

**CLYST VALE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2019**

**CLYST VALE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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**(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	K Bawn S Sanger-Anderson L Stephan G Stroud D Evans
<b>Trustees</b>	K Bawn, Principal <sup>1,2,3</sup> S Norris <sup>2</sup> S Sanger-Anderson <sup>1,4</sup> T White (resigned 11 February 2019) <sup>2,3</sup> L Waycott, Vice Chair <sup>1</sup> D Ruscoe <sup>2</sup> P Colin <sup>2</sup> C Johnson <sup>2</sup> G Stroud, Chair <sup>1,2,3</sup> M Davies <sup>1,4</sup> C Winlove <sup>2</sup> P Skelton (appointed 5 July 2019) B Brook <sup>1,3</sup> D Walter <sup>2</sup> A Odunlade, Staff Trustee (resigned 14 November 2019) <sup>2</sup> M Prance, Staff Trustee (resigned 2 July 2019) <sup>2</sup> L Stephan (resigned 13 November 2018) <sup>2,3</sup> S Diffey (appointed 5 July 2019)  <sup>1</sup> Finance and Premises <sup>2</sup> Curriculum, Learning and Teaching <sup>3</sup> Pay <sup>4</sup> Appeals Committee
<b>Company registered number</b>	07564519
<b>Company name</b>	Clyst Vale Academy Trust
<b>Principal and Registered office</b>	Station Road Broadclyst Exeter Devon EX5 3AJ
<b>Company secretary</b>	D Custance Baker (resigned 2 September 2018), R Long (appointed 29 October 2018, resigned 31 August 2019), M Anderson-Thorne (appointed 1 September 2019)
<b>Accounting Officer</b>	Dr K Bawn
<b>Senior leadership team</b>	K Bawn, Principal A Green, Vice Principal - Curriculum (resigned 31/08/2019) P Sutton, Deputy Principal - Intervention D Walters, Deputy Principal - Teaching A Hopkins, College Manager S Jacobs, Deputy Principal - Curriculum (appointed 01/09/2019)

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**(A COMPANY LIMITED BY GUARANTEE)**

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

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**Independent auditors**      Bishop Fleming LLP  
Chartered Accountants  
Statutory Auditors  
2nd Floor Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS

**Bankers**                      Lloyds Bank  
High Street  
Exeter  
Devon  
EX4 3NL

**CLYST VALE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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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 an academy for pupils aged 11 to 18 in East Devon. It has a pupil capacity of 1,121 and had a roll of 875 at the end of the summer term 2019.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy 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.

The Trustees of Clyst Vale Academy 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 page 1 and 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.

**Trade union facility time  
Relevant union officials**

Number of employees who were relevant union officials during the year	-
Full-time equivalent employee number	88

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£	
Total cost of facility time	-	
Total pay bill	4,134,887	
Percentage of total pay bill spent on facility time	-	%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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**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

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

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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 £10,000 and this cover is provided by RPA.

## **TRUSTEES**

### **Method of Recruitment and Appointment or Election of Trustees**

The Academy's Board of Trustees comprises the Principal who is treated for all purposes as being an ex officio Governor, a minimum of 2 and a maximum of 6 Parent Trustees, up to 4 Staff Trustees (providing that the total number of Trustees, including the Principal, who are employees of the Academy Trust, does not exceed one third of the total number of Trustees) 4 Member Appointed and 3 Co-opted Trustees.

Trustees are appointed for a four year period, except that this time limit does not apply to the Head teacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed 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 Academy 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. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

There is a Trustees' workshop organised each term which includes training sessions to keep the Trustees updated on relevant developments impacting on their roles and responsibilities.

### **Organisational Structure**

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy 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.

In 2018-2019 there were committees as follows;

- Finance and Resource Committee - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. This committee also considers Premises and Health & Safety matters on a regular basis.
- Curriculum Committee - this meets at least once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- Pay Committee - This meets once a year to consider/confirm recommendations for pay progression with regard to performance management and other pay matters which may be appropriate.
- Discipline Committee - This meets on an ad hoc basis whenever there is a permanent exclusion of a student to consider.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the

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

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status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Head teacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Principal and Senior Leadership Team (SLT). The SLT comprises the Principal, Vice Principal, 2 Deputy Principals and the College Manager. The SLT implement the policies laid down by the Trustees and report back to them on performance.

The Principal, and College Manager are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Head teacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a Governor.

The Principal is the Accounting Officer.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

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 year.

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

The pay of key management personnel is based on STPCD and JNC nationally negotiated salaries and reviewed annually.

The Trustees benchmark against pay levels in other Academies of a similar size.

**Connected Organisations, including Related Party Relationships**

Clyst Vale Academy has use of the Broadclyst LED Sports Hall leisure facilities and there is a shared use agreement between it and the Academy.

The Academy has strong collaborative links with 8 feeder primary schools which form part of the Clyst Vale Local Learning Community.

Clyst Vale belongs to the Dartmoor Teaching School Alliance.

**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 a school, offering a broad range of curriculum for pupils of different abilities.

The principal object and activity of the Charitable Company is the operation of Clyst Vale Academy Trust to provide free education and care for pupils of different abilities between the ages of 11 and 18.

The aims of the Academy during the year ended 31 August 2019 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils.
- to provide a broad and balanced curriculum, including extracurricular activities.
- to develop students as more effective learners.

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

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- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- to provide value for money for the funds expended.
- to develop greater coherence, clarity and effectiveness in school systems.
- to comply with all appropriate statutory and curriculum requirements.
- to maintain close links with industry and commerce.
- to develop the Academy's capacity to manage change, and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Clyst Vale Community College (Academy Trust) we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

**Objectives, Strategies and Activities**

Key priorities for the year are contained in our College Improvement Plan which is available on the College website.

