

**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**EXCEED ACADEMIES TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	B Fitzpatrick D Smith J Bracewell S Smith G Johnson
<b>Trustees</b>	T Evans, Chair V C S Eaton (appointed 13 November 2018) N K Hussain E M Hughes C S Lambert J Edwards (appointed 19 February 2019) B C Fearnley (appointed 10 June 2019) S G Whitson I Willoughby (resigned 31 July 2019)
<b>Company registered number</b>	10050238
<b>Company name</b>	Exceed Academies Trust
<b>Principal and registered office</b>	Horton Park Primary School Dawnay Road Bradford West Yorkshire BD5 9LQ

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

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<b>Company secretary</b>	P J Taylor
<b>Chief executive officer</b>	D W Jacques
<b>Senior management team</b>	D W Jacques, Chief Executive Officer R Jarvis, Chief Operating Officer S Murray, Chief Finance Officer M Sorial, Chief HR Officer R Crabtree, Chief Estates Officer C Shepherd, Executive Head Teacher of Copthorne Primary School and Holybrook Primary School C Stephenson, Head Teacher of Horton Grange Primary School S Rahman, Head Teacher of Horton Park Primary School H Jones, Principal of Appleton Academy F Whalley, Head of School of Copthorne Primary School C Lloyd, Head of School of Holybrook Primary School K Hutchinson, Head Teacher of Harden Primary School K Gerrard, Head of Exceed Initial Teacher Education P Butler, Director of School Improvement T Loft, Head Teacher of Bradford Alternative Provision Academy Central
<b>Independent auditors</b>	BHP LLP Chartered Accountants 1st Floor Leeds LS16 6QY
<b>Bankers</b>	Lloyds Bank Plc 45 Hustlergate Bradford BD1 1NT
<b>Solicitors</b>	Rollits LLP Citadel House 58 High Street Hull HU1 1QE

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

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies and comply with the charitable company's memorandum and articles of association, the Companies Act 2006, and the requirements of 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 (FRS102) (Effective 1 January 2015) (SORP 2015).

The Exceed Academies Trust consists of the following schools:

- Copthorne Primary School – A Founding School, judged Outstanding by Ofsted
- Horton Grange Primary School – A Founding School, judged Outstanding by Ofsted
- Horton Park Primary School – A Founding School, judged Good by Ofsted in May 2019
- Appleton Academy (All through Primary – Secondary) – A Sponsored Academy (joined September 2017), judged Requires Improvement by Ofsted
- Holybrook Primary School – A Sponsored Academy (joined December 2017), judged Inadequate by Ofsted
- Harden Primary School – A converter Academy (joined October 2018), judged Good by Ofsted in September 2019
- Bradford Alternative Provision Academy Central (joined March 2019) judged Outstanding by Ofsted

The combined October 2019 Census figures for total pupils (Reception to Year 11) in the above schools was 3397

Our high performing schools have underpinned the accreditation and development of two Teaching Schools that jointly lead an alliance of partner schools and academies (Exceed Teaching School Alliance). From September 2017, the trust also became responsible for a SCITT (School Centre for Initial Teaching Training). The SCITT was judged Outstanding by Ofsted in October 2019.

The Trust is committed to providing additional Support within Bradford and the wider region. This includes:

- Service Level agreement: Canterbury Nursery School – Graded 'Outstanding'
- Providing peer to peer support under the MAT Development and Improvement Fund (MDIF) Grant to 'The Nurture Trust' from September 2018
- Providing Initial Teacher Training for the Bronte Academy Trust and Pennine Academies Yorkshire and a number of maintained schools across the city through the SCITT
- The SCITT has also provided teacher training for a number of schools in Leeds linked to Westerton Primary
- Providing support to Lister Primary School and Southmere Primary School through the Bradford Opportunity Area Fund
- Founding partners of a Regional MAT Collaboration Partnership with WellSpring Academy Trust, Leeds City College (White Rose Trust), Brigshaw Trust, The Co-Op Academies Trust & Horsfoth High School, Leeds.

The DfE carried out a MAT review during the Autumn 2019 term. The agreed priorities of this review were:

- To continue to maintain good/outstanding schools and support / develop existing challenging schools
- To continue to work collaboratively with external Trusts and senior leaders to gain experience, capability and good practice.

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

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***Structure, governance and management***

***a. Constitution***

The Trust is a company limited by guarantee and is an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The Articles of Association require the members of the charitable company to appoint at least three members to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Trust. The trustees of Exceed Academies Trust are directors of the charitable company for the purposes of company law.

