

CAROLINE CHISHOLM EDUCATION TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

CAROLINE CHISHOLM EDUCATION TRUST

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CAROLINE CHISHOLM EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

L Browett (resigned 19 September 2018)
G Irons (resigned 19 September 2018)
L Samways
A Sortwell (appointed 19 September 2018)
S Stringer (appointed 20 September 2018)

Trustees

J Blaize (Staff trustee)
S Boak (Trustee) (Appointed 20 September 2017)
J Croasdale (Trustee)
S Duffy (Trustee)
S Gregson (Staff Trustee)
G Irons (Trustee)
D James (Principal)
T Macrae (Trustee)
S Robson (Trustee)
L Samways (Trustee)
A Sortwell (Chair of trustees) (Appointed 20 November 2017)
S Stringer (Trustee)
L Browett (Trustee) (Resigned 19 September 2018)
M Simmonds (Staff trustee) (Resigned 18 September 2018)
L Tyson (Trustee) (Resigned 18 October 2017)

Senior management team

D James - Principal
A Fisher (appointed 1 September 2018) - Vice Principal
K Patterson - Vice Principal
G Wakefield - Vice Principal
P Ashton - Assistant Principal
J Casswell - Assistant Principal
A Colman - Assistant Principal
A Crawte (resigned 31 August 2018) - Assistant Principal
M Guiver (resigned 31 August 2018) - Assistant Principal
M Lopez - Assistant Principal
A Phillips - Assistant Principal
L West - Assistant Principal
C Wilkie (resigned 31 August 2018) - Assistant Principal
S Sweetland - Director of Finance

Company secretary

S Sweetland

Company registration number

07638756 (England and Wales)

Registered office

The Wooldale Centre for Learning
Wootton Fields
Northampton
NN4 6TP

CAROLINE CHISHOLM EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

Moore Stephens
Rutland House
Minerva Business Park
Lynch Wood
Peterborough
PE2 6PZ

Bankers

Lloyds Bank Plc
2 George Row
Northampton
NN1 1DJ

Solicitors

Browne Jacobson
Castle Meadow Road
Nottingham
NG2 1BJ

CAROLINE CHISHOLM EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 4 to 19 serving a catchment area in Wootton, Wootton Fields, Grange Park, Quinton and Courteenhall. It has a pupil capacity of 2,012 and had a roll of 1,998 in the school census on 4 October 2018.

Structure, governance and management

Constitution

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

The charitable company operates as Caroline Chisholm Education Trust.

The trustees of Caroline Chisholm Education Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

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

Method of recruitment and appointment or election of trustees

The board of trustees is responsible for appointing community trustees and seeking sponsor trustees and for ensuring that parent trustees and staff trustees are elected by a secret ballot. Trustees are subject to retirement by rotation but are eligible for re election at the meeting at which they retire. The board of trustees elect the chair and vice chair to serve for a period of three years but they are eligible for re election at the meeting at which they retire. Trustees committees elect their own chairs annually.

Policies and procedures adopted for the induction and training of trustees

All new trustees are invited to attend an induction meeting with the chair and/or vice chair of the board of trustees. All new trustees are introduced to the Clerk to the Trustees who shares with them the calendar of meeting dates for the academic year and provides them with access to a secure file sharing system. Correspondence is via email and minute/agenda circulation is via the file sharing system. All Trustee information is available on the school website and is updated annually. Trustees are strongly encouraged to attend one training event during each academic year.

Organisational structure

The structure consists of the trustees, the leadership team and curriculum leaders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy trust by the use of budgets and making major decisions about the direction of the academy trust, capital expenditure and senior staff appointments.

CAROLINE CHISHOLM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

The senior management team officers are the principal, two vice principals, nine assistant principals and the director of finance. These officers control the academy trust at an executive level implementing the policies laid down by the trustees and reporting back to them. As a group the senior officers are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment panels for posts in the leadership team always contain a trustee. Some spending control is devolved to curriculum leaders, with limits above which a senior officer must countersign.

The leadership team includes the senior officers and 9 assistant principals and the director of finance. The leadership team are responsible for the day to day operation of the academy trust, in particular organising the teaching staff, curriculum timetables and students.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel are the Leadership Team, as detailed in the Reference and Administrative Details. They have authority and responsibility for planning, directing and controlling the activities of a reporting entity, and have responsibility in the day-to-day running of the academy trust. The arrangements for setting their pay and remuneration is based on 3 or 4 criteria, and reviewed by line managers.

The following whole school criteria are set in the determination of pay and remuneration:

- Developing teaching quality using the HPL framework
- Students make 'good' or better progress
- Personal development criteria

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	1
Full-time equivalent employee number	0.67

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	138
Total pay bill	7,044,999
Percentage of the 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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Related parties and other connected charities and organisations

Caroline Chisholm School continues to work closely with cluster primary schools to support the provision of education to the community of Wootton, Wootton Fields and Grange Park. As part of the Wooldale Centre for Learning the academy trust works in partnership with both PFI and other users on the site to promote and deliver community activities to adults and children. Caroline Chisholm School is one of 11 schools in the South West Area of Northamptonshire (SWAN); SWAN schools share good practice via effective networking.

CAROLINE CHISHOLM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Risk management

The Trustees have assessed the major risks to which the academy is exposed, in particular those related to the operations and finances of the academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Objectives and activities

Objects and aims

The principal object and activity of the charitable company is the operation of Caroline Chisholm School to provide education for the benefit of the inhabitants of Wootton, Wootton Fields, Grange Park and the surrounding area; by establishing, maintaining and developing a school offering a broad and balanced curriculum. Caroline Chisholm School provides education for pupils of different abilities between the ages of 4 and 19.

Objectives, strategies and activities

The school has a renewed clear vision based around:

Ambition Confidence Success
Everyone Every Lesson Every Opportunity

We aspire that our students:

- are ambitious, confident and resilient
- make exceptional progress in their learning
- are prepared for adult life with the social and emotional health and resilience needed to succeed in the modern world.

We aspire that our staff:

- are ambitious, confident for themselves and our students and work to maximise their success.
- work constantly to improve the quality of their work, both in and out of the classroom.