Improvements identified for 2018/19 included:

Priorities

Attendance	95% attendance
	13% persistent absentees
Priority learners	To achieve in line with national outcomes for P8. "gaps" to be significantly narrowed
Sixth form	To achieve a Value-added score of Zero
	Enhance the leaderships of sixth form able to contribute significantly to support this
Maths	Ensure Progress 8 score overall (and for key groups) is in line with national outcomes
Curriculum	Curriculum reviewed and plans in place for September 2019 and subsequently reviewed to meet the needs of all students.
Careers	Demonstrate improvements to GEIAG in line with National Careers Strategy and Gatsby benchmarks
Pride in CVCC (RRS)	Achieve Rights Respecting Schools Award (Bronze 2018, Silver July 2019)
Monitoring General Progress	Qualitative feedback to ensure the SLT Link and Subject Link process is more robust; increased drop-ins, student voice and more effective use of "data drops"

**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's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit, education in our designated catchment area and where appropriate beyond. The Academy Trust provides for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community. The Academy Trust supports a dual use Library and has a good working relationship with the shared use Sports Hall. Clyst Vale is committed to the success of the Broadclyst Traffic Group, as it impacts on students' safety.



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

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**STRATEGIC REPORT**

**Achievements and Performance**

The Academy is in its ninth year of operation. Numbers on roll are recovering from a demographic dip and in September 2019 Year 7 is full with a Planned Admission Number (PAN) of 182.

2018-19 was a challenging year, reflected in examination outcomes.

At GCSE the Attainment 8 Measure was 44.2.

The overall Progress 8 Measure was -0.33, below national figures but well above the floor target; 67% of all grades achieved were a standard pass, grade 4 or better; All students, but one, left with at least one GCSE qualification.

A-Level results were comparable to national outcomes.  
42% of grades achieved were at A\* - B, and the overall pass rate was 99%;  
The value-added score for A-levels was a little below national outcomes;  
The value-added score for applied Level 3 qualifications (BTec) was above national outcomes.

To ensure that standards are continually raised the Academy Trust operates a programme of self-evaluation including data monitoring, tracking and analysis; observation of lessons; reports from external visitors, for example the Achievement for All coach and subject reviews, which in turn include scrutiny of students' work and student interviews.

Continuing professional development for all staff has been very successful with a strong and narrower focus on teaching and learning which will continue into the future.

The Academy prides itself on promoting citizenship and important human qualities of empathy and compassion. During the year the Academy's charity fundraising activities raised £3702.99. All funds have been transferred to the relevant charities. The Academy also achieved UNICEF's Rights Respecting Schools Bronze Award, which will be a significant vehicle for further improving ethos and other developments.

The Academy continues to be a member of the Jurassic Coast Teaching Schools' Alliance although this changed from September 2018 and is now a part of the Dartmoor TSA. In 2017-18, JCTSA continued to work on mutual staff development, with the primary aim of driving up standards. As noted above, Clyst Vale Governors are pursuing opportunities and engaging with local schools, both primary and secondary, and continue to explore and develop a Multi-Academy Trust model.

**Key Performance Indicators**

The biggest determinant of income is pupil numbers, although the nature of local demographics means a 'target' is impossible to set. After a decline, pupil numbers in years 7-11 are recovering, but Post-16 numbers declined sharply although now stabilised. Demographic trends suggest that significant student growth is likely into Year 7 from 2019. Numbers are as follows:

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

	2018/19 (Jan 2019 Census)	2017/18 (Jan 2018 Census)	2016/17 (Jan 2017 Census)
Student Numbers Year 7-11	804	782	758
Student Numbers 6 <sup>th</sup> Form	71	76	108
Number of Disadvantaged Learners	193	159	175

Headline Performance Measures were as follows. Statistically, due to changes in national accountability measures, year-on-year comparisons are only indicative.

	2018/19 (Jan 2019 Census)	2017/18 Actual	2016/17 Actual
Attainment 8	44.2	47.6	49.1
Progress 8	-0.34	-0.03	-0.13
% of Students with strong pass (G5+) in English & Maths	38.6	51	47
% Achieving EBacc	24.7	21	20

### **Going Concern**

After making appropriate enquiries, the board of trustees has a reasonable expectation that the Academy 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'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 2019 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2019, the Academy received total revenue income of £4,728,235 and incurred total revenue expenditure of £4,727,566 (Excluding depreciation and pension charges), giving an operating surplus for the year of £669. In addition to revenue funding, the Academy received £65,380 of capital funding.

At 31 August 2019 the net book value of fixed assets was £13,199,372 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

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

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The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 1st April 2011 at £10,934,500. Assets acquired since have been included in the financial statements at purchase price and they are depreciated over their useful lives.

The Academy 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 21 to the financial statements.

Key financial policies adopted or reviewed during the year 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. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

**Reserves Policy**

The Trustees review the reserve levels of the Academy 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 Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be a maximum of 5% of the General Annual Grant (GAG) which represents just over 50% of our current average monthly outgoings, with a minimum level of around 2% of GAG. The level of reserves held is monitored closely by the College Manager to ensure they are sufficient for the needs of the Academy and corrective action is taken where necessary. These are identified on the monthly budget monitors and the 3 year forecasts which are presented at Finance and Resource Committee. These reserves are taken into account when any budget planning or forecasts are produced.

The level of free reserves as at 31st August 2019 were £148,245 which is 3.5% of GAG.