Details of the Trustees who served during the period are included in the Reference and administrative details on page 1.

***b. 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.

***c. Method of recruitment and appointment or election of Trustees***

As clearly set out in the Articles of Association, the Board of Trustees must consist of a minimum of three Trustees and comprise;

- up to five Trustees appointed by the Members,
- a minimum of two Parent Trustees, in the event that no provision is made for at least two Parent Local Governors on each established Local Board.

The Board may also appoint any Co-opted Trustees. There are currently no employees of the Trust on the Board of Trustees.

The Board of Trustees has appointed Local Advisory Boards (LABs) to oversee each school within the Trust. The LABs have delegated powers to oversee the day to day running of the schools. Each LAB must consist of a minimum of three and maximum of nine Governors and comprise;

- up to three Co-opted Governors appointed by the Board of Trustees,
- two staff Governors elected by staff employed at the school,
- two parent Governors elected by parents of registered pupils at the school,
- the Head Teacher of the school on an ex officio basis,
- a Trust representative on an ex-officio basis.

Subject to remaining eligible, Trustees and Governors serve a term of office of four years, with the exception of the Trust representative and Head Teacher. Trustees and Governors are eligible to be re-elected or re-appointed.

The Trust Board and Local Advisory Boards regularly review their skills and effectiveness, referring to the DfE's Competency Framework for Governance and following guidance on good practice provided by external organisations including the National Governance Association and Confederation of School Trusts.

**Structure, governance and management (continued)**

Recruitment of Trustees and Governors includes an interview process and completion of appropriate checks to ensure they are suitable to join the Trust.

***d. Induction and training of Trustees and Governors***

Newly-appointed Trustees and Local Governors are inducted through an internal programme of ongoing mentoring (with an experienced Trustee/Governor and the Clerk to the Board).

Internal training and development activities are undertaken to support Trustees and Governors in developing their skills and knowledge. In addition, external opportunities are sourced to ensure a broad range of training and development is made available as required. All Trustees and Governors are encouraged to pursue training and development opportunities.

All Trustees and Governors are required to complete an entry for the register of interests, which is updated on an ongoing basis.

***e. Organisational structure***

The Members of Exceed Academies Trust have ultimate control over the Trust, with the ability to appoint other Members and Trustees, and the right to amend the Trust's Articles of Association. The Members monitor, challenge and hold the Trustees to account on finance, school improvements, the objects of the Trust and recruitment of schools to the Trust.

The Board of Trustees sets the strategic direction of the Trust and monitors its performance. It appoints professionals from the public sector, private industry, voluntary sectors and the community, whose knowledge and expertise can make a difference to the lives of children and young people. Trustees work together on the Board in a voluntary capacity to ensure that the Trust meets the needs of the communities it serves.

The Chief Executive Officer of the Trust is responsible for the day-to-day operation of the Trust and is accountable to the Board.

A Scheme of Delegation is in place which stipulates the responsibilities delegated to Local Advisory Boards by the Board of Trustees and where further delegation to Senior Management can occur. Head Teachers are accountable to their Local Advisory Boards. Where a school is categorised as 'Requires Improvement' or 'Inadequate' the Head Teacher is supported by the Chief Executive Officer of the Trust, and where deemed necessary an Interim Executive Board in place of the LAB, to ensure that rapid improvements are secured.

The Board of Trustees also has a subcommittee to act in an advice and scrutiny capacity to the Board in respect of Risk and Audit functions. This committee has a minimum of 3 members who are all independent of any of the academies. The membership and terms of reference of the subcommittee are reviewed annually by the Board.

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

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**Structure, governance and management (continued)**

***f. Arrangements for setting pay and remuneration of key management personnel***

The Members consider the board of trustees and the senior management team comprising of the key management personnel of the Trust to be in charge of directing and controlling, running and operating the Trust on a day to day basis.

The salary for the Chief Executive Officer of the trust is set by the board of trustees following review and recommendation by the CEO Performance subcommittee, in line with external Advice, guidance and following the principles of the School Teachers Pay and Conditions Document (STPCD).

The salaries for key management personnel will be set by the Chief Executive Officer of the trust in consultation with the trustees and taking appropriate HR and legal advice. Salaries for head teachers will be set in line with STPCD as well as Exceed Academies Trust own pay policy and salaries for support staff are set in line with the NJC Green Book. The setting of salaries taking in account the need to pay staff fairly for the work they do, as well the Trust's obligations under the Equality Act and Equal Pay legislation.