The key objectives of Caroline Chisholm School during the period 1 September 2017 to 31 August 2018 are summarised below:

To continue:

- to improve the levels of performance of its pupils at all levels and continue efforts to ensure students are secure in their next steps on leaving the academy trust with regard to employment or continuing in training or formal education.
- to target Pupil Premium funding towards closing the gap for disadvantaged students and vulnerable groups.
- to ensure that Caroline Chisholm School continues to be at the forefront of innovation in education and trustees and senior leaders will continue to evaluate and review the curriculum to ensure that it reflects and meets the changing needs of our pupils.

Whole School Priorities:

- Developing the quality of teaching, learning and assessment using the HPL framework
- Improving outcomes for students across all phases
- Building leadership and leadership capacity
- Developing the ethos and culture of the school around "Ambition, Confidence and Success"

In addition, the school is also working to:

- Provide a relevant and challenging curriculum
- Build relationships with students, parents and the local community
- Significantly reduce costs to ensure the long term financial sustainability of the school

CAROLINE CHISHOLM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Public benefit

The trustees of the academy trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. The activities undertaken to further the academy trust's purpose for the Public Benefit includes provision of education to the local community of Wootton, Wootton Fields and Grange Park in Northampton and in partnership with the PFI provider offers recreational facilities to a variety of local community groups outside of school hours for the benefit of the general public. Community based projects are also undertaken throughout the year by staff and students.

CAROLINE CHISHOLM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Strategic report

Achievements and performance

Targets

Attendance

Whole school attendance to be above 97% and at least in line with national attendance levels for schools with similar low levels of free school meals.

The percentage of students who are persistently absent (below 90%) is significantly below the mean value for schools with similar low levels of free school meals.

Academic Targets

Foundation Stage

- 82% of students achieve a "Good level of Development"

Key Stage 1

- 85% of students meet the national standard in reading, writing and mathematics
- 30% of students working at greater depth in reading, writing and mathematics

Key Stage 2

- 85% of students meet the national standard in reading, writing and mathematics
- RWM progress at least +1.7
- 30% of students reaching the higher standard (110+) in reading, writing and mathematics

Key Stage 4

- KS4 ALPS Thermometer = 3
- 85% of students achieve 9-4 in both English and maths
- 70% of students achieve 9-5 in both English and maths

Key Stage 5

- KS5 ALPS Thermometer = 3
- Average of Grade B across all entries
- 15% of students achieve AAB or better with at least two facilitating subjects

Achievements

Primary Phase

- 75% of children in the Foundation Stage achieved a Good Level of Development. Good Level of Development = Expected Standard in literacy, mathematics physical development and PSED
- 95% of children passed the Year 1 Phonics Screening test
- 78% of children at the end of Key Stage 1 achieved the expected standards in reading, writing and mathematics
- 85% of children at the end of Key Stage 2 achieved the expected standard in reading, writing and maths

GCSE

- 9-4 in English and mathematics 79%
- 9-5 in English and mathematics 54%
- 9-7 English 32%
- 9-4 English 88%
- 9-7 Mathematics 28%
- 9-4 Mathematics 83%
- 9-8 (%A*)13% entries
- 9-7 (%A*-A) 27% entries
- 9-4 (%A*-C) 80% entries
- Progress 8 +0.07
- Attainment 8 52.8
- Achieving EBACC 26%

CAROLINE CHISHOLM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

A Level

- A*-A 20% entries
- A*-B 43% entries
- A*-C 66% entries
- Average point score per A level entry 31.67
- Average point score per A level entry expressed as a grade C+

The Academy Trustees and the Leadership Team:

- Monitors the quality of teaching and learning via the performance management process
- Undertakes a rigorous review of attainment using ASP DfE Analyse School Performance Data, Fischer Family Trust Data and A Level Performance System (ALPS) to measure pupil progress.

Update following Ofsted Inspection October 2017

The school was inspected at the end of October 2017. The outcome of the inspection was that the school has moved from a 'Good' grading, to a 'Requires Improvement' rating.

The inspection team were keen to look at the progress that our students make compared to their starting points. In recent years, progress measures across primary and secondary have improved, but are still rated by the DfE as "average". The inspection team were clear that although there had been improvements, the rate of this progress has not been sufficiently rapid to warrant a continued good grading. Lesson observations across the school also showed some inconsistency in teaching, an issue that we were again aware of and are working hard to improve.

The school has now been rated as "Requires improvement", which of course is a real disappointment. The inspection team, however, have given us clear areas that we need to focus on for us to move rapidly back to good. As with all "Requires improvement" inspection reports – the focus of the report is improvement and as a result, there is not the scope in the report to focus on many areas of our provision that we do extremely well. However, the blunt messages in the report have required leaders and teachers to reflect hard on the work that we do and the speed that these changes need to occur. The school leadership and the teaching staff are determined to use the inspection findings as a catalyst to accelerate the rate of improvement in the school and to strive to return our inspection status to at least "Good" rapidly.

The areas for improvement identified by Ofsted are to:

Improve the quality of leadership and management by making sure that:

- Senior and subject leaders work to check that the quality of teaching secures consistently good classroom practice across all areas of the school, particularly in the secondary phase
- The system for checking primary and secondary pupils' and sixth form students' progress is sharp enough to identify quickly when pupils or students are not making at least good progress
- Leaders develop a sharp oversight of their use of additional government funding, particularly the pupil premium and the Year 7 literacy and numeracy catch-up premium
- Leaders across all phases work more closely together to share best practice
- The reports that parents of pupils in key stage 3 receive provide precise information about the progress that their child is making
- Trustees continue to develop their knowledge and skills within their leadership role, so that they consistently hold senior leaders to account for the use of additional government funding, the quality of teaching, and pupils' achievement.

CAROLINE CHISHOLM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Improve the quality of teaching to raise further pupils' achievement, particularly that of the disadvantaged pupils and the most able, by making sure that all teachers:

- Use information about pupils' prior learning and attainment to set suitably challenging work that secures good progress
- Plan activities that enable pupils to engage fully in their learning
- Have high expectations of the quantity of work that pupils, particularly the most able, can complete.
- Reduce the proportion of disadvantaged pupils who are absent from school, so that their attendance is in line with the national level for all pupils.
- Ensure that teaching in the sixth form is consistently good across the whole provision, to allow students to make consistently good progress in both academic and work related qualifications.
- Undertake an external review of the school governance to assess how this aspect of leadership may be improved.