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

**Investment Policy**

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. All funds surplus to immediate requirements are invested to optimal effect, taking into account the period available, current interest rates and associated risks.

**Principal Risks And Uncertainties**

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 98% of the Academy'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 Academy'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.

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

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Reputational - the continuing success of the Academy 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.

Demographic and Strategic – The combination of increased freedoms with respect to new schools, free schools, and UTCs with the uncertain rate of demographic growth in the local area exposes the Academy to financial and comparative reputational risk, should student numbers fall. To mitigate risk, Trustees strive to secure the latest information available and adopt the strategies indicated above.

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 Academy 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. With regard to staff consultation, the Governing Body is committed to ensuring that staff of the Academy Trust are consulted at all times on fundamental issues impacting on their employment and conditions of service.

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer/internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy 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.

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

At the year end, the Academy 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 21 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**FUNDRAISING**

The Academy prides itself on promoting citizenship and important human qualities of empathy and compassion. During the year the Academy's charity fundraising activities raised £3702.99. All funds have been transferred to the relevant charities. The Academy also achieved UNICEF's Rights Respecting Schools Bronze Award, which will be a significant vehicle for further improving ethos and other developments.

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

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**PLANS FOR FUTURE PERIODS**

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community.

The Academy is actively pursuing opportunities and engaging with local schools, both primary and secondary. Consideration is being given to explore and develop a Multi-Academy Trust model.

**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.

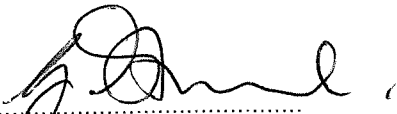
**DISCLOSURE OF INFORMATION TO AUDITORS**

In so far as the Trustees are aware:

- 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.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on (date) and signed on the board's behalf by:

  
.....  
**G Stroud**

16/12/2019

**CLYST VALE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT**

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**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Clyst Vale Academy 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 Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Clyst Vale Academy 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 8 times during the year.

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

Trustee	Meetings attended	Out of a possible
K Bawn, Principal	8	8
S Norris	7	8
S Sanger-Anderson	6	8
T White	2	8
L Waycott, Vice Chair	8	8
D Ruscoe	4	8
P Colin	6	8
C Johnson	7	8
G Stroud, Chair	7	8
M Davies	1	8
C Winlove	5	8
P Skelton	1	0
B Brook	8	8
D Walter	7	8
A Odunlade, Staff Trustee	1	8
M Prance, Staff Trustee	6	8
L Stephan	0	0
S Diffey	1	1

During the year P Skelton and S Diffey were elected as Trustees and T White, M Prance and L Stephan resigned.

The Finance and Resource Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure that the resources of the College are used to ensure the best provision for its students and to monitor, evaluate and review policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, reviewing and making recommendations to the Full Board of Trustees on the annual budget including setting staffing levels. The Committee operates in accordance with the Academies Financial Handbook to maintain effective deployment of College finances and resources. This committee also considers premises, health and safety matters on a regular basis.

**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (CONTINUED)**

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
K Bawn	3	4
B Brook	3	4
S Sanger-Anderson	3	4
G Stroud	4	4
M Davies	1	4
L Waycott	4	4

**Review of value for money**

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

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

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Making comparisons with similar Academies using data provided by the ESFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.

The Trust consistently strives to achieve the best value for money, in all financial aspects of our activities.

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

## **GOVERNANCE STATEMENT (CONTINUED)**

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### **The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Resources 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 has decided to appoint Griffin Chartered Accountants as internal auditor.

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

- Payroll systems
- Income and cash receipts
- Purchases and cash payments
- Governance, regularity and risk management
- Fixed assets

On termly basis, the internal auditor reports to the board of Trustees through the Finance and Resources committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

After each visit the reviewer reports to the Board of Trustees, through the Finance & Resources Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The audit function of the Finance and Premises Committee is primarily to provide assurance over the suitability of, and compliance with, the Academy's financial systems and operational controls, ensuring risks are being adequately identified and managed. To assist with this function, it has engaged the services of Griffin Chartered Accountants which undertakes an agreed programme of checks on the internal systems and controls on their behalf. Findings are reported to and discussed with the Finance & Resources Committee, via the nominated Responsible Officer, who take appropriate action as necessary, as defined in the Terms of Reference. The Responsible Officer reports annually to the Board of Trustees' on the operation of the systems of control.

During the year ending 31 August 2019 the College worked closely with Griffin Chartered Accountants on financial matters and performed a range of checks on the Academy Trust's financial systems and controls. The Accounting Officer and College Manager were responsible for overcoming any weaknesses identified.



GOVERNANCE STATEMENT (CONTINUED)

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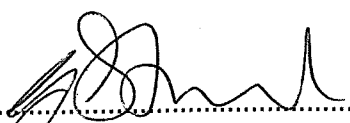
**Review of effectiveness**

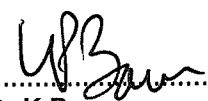
As accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resources 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 and signed on their behalf by:

  
.....  
**G Stroud**  
Chair of Trustees      16/12/2019

  
.....  
**Dr K Bawn**  
Accounting Officer

**CLYST VALE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

---

As accounting officer of Clyst Vale Academy Trust I have considered my responsibility to notify the Academy 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, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017. 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.