***g. Trade union facility time***

***Relevant union officials***

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

***Percentage of time spent on facility time***

<b><i>Percentage of time</i></b>	<b><i>Number of employees</i></b>
0%	-
1%-50%	2
51%-99%	-
100%	-

***Percentage of pay bill spent on facility time*** **£000**

Total cost of facility time	1
Total pay bill	14,700
Percentage of total pay bill spent on facility time	- %

***Paid trade union activities***

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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**TRUSTEES' REPORT (CONTINUED)**  
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**Structure, governance and management (continued)**

***h. Related parties***

During the year the Trust entered into transactions with Canterbury Nursery. Duncan Jacques, CEO of Exceed Academies Trust is the Executive head of Canterbury Nursery.

The trust also entered into transactions with Exceed Charity. Duncan Jacques, CEO of the trust, Christabel Shepherd, Executive Head of Copthorne and Holybrook Primaries and Carol Stephenson, Head teacher of Horton Grange Primary are all Trustees of the charity. The charity ceased on 31 August 2019.

***i. Employee consultation and disabled employees***

The Trust continuously seek to encourage the involvement of its employees in its management through regular staff meetings in order to challenge educational and social disadvantage. Employees are consulted on issues of concern to them through consultative meetings and are kept informed of specific policies directly by management.

The Trust will employ disabled persons when they appear to be suitable for the role and every effort is made to ensure they are given full and fair consideration. There are policies in place (Equality and Diversity policy, health and safety policy etc.) so that employees who have been injured or disabled during the course of their employment can, where possible, continue with their employment.

During the employment, the Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

***Objectives and activities***

***a. Objects and aims***

The principal object and activity of Exceed Academies Trust to advance for the public benefit education for pupils of difference abilities between the ages of 2 and 16 years.

In accordance with the Articles of Association the charitable company has entered into a Master Funding Agreement approved by the Secretary of State for Education.

The Master Funding Agreement specifies, amongst other things, the basis for admitting pupils to the Academies, the catchment area from which the pupils are drawn, and that the curriculum should be broad and balanced and relevant to the needs and aspirations of all our learners.

Through consultation with our Members, trustees, Local governors and of course our schools, we have created a set of core values for Exceed Academies Trust:

**Objectives and activities (continued)**



Our core educational vision is **to provide an outstanding school experience for all..**

Our schools retain their individuality, own identity and local governance.

Our schools aim to be inclusive, high achieving and ones in which our learners, staff and the wider community strive to 'see what's possible'.

***Children and students are at the heart of everything we do***

Our improvement model reflects the preferred DFE approach of '**stabilise, repair, improve and sustain**'. The Trust recognises its moral purpose to support schools and academies across the city and the region.

The values that underpin our beliefs and actions are summarized in this word art which features in the Exceed board room. In summary:

- We put children first in everything – our actions, decision making, daily processes,
- We promote diversity, empowerment, partnerships and equality,
- We all believe that we have a moral purpose to do what we do on a daily basis,
- We are passionate about raising standards and outcomes by instilling a culture of high performance, expectations and accountability.

Objectives and activities (continued)



***b. Public benefit***

When setting the objectives of the charitable company for the year the trustees of Exceed Academies Trust have given careful consideration to the Charities Commission guidance on public benefit.

The main activities undertaken to further the academy trust's purposes for the public benefit are set out in the objects and aims section.

***Strategic report***

***Achievements and performance***

**Trust Review**

In September 2019 the trust had a successful meeting with the Department for Education to discuss leadership and governance, overall performance, school improvement and capacity for growth.

The trusts priorities for the year were agreed as being

1. To continue to maintain good/outstanding schools and support / develop existing challenging schools
2. To continue to work collaboratively with external Trusts and senior leaders to gain experience, capability and good practice.

**Ofsted visits**

The trust has had three recent successful Ofsted visits.

- Horton Park Primary retained its rating of Good after a visit in May 2019

**Strategic report (continued)**

**Achievements and performance (continued)**

- Harden Primary who joined the trust in October 2018 were awarded a Good judgement (an improvement from its previous judgement of Requires Improvement) under the new framework in October 2019
- Exceed SCITT were awarded Outstanding in its first Ofsted inspection in October 2019.