What are we doing to improve?

- We have strengthened the capacity and skills of the Trustees by recruiting a former Director of Education, Mr Andrew Sortwell, to the board.
- Mr Sortwell will now chair the "Progress committee", which will monitor, challenge and support the school as it works to get back to good grading, and beyond. Since September 2018, Mr Sortwell has taken on the role of chair of the trust.
- We are working with teachers to increase the level of challenge in lessons, especially for the most able. In secondary phase in particular, the expectation on students to achieve has and will increase further. Teachers will set more challenging work in lessons and will increase the amount and challenge of homework that the most able students are expected to complete out of school.
- We have accelerated our work to improve teaching across the school. Students in Y10/11 and the 6th form should already have seen many more senior leaders observing lessons to help teachers improve. This will increase further and students will be seeing more adults in lessons across the school supporting teacher development.
- We have improved our reports to parents in year 7, 8 and 9, so that parents have a much better understanding of how well their children are making progress. Students in year 7 will now be able to see what grades that we are expecting them to achieve at GCSE and whether they are making the required progress. We will work closely with the parent voice group to produce a reporting system that parents are happy with.
- We appointed a highly experienced consultant/advisor Mr Wootton, to undertake the external governance review. He also undertook a parallel leadership review of the school to provide guidance on how leadership can be developed across the school. Mr Wootton is a former Headteacher, executive Headteacher and MAT CEO. He sits on the all-party parliamentary committee on leadership and governance. He was the chair of the Independent Academies Association. He is also active on many working groups and advisory panels for the Department for Education.

Update on Free School Application

Following the outcome of the Ofsted inspection, the trust withdrew from its application for a Free School in November 2017, the application had previously been approved under Wave 12 of the free school process.

CAROLINE CHISHOLM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Key performance indicators

Update following significant flooding May 2018

The school suffered an extreme flooding disaster at the end of May 2018; 39 classrooms/teaching spaces were severely damaged and could not be used. Temporary mobile classrooms were brought onto the site, and will remain until the affected areas are fully repaired.

As the Trust is in a PFI contract, the insurance and loss of facilities have been dealt with as follows:

PFI Deductions

As there has been an interruption to business, under the PFI contract, the Trust receives PFI deductions. The deductions are based on a calculation of an amount per room, and a percentage payable, based on the zones out of use. The payments are for term time only, and as the rooms/areas come back into use, the PFI deductions cease. The PFI deductions fund the re-rooming cost, including all costs associated with the mobiles, including delivery, installation, running costs, equipment and removal.

Trustees are aware that the ratchet calculations for the deductions are very complex, and figures have not yet been finalised between the Trust, Kajima and Northamptonshire County Council.

Contents

The Trust purchases the Department for Education's risk protection arrangement (RPA) and contents have been covered by this agreement. The claim for damaged items was £80,846. The RPA Loss Adjustors, McLarens approved this claim, and paid an advance payment of £50,000 in August 2018, and will pay the balance on receipt of copy invoices for the approved items. The Trust is procuring items as the teaching spaces come back into use, as there has been limited storage space, following the flooding damage.

Northamptonshire County Council has procured temporary classrooms and have brought them into an operational state, liaising with Kajima and Mitie. The cost of the mobile classrooms is taken directly from the PFI deduction before the school receive the net amount. Northamptonshire County Council are using their own procurement arrangements to deliver best value.

Key performance indicators

The academy trust uses key financial performance indicators to monitor financial success of the academy trust and progress/improvement against the targets set. These include:

- Staffing costs are monitored as a percentage of total income. For the year ended 31 August 2018 staffing costs amounted to 84% of total income (target 80%) (82% against target 80% for period ending 31 August 17).
- PFI costs, including energy costs, are monitored as a percentage of total income. For the period ended 31 August 2018 PFI costs amounted to 10% of total income (target 11%) (10% against target 11% for period ending 31 August 2017).

The academy trust also uses a number of non financial key performance indicators to monitor its performance. These include:

- Student attendance rates – for the academic year ended 31 August 2018 student attendance was 96.29% (96.9% for the period ending 31 August 2017).
- Staff turnover – for the academic year ended 31 August 2018 teaching staff turnover was 18% (16%) and support staff 15% (17%).

Going concern

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

CAROLINE CHISHOLM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Financial review

Most of the academy trust's income is obtained from the DfE in the form of recurrent grants disbursed via the Education and Skills Funding Agency (ESFA), the use of which is restricted to particular purposes. The grants received from the DfE during the period ending 31 August 2018 and the associated expenditure is shown as restricted funds in the statement of financial activities.

Expenditure to support the key objectives of the academy trust is specifically allocated as part of the annual financial planning process.

The academy has a low exposure to risks.

There are limited trade debtors and controls are in place.

At 31 August 2018 the total funds comprised:

Unrestricted Funds:	£46,414
Restricted Fixed Asset Funds:	£30,618,548
Restricted General Funds:	£1,486,678
Pension Reserve:	£(1,289,000)
Total	£30,862,640

Reserves policy

The trustees review the reserve levels of Caroline Chisholm School annually. The review considers the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves.

Unrestricted funds are for use on the general purposes of the academy trust, at the discretion of the trustees.

Restricted funds will be spent in accordance with the terms of the particular funds. Demands on the academy trust's restricted income funds will vary over the coming years. The academy trust's policy is that the appropriate level of restricted reserves should be at least £500,000. The reason for this is to provide sufficient working capital to cover delays between spending and grant receipts and to provide a cushion to deal with unexpected operational expenses.

The deficit on the pension reserve relates to the non teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 20. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

Investment policy

The academy trust's investment policy is to invest surplus cash balances with high street banks. Investment returns are market tested periodically to ensure that the returns are maximised whilst safeguarding the funds invested.

Principal risks and uncertainties

The academy trust development planning process takes account of social and economic factors that may impact on the academy trust's ability to achieve its objectives. The planning process results in the production of The School Development Plan informs current and future years financial planning.

