</u>	<u>(179,724)</u>

Financial assets measured at fair value through income and expenditure comprise of cash at bank.

Financial assets that are debt instruments measured at amortised cost comprise of trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals.

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
UNRESTRICTED FUNDS						
General funds	247,291	37,729	(176,325)	-	-	108,695
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	24,400	2,622,012	(2,552,834)	-	-	93,578
Pupil Premium	-	107,291	(107,291)	-	-	-
UIFSM	-	4,679	(4,679)	-	-	-
DFC	-	16,378	(9,506)	(6,872)	-	-
Other DFE/ESFA Grants	-	78,034	(78,034)	-	-	-
High Needs Funding (SEN)	-	2,831,535	(2,831,535)	-	-	-
Other Government Grants	-	35,545	(35,545)	-	-	-
Other Restricted Funds	-	22,938	(22,938)	-	-	-
Pension reserve	(2,973,000)	-	(485,000)	-	(1,296,000)	(4,754,000)
	<u>(2,948,600)</u>	<u>5,718,412</u>	<u>(6,127,362)</u>	<u>(6,872)</u>	<u>(1,296,000)</u>	<u>(4,660,422)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	21,051,513	-	(361,042)	-	-	20,690,471
Fixed assets purchased from GAG	39,020	5,000	(2,323)	6,872	-	48,569
	<u>21,090,533</u>	<u>5,000</u>	<u>(363,365)</u>	<u>6,872</u>	<u>-</u>	<u>20,739,040</u>
TOTAL RESTRICTED FUNDS	<u>18,141,933</u>	<u>5,723,412</u>	<u>(6,490,727)</u>	<u>-</u>	<u>(1,296,000)</u>	<u>16,078,618</u>
TOTAL FUNDS	<u>18,389,224</u>	<u>5,761,141</u>	<u>(6,667,052)</u>	<u>-</u>	<u>(1,296,000)</u>	<u>16,187,313</u>

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

18. STATEMENT OF FUNDS (CONTINUED)

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

RESTRICTED FUNDS

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

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Universal Infant Free School Meals (UIFSM) represents amount received from the ESFA to fund free school meals for infants.

Devolved formula capital (DFC) represents devolved capital funding received from the LA / ESFA which has been spent on revenue items. During the year £16,378 was transferred to the restricted fixed asset fund to represent fixed assets purchased from DFC.

Other DfE / ESFA grants represents funding received from the ESFA including PE and Sport Premium, Year 7 Catch Up funding and other miscellaneous grants.

High Needs - Funding received by the Local authority to fund further support for students with additional needs.

Other government grants include various amount received from different sources including North Somerset Council, Wiltshire Council and Bristol City Council.

Other restricted funds includes various amounts received from non-government agencies.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

FIXED ASSET FUNDS

Fixed assets transferred on conversion represent the building and equipment donated to the school from South Gloucestershire Council on conversion to an Academy.

Fixed assets purchased from GAG represents amounts spent on fixed assets from the GAG funding received from the ESFA.

OTHER MATTERS

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

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Culverhill School	328,063	239,309
New Siblands School	(118,186)	40,962
Enable Trust	(7,604)	(8,580)
Total before fixed asset funds and pension reserve	202,273	271,691
Restricted fixed asset fund	20,739,040	21,090,533
Pension reserve	(4,754,000)	(2,973,000)
TOTAL	16,187,313	18,389,224

Increasing staffing costs and lower funding received than originally projected for 2018/19 are the two main reasons the New Siblands budget had an in-year deficit. Funding is lower due to expected pupils not joining the school, in year funding adjustments reflecting pupils leaving in-year and pupils passing away. These all have an immediate impact on our funding. In addition the LA has not met some requests for top-up funding to increase where pupils needs have increased (including challenging behaviour) and additional staff have had to be employed to maintain the health and safety of the pupil, other pupils and staff. Given the high level of support staff in special schools, the high pay award from 1st April 2019 has also had a significant impact.

We are working hard at looking to see how a balanced budget can be set in future but this will only happen if funding is increased both in-line with pay and other costs increasing and to meet pupils increasingly complex needs. In addition, a request has been made to the LA to recognise New Siblands as a split site and to therefore receive funding in this regard. A recovery plan has not been agreed with the ESFA at this stage however the Regional Schools Commissioner has seen the projected figures. The Trust has also been proactive by requesting an SRMA who visited the Trust in September 2019.

The Trust's financial position has also not been helped by the delayed opening of the new free school "Two Bridges", which was originally due to open in September 2019.