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



**Dr K Bawn**

Accounting Officer

Date: 16/12/2019

**CLYST VALE ACADEMY 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:

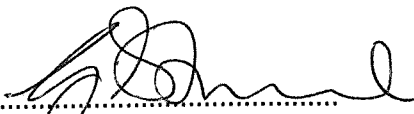
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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:

  
.....  
**G Stroud**  
Chair of Trustees  
Date: 16/12/2019

**CLYST VALE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CLYST VALE ACADEMY TRUST**

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**Opinion**

We have audited the financial statements of Cyst Vale Academy Trust (the 'academy') 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CLYST VALE ACADEMY TRUST (CONTINUED)**

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**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 and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CLYST VALE ACADEMY TRUST (CONTINUED)**

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**Responsibilities of trustees**

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

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

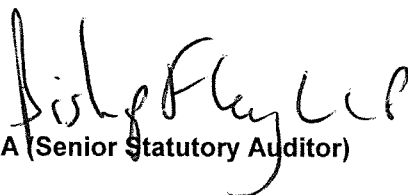
**Auditors' responsibilities for the audit of the financial statements**

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](http://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'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'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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Tim Borton FCA DChA (Senior Statutory Auditor)**

for and on behalf of  
**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
2nd Floor Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS

18 December 2019

Date:

**CLYST VALE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CLYST VALE ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 8 December 2016 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 Clyst Vale Academy 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 Clyst Vale Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Clyst Vale Academy 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 Clyst Vale Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Clyst Vale Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Clyst Vale Academy Trust's funding agreement with the Secretary of State for Education dated 28 March 2011 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'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.

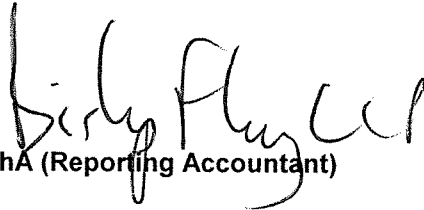
**CLYST VALE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**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.



**Tim Borton FCA DChA (Reporting Accountant)**

**Bishop Fleming LLP**  
2nd Floor Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS

Date:

18 December 2019



**CLYST VALE ACADEMY 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 £
<b>INCOME FROM:</b>						
Donations and capital grants	3	3,247	-	65,338	68,585	1,422,569
Charitable activities	4	94,303	4,528,945	-	4,623,248	4,567,863
Other trading activities	5	101,484	-	-	101,484	64,190
Investments	6	256	-	-	256	243
<b>TOTAL INCOME</b>		<b>199,290</b>	<b>4,528,945</b>	<b>65,338</b>	<b>4,793,573</b>	<b>6,054,865</b>
<b>EXPENDITURE ON:</b>						
Raising funds	7	66,957	-	-	66,957	60,681
Charitable activities	8	110,595	4,847,014	323,175	5,280,784	5,021,246
<b>TOTAL EXPENDITURE</b>		<b>177,552</b>	<b>4,847,014</b>	<b>323,175</b>	<b>5,347,741</b>	<b>5,081,927</b>
<b>NET INCOME / (EXPENDITURE)</b>		<b>21,738</b>	<b>(318,069)</b>	<b>(257,837)</b>	<b>(554,168)</b>	<b>972,938</b>
Transfers between funds	17	-	(39,806)	39,806	-	-
<b>NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)</b>		<b>21,738</b>	<b>(357,875)</b>	<b>(218,031)</b>	<b>(554,168)</b>	<b>972,938</b>
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Actuarial losses on defined benefit pension schemes	23	-	(580,000)	-	(580,000)	696,000
<b>NET MOVEMENT IN FUNDS</b>		<b>21,738</b>	<b>(937,875)</b>	<b>(218,031)</b>	<b>(1,134,168)</b>	<b>1,668,938</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		126,507	(2,671,125)	13,453,613	10,908,995	9,240,057
Net movement in funds		21,738	(937,875)	(218,031)	(1,134,168)	1,668,938
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>148,245</b>	<b>(3,609,000)</b>	<b>13,235,582</b>	<b>9,774,827</b>	<b>10,908,995</b>

The notes on pages 26 to 49 form part of these financial statements.

**CLYST VALE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:07564519**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	13	<b>13,199,372</b>	13,292,194
		<b>13,199,372</b>	13,292,194
<b>CURRENT ASSETS</b>			
Debtors	14	<b>158,024</b>	334,250
Cash at bank and in hand		<b>302,723</b>	870,736
		<b>460,747</b>	1,204,986
Creditors: amounts falling due within one year	15	<b>(276,292)</b>	(856,185)
<b>NET CURRENT ASSETS</b>		<b>184,455</b>	348,801
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>13,383,827</b>	13,640,995
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>		<b>13,383,827</b>	13,640,995
Defined benefit pension scheme liability	23	<b>(3,609,000)</b>	(2,732,000)
<b>TOTAL NET ASSETS</b>		<b>9,774,827</b>	10,908,995
<b>FUNDS OF THE ACADEMY</b>			
<b>Restricted funds:</b>			
Fixed asset funds	17	<b>13,235,582</b>	13,453,613
Restricted income funds	17	-	60,875
Restricted funds excluding pension liability	17	<b>13,235,582</b>	13,514,488
Pension reserve	17	<b>(3,609,000)</b>	(2,732,000)
<b>Total restricted funds</b>	17	<b>9,626,582</b>	10,782,488
<b>Unrestricted income funds</b>	17	<b>148,245</b>	126,507
<b>TOTAL FUNDS</b>		<b>9,774,827</b>	10,908,995

The financial statements on pages 23 to 49 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

**G Stroud**  
Chair of Trustees



16/12/2019

The notes on pages 26 to 49 form part of these financial statements.