CAROLINE CHISHOLM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Financial Risk

DfE and ESFA legislation

The Academy will keep abreast of any changes brought about by legislation and plan to incorporate them within the financial plan.

Potential funding cuts in future years

Financial planning incorporates flexibilities and scenario planning to reflect varying funding outcomes which may, amongst others, be determined by:

- National Funding Formula
- Special Educational Needs (SEN) funding changes; and
- Changes to funding rates, for example, Pupil Premium and PE in Sport

The Academy will continue to set a balanced budget based on ESFA funding, generated income and agreed efficiencies.

Potential claw backs of GAG or other grants

The Academy is aware of the current criteria for potential claw back (GAG carry forward of > 12%) which is detailed in clause 78 of our Funding Agreement. Our 5 year financial plan indicates that we will not exceed the 12% GAG carry forward limit.

Changing demographics in catchment area

The Academy will review its Admissions Policy annually as required by the Code and review the Published Admission Number (PAN) if there is demographic change.

LGPS deficit

Financial plans consider fluctuations in the employer contributions that maybe required addressing the deficit long term. Actual changes to employer contributions may be made in response to the outcome of an actuarial valuation of the scheme.

PFI Risk

- The Academy is represented as part of the special purpose vehicle (SPV) which meets monthly to monitor contract operation. The Academy may invoke penalty clauses should poor performance by the PFI contractor become a limiting factor to effective teaching and learning.
- Planned PFI related revenue expenditure incorporates appropriate indexation in line with contract parameters.
- PFI capital expenditure planning incorporates provision for associated increases in future lifecycle and maintenance revenue costs.

Reputational risk

- Trustees and school leaders, through the committee structure, identify key legal and regulatory requirements and implement appropriate compliance and monitoring reporting.
- Academy Trustees and Leadership team review and agree internal compliance procedures, allocating key staff to key areas of regulatory responsibility.

Performance Risk

- The Academy measures performance against internal and National targets. Responsibility for achieving these targets is shared by all staff via the School Improvement Plan and the annual performance management cycle.

The Trustees practices through its Board, namely the Governing Body and the constituted subcommittees risk management principles. Any major risks highlighted at any sub committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Trustees accept managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Trustees collectively, whilst more minor risks are dealt with by senior executive officers.

CAROLINE CHISHOLM EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Fundraising

The Trust is keen to support a range of good causes both locally, nationally and internationally and encourages involvement by students and the school community to raise funds periodically throughout the school year. Recent charities supported include Children in Need, Christmas Jumper Day, Sports Relief, Autism Awareness and RNLI. In addition, the 4 school house's each have recognised charities they support, which are Teenage Cancer Trust, Save the Children, Great Ormond Street Hospital and NSPCC. Fund-raising is generally through non-uniform days. There is no obligation on students/parents or the community to support the charities.

The Trust works closely with CCS Friends Association who work to raise funds for the school and its students. In 2017/18 CCS Friends donated £7,617.80 for a variety of school projects including Wildlife Cameras, Glockenspiels and Primary Zoo Carpet in Primary Phase, Science Battery Packs in Secondary Phase, and Awards Medals and ICT for whole school use.

Local Businesses are keen to support the Academy and on occasion donate equipment or small cash donations to help towards specific projects or activities.

The academy does not operate a regulated fund-raising scheme nor does it employ or use the services of a professional fund-raiser.

Plans for future periods

Whole School Priorities

- Further developing the quality of teaching, learning and assessment based around the HPL framework.
- Improving outcomes for students across all phases.
- Building leadership and leadership capacity
- Developing the ethos and culture of the school around "Ambition, Confidence and Success"

In addition, the school is also working to

- Provide a relevant and challenging curriculum
- Build relationships with students, parents and the local community
- Significantly reduce costs to ensure the long term financial sustainability of the school

Auditor

In so far as the trustees are aware:

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

The auditor, Moore Stephens, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 05 December 2018 and signed on its behalf by:

D James
Principal

A Sortwell
Chair of trustees

CAROLINE CHISHOLM EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Caroline Chisholm Education 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 Caroline Chisholm Education 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 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
J Blaize (Staff trustee)	6	7
S Boak (Trustee) (Appointed 20 September 2017)	5	6
J Croasdale (Trustee)	4	7
S Duffy (Trustee)	5	7
S Gregson (Staff Trustee)	5	7
G Irons (Trustee)	7	7
D James (Principal)	7	7
T Macrae (Trustee)	6	7
S Robson (Trustee)	6	7
L Samways (Trustee)	6	7
A Sortwell (Chair of trustees) (Appointed 20 November 2017)	2	5
S Stringer (Trustee)	6	7
L Browett (Trustee) (Resigned 19 September 2018)	7	7
M Simmonds (Staff trustee) (Resigned 18 September 2018)	3	7
L Tyson (Trustee) (Resigned 18 October 2017)	0	1

The Trustees have appointed a School Challenge Partner to monitor and provide challenge to school management and to provide independent reports to the Trustees on the progress the school is making to achieve its objectives especially in relation to the rapid school implementation plan and school development plan.

CAROLINE CHISHOLM EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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

The Finance and PFI committee is a sub-committee of the Trustees. Its purpose is to propose a draft budget, scrutinise income and expenditure against the budget, monitor systems of control and oversee statutory returns of a financial nature. The Finance and PFI committee performs the role of the audit committee.

The committee have formal meetings 4 times a year. In addition, they receive management accounts and budget updates monthly, maintain regular contact through emails and visits into school. The committee report back to the full group of Trustees at each Meeting.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of possible
Mrs L Browett (Chair of Trustees)	4	4
Mr D James (Principal)	4	4
Mrs L Samways (Chair of Finance & PFI Committee to 19 September 2018)	4	4
Mr S Stringer (Chair of Finance & PFI Committee from 19 September 2018)	4	4

Review of value for money

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

The accounting officer considers how the 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 available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Allocating the necessary resources to best promote the aims and values of the School
- Targeting resources deployed to best improve standard and the quality of provision
- Using resources to best support the various educational needs of all students
- In-house monitoring by the senior and middle management teams
- Annual budget planning plus monthly management reporting of income and expenditure to the Principal and Trustees
- Regular auditing of the financial and management information throughout the academic year
- Analysis of school student performance data
- Published minutes of the trust and trust committees
- Analysis of DfE student performance data

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Caroline Chisholm School for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAROLINE CHISHOLM EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, during the year additional checks were performed by both the previous and existing auditors under the appointment of the Trustees. No material control issues were raised as a result of the work performed.