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Culverhill School	1,902,918	276,121	53,435	331,778	2,564,252	442,053
New Siblands School	1,668,968	907,492	84,051	352,339	3,012,850	456,780
Enable Trust	275,821	320,908	-	129,856	726,585	51,572
ACADEMY TRUST	3,847,707	1,504,521	137,486	813,973	6,303,687	950,405

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (CONTINUED)

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

	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
UNRESTRICTED FUNDS					
General funds	363,417	(116,126)	-	-	247,291
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	430,461	(366,910)	(39,151)	-	24,400
High Needs Funding (SEN)	434,369	(434,369)	-	-	-
Pension reserve	(2,791,000)	(33,000)	-	(149,000)	(2,973,000)
	<u>(1,926,170)</u>	<u>(834,279)</u>	<u>(39,151)</u>	<u>(149,000)</u>	<u>(2,948,600)</u>
RESTRICTED FIXED ASSET FUNDS					
Fixed assets transferred on conversion	21,111,686	(60,173)	-	-	21,051,513
Fixed assets purchased from GAG	-	(131)	39,151	-	39,020
	<u>21,111,686</u>	<u>(60,304)</u>	<u>39,151</u>	<u>-</u>	<u>21,090,533</u>
TOTAL RESTRICTED FUNDS	<u>19,185,516</u>	<u>(894,583)</u>	<u>-</u>	<u>(149,000)</u>	<u>18,141,933</u>
TOTAL FUNDS	<u>19,548,933</u>	<u>(1,010,709)</u>	<u>-</u>	<u>(149,000)</u>	<u>18,389,224</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	20,739,040	20,739,040
Current assets	108,695	345,145	-	453,840
Creditors due within one year	-	(251,567)	-	(251,567)
Provisions for liabilities and charges	-	(4,754,000)	-	(4,754,000)
TOTAL	108,695	(4,660,422)	20,739,040	16,187,313

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	21,090,533	21,090,533
Current assets	247,291	350,502	-	597,793
Creditors due within one year	-	(326,102)	-	(326,102)
Provisions for liabilities and charges	-	(2,973,000)	-	(2,973,000)
TOTAL	247,291	(2,948,600)	21,090,533	18,389,224

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

20. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(905,911)	18,538,224
ADJUSTMENTS FOR:		
Depreciation	363,365	60,304
Interest receivable	(218)	-
Defined benefit pension scheme cost less contributions payable	400,000	19,000
Defined benefit pension scheme finance cost	85,000	14,000
Decrease/(increase) in debtors	282,822	(380,982)
(Decrease)/increase in creditors	(74,535)	326,102
Transfer on conversion	-	(18,679,934)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	150,523	(103,286)

21. CASH FLOWS FROM INVESTING ACTIVITIES

	2019 £	2018 £
Purchase of tangible fixed assets	(11,872)	(39,151)
Interest receivable	218	-
Cash received on conversion	-	359,248
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(11,654)	320,097

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash in hand	355,680	216,811
TOTAL CASH AND CASH EQUIVALENTS	355,680	216,811

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

23. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £35,615 were payable to the schemes at 31 August 2019 (2018 - £77,151) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 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 on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

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23. PENSION COMMITMENTS (CONTINUED)

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £262,230 (2018 - £42,066).

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 pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £549,000 (2018 - £87,000), of which employer's contributions totalled £440,000 (2018 - £70,000) and employees' contributions totalled £109,000 (2018 - £17,000). The agreed contribution rates for future years are 14.3%-20% for employers and 5.5%-12.5% for employees.

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

Principal actuarial assumptions

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

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	23.7	23.6
Females	26.2	26.1
<i>Retiring in 20 years</i>		
Males	26.3	26.2
Females	29.0	28.2

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NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (CONTINUED)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	1,106,000	672,000
Government bonds	-	199,000
Other bonds	258,000	211,000
Property	130,000	159,000
Cash and other liquid assets	28,000	65,000
Other	842,000	408,000
TOTAL MARKET VALUE OF ASSETS	2,364,000	1,714,000

The actual return on scheme assets was £136,000 (2018 - £34,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2019 £	2018 £
Current service cost	(601,000)	(89,000)
Past service cost	(239,000)	-
Interest income	46,000	7,000
Interest cost	(131,000)	(21,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(925,000)	(103,000)

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

	2019 £	2018 £
At 1 September	4,687,000	-
Upon conversion	-	4,386,000
Current service cost	601,000	89,000
Interest cost	131,000	21,000
Employee contributions	109,000	17,000
Actuarial losses	1,376,000	174,000
Benefits paid	(25,000)	-
Past service costs	239,000	-
At 31 August	7,118,000	4,687,000

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

23. PENSION COMMITMENTS (CONTINUED)

Changes in the fair value of the academy trust's share of scheme assets were as follows:

	2019 £	2018 £
At 1 September	1,714,000	-
Transferred upon conversion	-	1,594,000
Interest income	55,000	8,000
Actuarial gains	80,000	25,000
Employer contributions	440,000	70,000
Employee contributions	109,000	17,000
Benefits paid	(25,000)	-
Administration expenses	(9,000)	-
At 31 August	2,364,000	1,714,000

24. OPERATING LEASE COMMITMENTS

At 31 August 2019 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	1,052	3,450
Later than 1 year and not later than 5 years	-	1,052
	1,052	4,502

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

26. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust's operations 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 a trustees has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

During the year, the Trust made purchases of £4,385 from a company which is controlled by one of the Trustees.

Trustees' remuneration and expenses have been disclosed on note 13.