**CLYST VALE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash (used in)/provided by operating activities	19	<b>(403,254)</b>	490,485
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	20	<b>(164,759)</b>	139,977
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>(568,013)</b>	630,462
Cash and cash equivalents at the beginning of the year		<b>870,736</b>	240,274
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	21	<b>302,723</b>	870,736

The notes on pages 26 to 49 form part of these financial statements

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

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**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, 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.

Clyst Vale Academy 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 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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

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**1. ACCOUNTING POLICIES (continued)**

**1.3 INCOME**

All incoming resources are recognised when the Academy 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 period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grant 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.

- **Sponsorship income**

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

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

**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.

- **Expenditure on raising funds**

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

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

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**1. ACCOUNTING POLICIES (continued)**

**1.4 EXPENDITURE (CONTINUED)**

- **Charitable activities**

These are costs incurred on the Academy's educational operations, including support costs and costs relating to the governance of the Academy 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; 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 is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

**1.7 TANGIBLE FIXED ASSETS**

Assets costing more than £1,000 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 each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following basis:

Long term leasehold land	-	over the length of the lease
Long term leasehold buildings	-	2% straight line
Furniture and equipment	-	10% - 20% 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.

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

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**1. ACCOUNTING POLICIES (continued)**

**1.8 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**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 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.

**1.11 FINANCIAL INSTRUMENTS**

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy and their measurement 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 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

**1.12 OPERATING LEASES**

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

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

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**1. ACCOUNTING POLICIES (continued)**

**1.13 PENSIONS**

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

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

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

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

**1.14 AGENCY ARRANGEMENTS**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 26.

**1.15 FUND ACCOUNTING**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.



**NOTES TO THE FINANCIAL STATEMENTS**  
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**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 obtains 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**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Donations	3,247	-	<b>3,247</b>	7,161
Capital Grants	-	65,338	<b>65,338</b>	1,415,408
<b>TOTAL 2019</b>	<b>3,247</b>	<b>65,338</b>	<b>68,585</b>	<b>1,422,569</b>
<b>TOTAL 2018</b>	<b>3,963</b>	<b>1,418,606</b>	<b>1,422,569</b>	

**CLYST VALE ACADEMY TRUST**  
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**FOR THE YEAR ENDED 31 AUGUST 2019**

**4. FUNDING FOR THE ACADEMY'S EDUCATION**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>DfE/ESFA GRANTS</b>				
General Annual Grant	-	4,162,517	<b>4,162,517</b>	4,202,409
Other DfE/EFSA grants	-	205,549	<b>205,549</b>	212,769
	-	4,368,066	<b>4,368,066</b>	4,415,178
<b>Other government grants</b>				
High Needs	-	157,561	<b>157,561</b>	110,444
	-	157,561	<b>157,561</b>	110,444
<b>Other funding</b>				
Internal catering income	86,032	-	<b>86,032</b>	-
Income for hosting trainee teachers	3,600	-	<b>3,600</b>	-
Sales to students	4,671	-	<b>4,671</b>	11,110
Other	-	3,318	<b>3,318</b>	31,131
	94,303	3,318	<b>97,621</b>	42,241
<b>TOTAL 2019</b>	<b>94,303</b>	<b>4,528,945</b>	<b>4,623,248</b>	<b>4,567,863</b>
<b>TOTAL 2018</b>	<b>37,056</b>	<b>4,530,807</b>	<b>4,567,863</b>	

**5. INCOME FROM OTHER TRADING ACTIVITIES**

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Lettings income	5,361	<b>5,361</b>	2,573
Consultancy	4,500	<b>4,500</b>	-
Trip income	70,820	<b>70,820</b>	61,617
Other income	20,803	<b>20,803</b>	-
<b>TOTAL 2019</b>	<b>101,484</b>	<b>101,484</b>	<b>64,190</b>

All prior year income related to unrestricted funds.

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**6. INVESTMENT INCOME**

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	256	256	243

All prior year income related to unrestricted funds.

**7. EXPENDITURE**

	Staff Costs 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
EXPENDITURE ON FUNDRAISING TRADING ACTIVITIES:				
Direct costs	-	66,957	66,957	60,681
EDUCATION:				
Direct costs	3,647,979	620,304	4,268,283	4,110,815
Support costs	463,432	549,069	1,012,501	910,431
<b>TOTAL 2019</b>	<b>4,111,411</b>	<b>1,236,330</b>	<b>5,347,741</b>	<b>5,081,927</b>
<b>TOTAL 2018</b>	<b>3,868,888</b>	<b>1,213,039</b>	<b>5,081,927</b>	

**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Education	4,268,283	1,012,501	5,280,784	5,021,246
<b>TOTAL 2018</b>	<b>4,110,815</b>	<b>910,431</b>	<b>5,021,246</b>	

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**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**Analysis of direct costs**

	<b>Education 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Pension finance cost	72,000	<b>72,000</b>	83,000
Staff costs	3,647,979	<b>3,647,979</b>	3,491,612
Depreciation	286,427	<b>286,427</b>	261,252
Educational supplies	83,815	<b>83,815</b>	110,716
Examination fees	88,561	<b>88,561</b>	81,283
Staff development	15,111	<b>15,111</b>	5,988
Other costs	50,914	<b>50,914</b>	63,606
Supply teachers	23,476	<b>23,476</b>	13,358
<b>TOTAL 2019</b>	<b>4,268,283</b>	<b>4,268,283</b>	<b>4,110,815</b>