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

- Testing of purchase systems
- Testing of income systems
- Testing of control account/bank reconciliations

On a semi annual basis, the auditor's report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Review of effectiveness

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

- the work of the 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.

CAROLINE CHISHOLM EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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 PFI Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 05 December 2018 and signed on its behalf by:

D James
Principal

A Sortwell
Chair of trustees

CAROLINE CHISHOLM EDUCATION TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2018

As accounting officer of Caroline Chisholm Education Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

D James
Accounting Officer

05 December 2018

CAROLINE CHISHOLM EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2018

The trustees (who are also the directors of Caroline Chisholm Education Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 05 December 2018 and signed on its behalf by:

D James
Principal

A Sortwell
Chair of trustees

CAROLINE CHISHOLM EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAROLINE CHISHOLM EDUCATION TRUST

FOR THE YEAR ENDED 31 AUGUST 2018

Opinion

We have audited the accounts of Caroline Chisholm Education Trust for the year ended 31 August 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018.

Basis for opinion

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

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

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

CAROLINE CHISHOLM EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAROLINE CHISHOLM EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated 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 the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

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

CAROLINE CHISHOLM EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAROLINE CHISHOLM EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mohamedraza Mavani FCA (Senior Statutory Auditor)
for and on behalf of Moore Stephens

5 December 2018

Chartered Accountants
Statutory Auditor

Rutland House
Minerva Business Park
Lynch Wood
Peterborough
PE2 6PZ

CAROLINE CHISHOLM EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2018

In accordance with the terms of our engagement letter dated 3 May 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Caroline Chisholm Education Trust during the period 1 September 2017 to 31 August 2018 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 Caroline Chisholm Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Caroline Chisholm Education 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 Caroline Chisholm Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Caroline Chisholm Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Caroline Chisholm Education Trust's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies Financial Handbook, extant from 1 September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

CAROLINE CHISHOLM EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2018

The work undertaken to draw to our conclusion includes:

- Reviewing minutes of meetings, management accounts and made enquiries of management;
- Performing sample testing of expenditure ensuring items are for the Academy's purposes and are appropriately authorised;
- Sample testing on credit card expenditure, review for any indication of purchase for personal use by staff, Principal or Trustees;
- Reviewing the procedures for identifying and declaring related parties and other business interests;
- Scrutinising journals, and other adjustments posted during the year for evidence of unusual entries and made further enquiries into any such items where relevant;
- Taking a selection of nominal ledger accounts for evidence of unusual entries and made further enquiries into any such items where relevant;
- Performing an evaluation of the general control environment of the Academy;
- Reviewing nominal ledger accounts for any large or unusual entries and obtaining supporting documentation.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Moore Stephens
Rutland House
Minerva Business Park
Lynch Wood
Peterborough

PE2 6PZ

Dated: 05 December 2018

CAROLINE CHISHOLM EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2018 £	Total 2017 £
Income and endowments from:						
Donations and capital grants	4	-	17,955	-	17,955	23,569
Charitable activities:						
- Funding for educational operations	5	-	8,771,143	-	8,771,143	8,684,946
Other trading activities	6	3,600	271,386	-	274,986	341,669
Investments	7	1,120	-	-	1,120	7,344
Insurance income	13	-	349,188	-	349,188	-
Total		<u>4,720</u>	<u>9,409,672</u>	<u>-</u>	<u>9,414,392</u>	<u>9,057,528</u>
Expenditure on:						
Raising funds	8	229	173,121	-	173,350	287,099
Charitable activities:						
- Educational operations	9	-	9,355,671	728,857	10,084,528	9,592,066
Total	8	<u>229</u>	<u>9,528,792</u>	<u>728,857</u>	<u>10,257,878</u>	<u>9,879,165</u>
Net income/(expenditure)		4,491	(119,120)	(728,857)	(843,486)	(821,637)
Transfers between funds	19	-	(86,359)	86,359	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	21	-	762,000	-	762,000	1,327,000
Net movement in funds		4,491	556,521	(642,498)	(81,486)	505,363
Reconciliation of funds						
Total funds brought forward		41,923	(358,844)	31,261,047	30,944,126	30,438,763
Total funds carried forward		<u>46,414</u>	<u>197,677</u>	<u>30,618,549</u>	<u>30,862,640</u>	<u>30,944,126</u>

CAROLINE CHISHOLM EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2018

Comparative year information Year ended 31 August 2017	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £
Income and endowments from:					
Donations and capital grants	4	23,569	-	-	23,569
Charitable activities:					
- Funding for educational operations	5	-	8,684,946	-	8,684,946
Other trading activities	6	6,691	334,978	-	341,669
Investments	7	7,344	-	-	7,344
Total		<u>37,604</u>	<u>9,019,924</u>	<u>-</u>	<u>9,057,528</u>
Expenditure on:					
Raising funds	8	105	286,994	-	287,099
Charitable activities:					
- Educational operations	9	38,486	8,838,221	715,359	9,592,066
Total	8	<u>38,591</u>	<u>9,125,215</u>	<u>715,359</u>	<u>9,879,165</u>
Net expenditure		(987)	(105,291)	(715,359)	(821,637)
Transfers between funds	19	(4,447)	(46,432)	50,879	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	21	-	1,327,000	-	1,327,000
Net movement in funds		(5,434)	1,175,277	(664,480)	505,363
Reconciliation of funds					
Total funds brought forward		47,357	(1,534,121)	31,925,527	30,438,763
Total funds carried forward		<u>41,923</u>	<u>(358,844)</u>	<u>31,261,047</u>	<u>30,944,126</u>

CAROLINE CHISHOLM EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2018

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	14		67		866
Tangible assets	15		30,618,482		31,260,181
			<u>30,618,549</u>		<u>31,261,047</u>
Current assets					
Debtors	16	418,828		142,404	
Cash at bank and in hand		1,662,322		1,732,621	
		<u>2,081,150</u>		<u>1,875,025</u>	
Current liabilities					
Creditors: amounts falling due within one year	17	(548,059)		(468,946)	
		<u>1,533,091</u>		<u>1,406,079</u>	
Net current assets			1,533,091		1,406,079
Net assets excluding pension liability			<u>32,151,640</u>		<u>32,667,126</u>
Defined benefit pension scheme liability	21		(1,289,000)		(1,723,000)
			<u>30,862,640</u>		<u>30,944,126</u>
Net assets			<u>30,862,640</u>		<u>30,944,126</u>
Funds of the academy trust:					
Restricted funds	19				
- Fixed asset funds			30,618,549		31,261,047
- Restricted income funds			1,486,677		1,364,156
- Pension reserve			(1,289,000)		(1,723,000)
			<u>30,816,226</u>		<u>30,902,203</u>
Total restricted funds			30,816,226		30,902,203
Unrestricted income funds	19		46,414		41,923
			<u>30,862,640</u>		<u>30,944,126</u>
Total funds			<u>30,862,640</u>		<u>30,944,126</u>

The accounts on pages 25 to 47 were approved by the trustees and authorised for issue on 05 December 2018 and are signed on their behalf by:

D James
Principal

A Sortwell
Chair of trustees

Company Number 07638756

CAROLINE CHISHOLM EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Net cash provided by operating activities	22		14,939		187,321
Cash flows from investing activities					
Dividends, interest and rents from investments		1,120		7,344	
Purchase of tangible fixed assets		(86,358)		(50,880)	
Net cash used in investing activities			(85,238)		(43,536)
Net (decrease)/increase in cash and cash equivalents in the reporting period			(70,299)		143,785
Cash and cash equivalents at beginning of the year			1,732,621		1,588,836
Cash and cash equivalents at end of the year			<u>1,662,322</u>		<u>1,732,621</u>

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Caroline Chisholm Education 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, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants

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

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

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

Sponsorship income

Sponsorship income provided to the academy trust 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.

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Intangible fixed assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Purchased computer software - 5 years

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

1.6 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Land and buildings	2% straight line (Buildings)/0.8% straight line (Leasehold land)
Computer equipment	10%/20%/33% straight line
Fixtures, fittings & equipment	10% straight line

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

1.7 Liabilities

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

1.8 Leased assets

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

1.9 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Taxation

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

1.11 Pensions benefits

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

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

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

1.12 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The trust occupies buildings under PFI agreements with the local authority and has applied judgement in determining that these buildings should be capitalised on the balance sheet. The academy trust does not believe that there are any other additional critical areas where judgement is used.

3 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the academy trust was subject to limits at 31 August 2018 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2018.

4 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Other donations	-	17,955	17,955	23,569
	=====	=====	=====	=====

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
DfE / ESFA grants				
General annual grant (GAG)	-	8,247,942	8,247,942	8,200,707
Other DfE group grants	-	301,771	301,771	273,685
Capital Grants	-	57,182	57,182	35,531
	-	8,606,895	8,606,895	8,509,923
Other government grants				
Local authority grants	-	164,248	164,248	165,167
Special educational projects	-	-	-	9,856
	-	164,248	164,248	175,023
Total funding	-	8,771,143	8,771,143	8,684,946

6 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Lettings	3,600	-	3,600	4,800
Music, books and exam recharges	-	178,236	178,236	250,143
Other income	-	93,150	93,150	86,726
	3,600	271,386	274,986	341,669

7 Investment income

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Other investment income	1,120	-	1,120	7,344

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

8 Expenditure

	Staff costs	Non Pay Expenditure		Total	Total
	£	Premises	Other	2018	2017
	£	£	£	£	£
Expenditure on raising funds					
- Direct costs	-	-	173,350	173,350	287,099
Academy's educational operations					
- Direct costs	6,617,796	-	695,051	7,312,847	7,209,478
- Allocated support costs	762,368	1,043,038	966,275	2,771,681	2,382,588
	<u>7,380,164</u>	<u>1,043,038</u>	<u>1,834,676</u>	<u>10,257,878</u>	<u>9,879,165</u>

Net income/(expenditure) for the year includes:

	2018	2017
	£	£
Fees payable to auditor for:		
- Audit	8,000	10,375
- Other services	7,158	7,465
Operating lease rentals	4,680	11,506
Depreciation of tangible fixed assets	726,590	713,508
Amortisation of intangible fixed assets	799	799
Loss on disposal of fixed assets	1,468	1,052
Net interest on defined benefit pension liability	46,000	60,000
	<u>46,000</u>	<u>60,000</u>

9 Charitable activities

	2018	2017
	£	£
All from restricted funds:		
Direct costs		
Educational operations	7,312,847	7,209,478
Support costs		
Educational operations	2,771,681	2,382,588
	<u>10,084,528</u>	<u>9,592,066</u>

	2018	2017
	£	£
Analysis of support costs		
Support staff costs	762,368	363,959
Depreciation and amortisation	728,857	715,359
Premises costs	314,181	201,255
Other support costs	876,203	955,275
Governance costs	90,072	146,740
	<u>2,771,681</u>	<u>2,382,588</u>

Support staff costs for the year now include the employers pension service cost.

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

10 Staff

Staff costs

Staff costs during the year were:

	2018	2017
	£	£
Wages and salaries	6,145,864	5,929,115
Pension costs	1,195,945	1,056,647
	<u>7,341,809</u>	<u>6,985,762</u>
Staff costs	7,341,809	6,985,762
Agency staff costs	38,355	67,818
Staff restructuring costs	-	24,500
	<u>7,380,164</u>	<u>7,078,080</u>
Total staff expenditure	<u>7,380,164</u>	<u>7,078,080</u>
Staff restructuring costs comprise:		
Severance payments	<u>-</u>	<u>24,500</u>

Staff numbers

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

	2018	2017
	Number	Number
Teachers	116	117
Administration and support	112	109
Management	13	13
	<u>241</u>	<u>239</u>

Higher paid staff

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

	2018	2017
	Number	Number
£70,001 - £80,000	2	2
£100,001 - £110,000	1	1
	<u>3</u>	<u>3</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,042,176 (2017: £946,072).