**Analysis of support costs**

	<b>Education 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Staff costs	463,432	<b>463,432</b>	372,429
Depreciation	36,748	<b>36,748</b>	29,208
Educational supplies	2,000	<b>2,000</b>	1,740
Recruitment and support	10,996	<b>10,996</b>	9,801
Maintenance of premises and equipment	102,270	<b>102,270</b>	133,748
Cleaning	12,117	<b>12,117</b>	9,081
Rent and rates	71,673	<b>71,673</b>	54,128
Energy costs	72,484	<b>72,484</b>	63,225
Insurance	17,934	<b>17,934</b>	17,400
Security and transport	11,866	<b>11,866</b>	9,138
Catering	34,449	<b>34,449</b>	35,791
Office overheads	46,994	<b>46,994</b>	45,518
Legal and professional	112,960	<b>112,960</b>	113,359
Bank interest and charges	139	<b>139</b>	190
Governance	16,439	<b>16,439</b>	15,675
<b>TOTAL 2019</b>	<b>1,012,501</b>	<b>1,012,501</b>	<b>910,431</b>

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**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	21,712	25,307
Depreciation of tangible fixed assets	232,175	290,460
Fees paid to auditors for:		
- audit	6,850	6,650
- other services	3,250	3,667
	<u>6,850</u>	<u>3,667</u>

**10. STAFF COSTS**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	3,093,786	2,929,400
Social security costs	290,994	284,048
Pension costs	726,631	650,593
	<u>4,111,411</u>	<u>3,864,041</u>
Agency staff costs	23,476	13,358
	<u>4,134,887</u>	<u>3,877,399</u>

**b. STAFF NUMBERS**

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

	2019 No.	2018 No.
Teachers	63	58
Administration and support	59	67
Management	5	5
	<u>127</u>	<u>130</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
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**10. STAFF COSTS (CONTINUED)**

**b. STAFF NUMBERS (CONTINUED)**

The average headcount expressed as full-time equivalents was:

	<b>2019</b>	2018
	<b>No.</b>	No.
Teachers	<b>46</b>	49
Administration and support	<b>37</b>	37
Management	<b>4</b>	5
	<b>87</b>	91

**c. HIGHER PAID STAFF**

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

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

**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 £334,628 (2018: £403,872). The reduction compared to 2018 is due to the Academy Trust operating with a vacancy in the Senior Leadership Team for most of the year. The cost of key management personnel is expected to increase again in 2019/20.

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the Key Management Personnel other than in their role as Trustee, their remuneration as set out in note 11 has not been included in the total benefits received by Key Management Personnel above.

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

**11. TRUSTEES' REMUNERATION AND EXPENSES**

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: Kevin Bawn: Remuneration £80,000 - £85,000 (2018: £80,000 - £85,000), Employer's pension contributions £10,000 - £15,000 (2018: £10,000 - £15,000), Melanie Prance: Remuneration £45,000 - £50,000 (2018: £45,000 - £50,000), Employer's pension contributions £5,000 - £10,000 (2018: £5,000 - £10,000), Aude Alapini-Odunlade: Remuneration £10,000 - £15,000 (2018: £30,000 - £35,000), Employer's pension contributions £1,000 - £5,000 (2018: £5,000 - £10,000) and Paul Colin: Remuneration £0 - £5,000 (2018: £Nil), Employer's pension contributions £Nil (2018: £Nil).

Other related party transactions involving the Trustees are set out in note 27.

During the year ended 31 August 2019, expenses totalling £69 were reimbursed or paid directly to 1 Trustee (2018 - £361 to 1 Trustee).

**12. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice, the Academy 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 on any one claim and the cost for the year ended 31 August 2019 was £17,360 (2018 - £17,400). The cost of this insurance is included in the total insurance cost.

**13. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
<b>COST OR VALUATION</b>				
At 1 September 2018	14,716,685	371,413	470,899	15,558,997
Additions	184,392	23,991	21,970	230,353
At 31 August 2019	14,901,077	395,404	492,869	15,789,350
<b>DEPRECIATION</b>				
At 1 September 2018	1,598,386	243,563	424,854	2,266,803
Charge for the year	267,945	33,048	22,182	323,175
At 31 August 2019	1,866,331	276,611	447,036	2,589,978

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**13. TANGIBLE FIXED ASSETS (CONTINUED)**

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
<b>NET BOOK VALUE</b>				
At 31 August 2019	<b>13,034,746</b>	<b>118,793</b>	<b>45,833</b>	<b>13,199,372</b>
At 31 August 2018	13,118,299	127,850	46,045	13,292,194

**14. DEBTORS**

	2019 £	2018 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	1,048	15,879
VAT recoverable	45,422	157,158
Other debtors	11,781	12,422
Prepayments and accrued income	99,773	148,791
	<b>158,024</b>	<b>334,250</b>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Trade creditors	95,266	47,586
Other taxation and social security	71,792	68,873
Other creditors	5,912	52,294
Accruals and deferred income	103,322	687,432
	<b>276,292</b>	<b>856,185</b>
	<b>2019 £</b>	<b>2018 £</b>
Deferred income at 1 September 2018	74,492	28,967
Resources deferred during the year	31,339	74,492
Amounts released from previous periods	(74,492)	(28,967)
	<b>31,339</b>	<b>74,492</b>

At the balance sheet date the Academy had deferred income in relation to trips and reimbursement of



**NOTES TO THE FINANCIAL STATEMENTS**  
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**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (CONTINUED)**

rates and expenditure for the 2019/20 year.