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

11 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

		2018 £	2017 £
D James	Remuneration	100,000-105,000	100,000-105,000
(Principal and staff trustee)	Pension contributions paid	15,000-20,000	15,000-20,000
S Gregson	Remuneration	45,000-50,000	45,000-50,000
(Staff trustee)	Pension contributions paid	5,000-10,000	5,000-10,000
M Simmonds	Remuneration	40,000-45,000	35,000-40,000
(Staff Trustee)	Pension contributions paid	5,000-10,000	5,000-10,000
J Blaize	Remuneration	30,000-35,000	30,000-35,000
(Staff Trustee)	Pension contributions paid	5,000-10,000	5,000-10,000

12 Trustees and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim. It is not possible to quantify the Trustees and Officers indemnity element from the overall cost of the RPA scheme.

13 Insurance income

During the year, the school suffered a significant flood that rendered 39 classrooms and teaching spaces unable to be used.

The Trust is in a PFI contract; the insurance claim has been dealt with through the PFI agreement. Insurance income is included on a separate line on the face of the SOFA.

As at the year end minimal work had been performed to rectify the flood damage.

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

14 Intangible fixed assets

	Computer software £
Cost	
At 1 September 2017 and at 31 August 2018	15,015
Amortisation	
At 1 September 2017	14,149
Charge for year	799
At 31 August 2018	14,948
Carrying amount	
At 31 August 2018	67
At 31 August 2017	866

15 Tangible fixed assets

	Land and buildings £	Computer equipment £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2017	35,073,206	288,303	117,880	5,250	35,484,639
Additions	-	75,957	10,401	-	86,358
Disposals	-	(24,773)	(2,124)	-	(26,897)
At 31 August 2018	35,073,206	339,487	126,157	5,250	35,544,100
Depreciation					
At 1 September 2017	3,997,635	183,453	38,120	5,250	4,224,458
On disposals	-	(24,420)	(1,009)	-	(25,429)
Charge for the year	659,085	55,563	11,941	-	726,589
At 31 August 2018	4,656,720	214,596	49,052	5,250	4,925,618
Net book value					
At 31 August 2018	30,416,486	124,891	77,105	-	30,618,482
At 31 August 2017	31,075,571	104,850	79,760	-	31,260,181

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

16 Debtors	2018	2017
	£	£
Trade debtors	93,890	11,941
Other debtors	11,655	16,035
Prepayments and accrued income	313,283	114,428
	<u>418,828</u>	<u>142,404</u>
	<u><u>418,828</u></u>	<u><u>142,404</u></u>
17 Creditors: amounts falling due within one year	2018	2017
	£	£
Other taxation and social security	127,683	133,247
Other creditors	-	116,540
Accruals and deferred income	420,376	219,159
	<u>548,059</u>	<u>468,946</u>
	<u><u>548,059</u></u>	<u><u>468,946</u></u>
18 Deferred income	2018	2017
	£	£
Deferred income is included within:		
Creditors due within one year	<u>125,492</u>	<u>112,105</u>
	<u><u>125,492</u></u>	<u><u>112,105</u></u>
Deferred income at 1 September 2017	112,105	165,591
Released from previous years	(112,105)	(165,591)
Resources deferred in the year	125,492	112,105
	<u>125,492</u>	<u>112,105</u>
Deferred income at 31 August 2018	<u><u>125,492</u></u>	<u><u>112,105</u></u>

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

19 Funds

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	577,599	8,247,942	(8,366,754)	(59,440)	399,347
Other DfE / ESFA grants	27,840	358,953	(379,873)	-	6,920
Other government grants	758,717	164,248	(147,756)	(4,416)	770,793
Other restricted funds	-	638,529	(306,409)	(22,503)	309,617
Pension reserve	(1,723,000)	-	(328,000)	762,000	(1,289,000)
	<u>(358,844)</u>	<u>9,409,672</u>	<u>(9,528,792)</u>	<u>675,641</u>	<u>197,677</u>
Restricted fixed asset funds					
Transfer on conversion	30,744,182	-	(659,086)	-	30,085,096
Capital expenditure from GAG	516,865	-	(69,771)	86,359	533,453
	<u>31,261,047</u>	<u>-</u>	<u>(728,857)</u>	<u>86,359</u>	<u>30,618,549</u>
Total restricted funds	<u>30,902,203</u>	<u>9,409,672</u>	<u>(10,257,649)</u>	<u>762,000</u>	<u>30,816,226</u>
Unrestricted funds					
General funds	41,923	4,720	(229)	-	46,414
Total funds	<u>30,944,126</u>	<u>9,414,392</u>	<u>(10,257,878)</u>	<u>762,000</u>	<u>30,862,640</u>

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

The General Annual Grant has been provided by the DfE in order to fund the normal running costs of the Academy.

Other grants include further grants provided by the DfE and local authorities; these are included in restricted general funds and are used for educational purposes in line with the Academy's objectives and funding agreement with the ESFA.

Other restricted funds include income and expenditure in relation to school trips as well as insurance monies received following the severe flooding of the school in the year; the fund balance at the year end will be utilised against the costs of ongoing operations and repairs.

Restricted Fixed Asset Funds are reserved against future depreciation charges and capital additions to enhance the Academy's facilities.

The transfers to the Restricted Fixed Asset Fund represents fixed asset additions funded by general restricted funds.

The Restricted Pension reserve represents the deficit on the Academy's share of the Local Government pension scheme as at the year end.

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

19 Funds

(Continued)

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

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	491,933	8,200,707	(8,068,611)	(46,432)	577,597
Other DfE / ESFA grants	31,263	309,216	(277,108)	-	63,371
Other government grants	729,683	175,023	(145,987)	-	758,719
Other restricted funds	-	334,978	(370,509)	-	(35,531)
Pension reserve	(2,787,000)	-	(263,000)	1,327,000	(1,723,000)
	<u>(1,534,121)</u>	<u>9,019,924</u>	<u>(9,125,215)</u>	<u>1,280,568</u>	<u>(358,844)</u>
Restricted fixed asset funds					
Transfer on conversion	31,403,268	-	(659,086)	-	30,744,182
Capital expenditure from GAG	522,259	-	(56,273)	50,879	516,865
	<u>31,925,527</u>	<u>-</u>	<u>(715,359)</u>	<u>50,879</u>	<u>31,261,047</u>
Total restricted funds	<u>30,391,406</u>	<u>9,019,924</u>	<u>(9,840,574)</u>	<u>1,331,447</u>	<u>30,902,203</u>
Unrestricted funds					
General funds	47,357	37,604	(38,591)	(4,447)	41,923
	<u>47,357</u>	<u>37,604</u>	<u>(38,591)</u>	<u>(4,447)</u>	<u>41,923</u>
Total funds	<u>30,438,763</u>	<u>9,057,528</u>	<u>(9,879,165)</u>	<u>1,327,000</u>	<u>30,944,126</u>

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

19 Funds

(Continued)

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	491,933	16,448,649	(16,435,365)	(105,872)	399,345
Other DfE / ESFA grants	31,263	668,169	(656,981)	-	42,451
Other government grants	729,683	339,271	(293,743)	(4,416)	770,795
Other restricted funds	-	973,507	(676,918)	(22,503)	274,086
Pension reserve	(2,787,000)	-	(591,000)	2,089,000	(1,289,000)
	<u>(1,534,121)</u>	<u>18,429,596</u>	<u>(18,654,007)</u>	<u>1,956,209</u>	<u>197,677</u>
Restricted fixed asset funds					
Transfer on conversion	31,403,268	-	(1,318,172)	-	30,085,096
Capital expenditure from GAG	522,259	-	(126,044)	137,238	533,453
	<u>31,925,527</u>	<u>-</u>	<u>(1,444,216)</u>	<u>137,238</u>	<u>30,618,549</u>
Total restricted funds	<u>30,391,406</u>	<u>18,429,596</u>	<u>(20,098,223)</u>	<u>2,093,447</u>	<u>30,816,226</u>
Unrestricted funds					
General funds	47,357	42,324	(38,820)	(4,447)	46,414
	<u>47,357</u>	<u>42,324</u>	<u>(38,820)</u>	<u>(4,447)</u>	<u>46,414</u>
Total funds	<u>30,438,763</u>	<u>18,471,920</u>	<u>(20,137,043)</u>	<u>2,089,000</u>	<u>30,862,640</u>

20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2018 are represented by:				
Intangible fixed assets	-	-	67	67
Tangible fixed assets	-	-	30,618,482	30,618,482
Current assets	46,414	2,034,736	-	2,081,150
Creditors falling due within one year	-	(548,059)	-	(548,059)
Defined benefit pension liability	-	(1,289,000)	-	(1,289,000)
Total net assets	<u>46,414</u>	<u>197,677</u>	<u>30,618,549</u>	<u>30,862,640</u>

CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

20 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2017 are represented by:				
Intangible fixed assets	-	-	866	866
Tangible fixed assets	-	-	31,260,181	31,260,181
Current assets	41,923	1,833,102	-	1,875,025
Creditors falling due within one year	-	(468,946)	-	(468,946)
Defined benefit pension liability	-	(1,723,000)	-	(1,723,000)
Total net assets	41,923	(358,844)	31,261,047	30,944,126

21 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

21 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £709,946 (2017: £702,313).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 16.8% for employers and 3.5-8.5% for employees.

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

Total contributions made	2018	2017
	£	£
Employer's contributions	204,000	210,000
Employees' contributions	71,000	66,000
Total contributions	<u>275,000</u>	<u>276,000</u>

Principal actuarial assumptions	2018	2017
	%	%
Rate of increase in salaries	2.6	2.7
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	<u>2.8</u>	<u>2.5</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

21 Pension and similar obligations

(Continued)

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

	2018 Years	2017 Years
Retiring today		
- Males	22.1	22.1
- Females	24.2	24.2
Retiring in 20 years		
- Males	23.9	23.9
- Females	26.1	26.1

Scheme liabilities would have been affected by changes in assumptions as follows:

The academy trust's share of the assets in the scheme	2018 Fair value £	2017 Fair value £
Equities	3,087,000	2,740,220
Bonds	626,000	592,480
Property	334,000	259,210
Other assets	124,000	111,090
Total market value of assets	4,171,000	3,703,000

The actual return on scheme assets was £205,000 (2017: £435,000).

Amount recognised in the Statement of Financial Activities	2018 £	2017 £
Current service cost	282,000	203,000
Interest cost	46,000	60,000
Total operating charge	328,000	263,000

Changes in the present value of defined benefit obligations

	2018 £
At 1 September 2017	5,426,000
Current service cost	486,000
Interest cost	142,000
Employee contributions	71,000
Actuarial gain	(653,000)
Benefits paid	(12,000)
At 31 August 2018	5,460,000

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

21 Pension and similar obligations (Continued)

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

		2018
		£
At 1 September 2017	3,703,000	
Interest income	96,000	
Actuarial gain	109,000	
Employer contributions	204,000	
Employee contributions	71,000	
Benefits paid	(12,000)	
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At 31 August 2018	4,171,000	
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22 Reconciliation of net expenditure to net cash flow from operating activities

	2018	2017
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(843,486)	(821,637)
Adjusted for:		
Investment income receivable	(1,120)	(7,344)
Defined benefit pension costs less contributions payable	282,000	203,000
Defined benefit pension net finance cost	46,000	60,000
Depreciation of tangible fixed assets	726,589	713,508
Amortisation of intangible fixed assets	799	799
Loss on disposal of fixed assets	1,468	1,052
(Increase) in debtors	(276,424)	(26,346)
Increase in creditors	79,113	64,289
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Net cash provided by operating activities	14,939	187,321
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23 Commitments under operating leases

At 31 August 2018 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2018	2017
	£	£
Amounts due within one year	638,071	624,737
Amounts due in two and five years	2,552,283	2,480,228
Amounts due after five years	3,828,425	4,340,399
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	7,018,779	7,445,364
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CAROLINE CHISHOLM EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

24 Related party transactions

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

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

25 Members' liability

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