**16. FINANCIAL INSTRUMENTS**

	2019 £	2018 £
<b>FINANCIAL ASSETS</b>		
Financial assets measured at fair value through income and expenditure	<b>302,723</b>	870,736
Financial assets that are debt instruments measured at amortised cost	<b>65,774</b>	150,646
	<u><b>368,497</b></u>	<u>1,021,382</u>
	2019 £	2018 £
<b>FINANCIAL LIABILITIES</b>		
Financial liabilities measured at amortised cost	<u><b>(173,161)</b></u>	<u>(711,369)</u>

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

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

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

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**17. STATEMENT OF FUNDS**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>UNRESTRICTED FUNDS</b>						
General funds	126,507	199,290	(177,552)	-	-	148,245
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	60,875	4,162,517	(4,183,586)	(39,806)	-	-
High Needs	-	157,561	(157,561)	-	-	-
Pupil Premium	-	205,549	(205,549)	-	-	-
Other Restricted Funds	-	3,318	(3,318)	-	-	-
Pension reserve	(2,732,000)	-	(297,000)	-	(580,000)	(3,609,000)
	<u>(2,671,125)</u>	<u>4,528,945</u>	<u>(4,847,014)</u>	<u>(39,806)</u>	<u>(580,000)</u>	<u>(3,609,000)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	9,550,931	-	(197,651)	-	-	9,353,280
Fixed assets purchased from GAG	111,306	-	(32,908)	39,806	-	118,204
DfE/ESFA capital grants	3,778,031	65,338	(90,949)	-	-	3,752,420
Donations	13,345	-	(1,667)	-	-	11,678
	<u>13,453,613</u>	<u>65,338</u>	<u>(323,175)</u>	<u>39,806</u>	<u>-</u>	<u>13,235,582</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>10,782,488</u>	<u>4,594,283</u>	<u>(5,170,189)</u>	<u>-</u>	<u>(580,000)</u>	<u>9,626,582</u>
<b>TOTAL FUNDS</b>	<u>10,908,995</u>	<u>4,793,573</u>	<u>(5,347,741)</u>	<u>-</u>	<u>(580,000)</u>	<u>9,774,827</u>

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

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

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**17. STATEMENT OF FUNDS (CONTINUED)**

Academy, including education and support costs.

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

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.

Other restricted funds - This represents restricted income included within expenditure accounts.

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 - This represents the buildings and equipment donated to the school from the Local Authority on conversion to an Academy Trust.

Fixed assets purchased from GAG - This represents fixed assets which are purchased from GAG funding. The balance at the year end represents the net book value of assets.

DfE/ESFA Capital Grants - These funds were received for direct expenditure on fixed asset projects. The balance at the year end represents the net book value of assets and any unspent grant amounts.

Donations - This represents fixed assets which were purchased from other restricted funds. The balance at the year end represents the net book value of these assets.

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

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**17. STATEMENT OF FUNDS (CONTINUED)**

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>UNRESTRICTED FUNDS</b>						
General funds	112,900	105,452	(91,845)	-	-	126,507
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	-	4,202,409	(4,100,805)	(40,729)	-	60,875
High Needs	-	110,444	(110,444)	-	-	-
Pupil Premium	-	206,935	(206,935)	-	-	-
Devolved Formula Capital	-	19,221	(19,221)	-	-	-
Other Restricted Funds	-	11,019	(11,019)	-	-	-
Donations	-	3,198	(3,198)	-	-	-
Pension reserve	(3,180,000)	-	(248,000)	-	696,000	(2,732,000)
	<u>(3,180,000)</u>	<u>4,553,226</u>	<u>(4,699,622)</u>	<u>(40,729)</u>	<u>696,000</u>	<u>(2,671,125)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	9,749,140	-	(198,209)	-	-	9,550,931
Fixed assets purchased from GAG	99,444	-	(28,867)	40,729	-	111,306
DfE/ESFA capital grants	2,443,561	1,396,187	(61,717)	-	-	3,778,031
Donations	15,012	-	(1,667)	-	-	13,345
	<u>12,307,157</u>	<u>1,396,187</u>	<u>(290,460)</u>	<u>40,729</u>	<u>-</u>	<u>13,453,613</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>9,127,157</u>	<u>5,949,413</u>	<u>(4,990,082)</u>	<u>-</u>	<u>696,000</u>	<u>10,782,488</u>

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**17. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>TOTAL FUNDS</b>	<b>9,240,057</b>	<b>6,054,865</b>	<b>(5,081,927)</b>	<b>-</b>	<b>696,000</b>	<b>10,908,995</b>

**18. 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	-	-	13,199,372	<b>13,199,372</b>
Current assets	424,537	-	36,210	<b>460,747</b>
Creditors due within one year	(276,292)	-	-	<b>(276,292)</b>
Pension scheme liability	-	(3,609,000)	-	<b>(3,609,000)</b>
<b>TOTAL</b>	<b>148,245</b>	<b>(3,609,000)</b>	<b>13,235,582</b>	<b>9,774,827</b>

**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	-	-	13,292,194	13,292,194
Current assets	126,507	548,701	529,778	1,204,986
Creditors due within one year	-	(487,826)	(368,359)	(856,185)
Provisions for liabilities and charges	-	(2,732,000)	-	(2,732,000)
<b>TOTAL</b>	<b>126,507</b>	<b>(2,671,125)</b>	<b>13,453,613</b>	<b>10,908,995</b>

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

**19. 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)	<b>(554,168)</b>	972,938
<b>ADJUSTMENTS FOR:</b>		
Depreciation	<b>323,175</b>	290,460
Capital grants from DfE and other capital income	<b>(65,338)</b>	(1,415,408)
Interest receivable	<b>(256)</b>	(243)
Defined benefit pension scheme cost less contributions payable	<b>152,000</b>	165,000
Defined benefit pension scheme finance cost	<b>145,000</b>	83,000
Decrease/(increase) in debtors	<b>176,226</b>	(142,652)
(Decrease)/increase in creditors	<b>(579,893)</b>	537,390
<b>NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES</b>	<b>(403,254)</b>	490,485

**20. CASH FLOWS FROM INVESTING ACTIVITIES**

	2019 £	2018 £
Dividends, interest and rents from investments	<b>256</b>	243
Purchase of tangible fixed assets	<b>(230,353)</b>	(1,275,674)
Capital grants from DfE Group	<b>65,338</b>	1,415,408
<b>NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES</b>	<b>(164,759)</b>	139,977

**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2019 £	2018 £
Cash in hand	<b>302,723</b>	870,736
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>302,723</b>	870,736

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

**22. CAPITAL COMMITMENTS**

	2019 £	2018 £
<b>CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS</b>		
Contracted for but not provided in these financial statements	<b>36,210</b>	161,419

**23. PENSION COMMITMENTS**

The Academy'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 Devon County 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.

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

**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 £351,255 (2018 - £355,171).

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 has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 £169,917 (2018 - £196,000), of which employer's contributions totalled £122,704 (2018 - £153,000) and employees' contributions totalled £ 47,213 (2018 - £43,000). The agreed contribution rates for future years are per cent for employers and per cent 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**

	<b>2019</b>	<b>2018</b>
	<b>%</b>	<b>%</b>
RATE OF INCREASE IN SALARIES	<b>3.7</b>	3.8
RATE OF INCREASE FOR PENSIONS IN PAYMENT/INFLATION	<b>2.2</b>	2.3
DISCOUNT RATE FOR SCHEME LIABILITIES	<b>1.85</b>	2.65
INFLATION ASSUMPTION (CPI)	<b>2.2</b>	2.3

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

	<b>2019</b>	<b>2018</b>
	<b>Years</b>	<b>Years</b>
<i>RETIRING TODAY</i>		
MALES	<b>22.5</b>	23.5
FEMALES	<b>24.4</b>	25.6
<i>RETIRING IN 20 YEARS</i>		
MALES	<b>24.2</b>	25.8
FEMALES	<b>26.2</b>	28



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

23. PENSION COMMITMENTS (CONTINUED)

Sensitivity analysis

	2019 £000	2018 £000
DISCOUNT RATE +0.1%	155	127
DISCOUNT RATE -0.1%	(159)	(130)
MORTALITY ASSUMPTION - 1 YEAR INCREASE	(249)	(184)
MORTALITY ASSUMPTION - 1 YEAR DECREASE	240	178
CPI RATE +0.1%	(133)	(110)
CPI RATE -0.1%	129	107

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

	At 31 August 2019 £	At 31 August 2018 £
Equities and gilts	1,974,000	1,780,000
Bonds	57,000	54,000
PROPERTY	264,000	249,000
CASH AND OTHER LIQUID ASSETS	40,000	43,000
Target return portfolio	424,000	393,000
Infrastructure and alternative assets	274,000	240,000
<b>TOTAL MARKET VALUE OF ASSETS</b>	<b>3,033,000</b>	<b>2,759,000</b>

The actual return on scheme assets was £127,000 (2018 - £158,000).

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

	2019 £	2018 £
CURRENT SERVICE COST	(306,000)	(315,000)
INTEREST INCOME	73,000	64,000
INTEREST COST	(145,000)	(147,000)
<b>TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES</b>	<b>(378,000)</b>	<b>(398,000)</b>

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**23. PENSION COMMITMENTS (CONTINUED)**

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

	2019 £	2018 £
<b>AT 1 SEPTEMBER</b>	<b>5,491,000</b>	5,644,000
CURRENT SERVICE COST	306,000	315,000
INTEREST COST	145,000	147,000
EMPLOYEE CONTRIBUTIONS	47,000	43,000
ACTUARIAL LOSSES/(GAINS)	632,000	(604,000)
BENEFITS PAID	(52,000)	(57,000)
PAST SERVICE COSTS	73,000	3,000
<b>AT 31 AUGUST</b>	<b>6,642,000</b>	5,491,000

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

	2019 £	2018 £
<b>AT 1 SEPTEMBER</b>	<b>2,759,000</b>	2,464,000
INTEREST INCOME	75,000	66,000
ACTUARIAL GAINS	52,000	92,000
EMPLOYER CONTRIBUTIONS	154,000	153,000
EMPLOYEE CONTRIBUTIONS	47,000	43,000
BENEFITS PAID	(52,000)	(57,000)
Administration expenses	(2,000)	(2,000)
<b>AT 31 AUGUST</b>	<b>3,033,000</b>	2,759,000

**24. OPERATING LEASE COMMITMENTS**

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

	2019 £	2018 £
Not later than 1 year	21,712	14,966
Later than 1 year and not later than 5 years	52,386	-
	<b>74,098</b>	14,966

**CLYST VALE ACADEMY TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**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. General information**

Clyst Vale Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Station Road, Broadclyst, Exeter, Devon, EX5 3AJ.

**27. RELATED PARTY TRANSACTIONS**

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

A Ruscoe, daughter of D Ruscoe, a Trustee, is employed by the Academy. A Ruscoe's appointment was made prior to D Ruscoe's appointment as a Trustee in an open competition. A Ruscoe is paid within the normal pay scale for her role and she receives no special treatment as a result of her relationship with a Trustee.

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

**28. AGENCY ARRANGEMENTS**

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2019 the Academy Trust received £11,655 and disbursed £5,744 from the fund. An amount of £5,911 is included in other creditors relating to undistributed funds that is repayable to ESFA.