**Educational outcomes**

In the 2019 primary phase Spring School Census, Exceed Academies Trust had 2561 pupils on roll (the primary phase national average is 282 pupils). There are more boys (50.2%) than girls (49.8%). The trust population has been largely static between Early Years and Key Stage 1 to Key Stage 2. 25.2% of the trust cohort is eligible for Free School Meals compared to 74.8% of the cohort who are not. Nationally 15.7% of the primary phase cohort are eligible for Free School Meals. 28% of the trust cohort is eligible for Pupil Premium compared to 72% of the cohort that are not.

In the 2019 secondary phase, 836 pupils were on roll.

The three main ethnicity groups in the trust are British (42.1%), Mirpuri Pakistani (20.2%) and Other Pakistani (19.1%). 50.1% of the trust cohort speaks English as an additional language compared to 49.9% of the cohort that do not. Nationally 21.2% of the primary phase cohort speaks English as an additional language.

**Deprivation**

81.6% of the trust cohort live in the 30% most deprived areas of England.

**Ofsted**

In October 2019, the trust has 6 primary phase provisions, of which 2 schools (33.3%) are judged to be outstanding, 1 school (33.3%) is judged to be good, 1 schools (16.7%) are judged to require improvement (through-school including secondary provision) and 1 school (16.7%) is judged to be inadequate before it became an academy and joined the trust. In addition, the trust has a secondary alternative provision.

**Early Years Foundation Stage**

**Good Level of Development (GLD)**

The trust achieved below the 2019 national average of 71.7% by 8.4 percentage points, however the gap to national has narrowed by 2.5 percentage points. The percentage of pupils achieving a Good Level of Development (GLD) in 2019 improved with 63.3% of pupils achieving GLD compared to 60.6% in 2018. This represents an improvement of 2.7 percentage points.

**Phonics**

**Year 1**

The trust achieved below the 2019 national average of 82% by 0.2 percentage points, and the gap to national has widened by 0.2 percentage points. The percentage of pupils meeting the expected standard of phonic decoding at the end of Year 1 in 2019 decreased with 81.8% achieving the expected standard compared to 83.4% in 2018. This represents a decrease of 1.6 percentage points.

**Year 2**

The trust outperformed the 2019 national average of 92% by 0.7 percentage points. The percentage of pupils meeting the expected standard of phonic decoding at the end of Year 2 in 2019 improved with 92.7% achieving the expected standard compared to 89.6% in 2018. This represents an improvement of 3.1 percentage points.

**Strategic report (continued)**

**Achievements and performance (continued)**

	Percentage of pupils meeting the expected standard of phonic decoding at the end of Year 1			Percentage of pupils meeting the expected standard of phonic decoding at the end of Year 2		
	2018	2019	Improvement	2018	2019	Improvement
<b>Exceed Academies Trust</b>	83.4	81.8	-1.6	89.6	92.7	3.1
<b>National</b>	82.0	82.0	0.0	92.0	92.0	0.0
<b>Gap</b>	1.4	-0.2		-2.4	0.7	

**Key Stage 1**

**Reading**

The trust trusted the 2019 national average. The percentage of pupils reaching the expected standard in reading in 2019 decreased with 75.0% achieving the expected standard compared to 77.1% in 2018. This represents a decrease of 2.1 percentage points.

**Writing**

The trust outperformed the 2019 national average of 69.3% by 3.6 percentage points. The percentage of pupils reaching the expected standard in writing in 2019 decreased with 72.9% achieving the expected standard compared to 75.3% in 2018. This represents a decrease of 2.4 percentage points.

**Maths**

The trust outperformed the 2019 national average of 75.7% by 0.5 percentage points. The percentage of pupils reaching the expected standard in maths in 2019 decreased with 76.2% achieving the expected standard compared to 79.2% in 2018. This represents a decrease of 3 percentage points.

**Reading, Writing and Maths (RWM)**

The percentage of pupils reaching the expected standard in reading, writing and maths in 2019 decreased with 69.9% achieving the expected standard compared to 72.0% in 2018. This represents a decrease of 2.1 percentage points.

	Percentage of pupils meeting the expected standard of Key Stage 1 - Reading			Percentage of pupils meeting the expected standard of Key Stage 1 - Writing			Percentage of pupils meeting the expected standard of Key Stage 1 - Maths		
	2018	2019	Improvement	2018	2019	Improvement	2018	2019	Improvement
<b>Exceed Academies Trust</b>	77.1	75.0	-2.1	75.3	72.9	-2.4	79.2	76.2	-3.0
<b>National</b>	75.0	75.0	0.0	70.0	69.3	-0.7	76.0	75.7	-0.3
<b>Gap</b>	2.1	0.0		5.3	3.6		3.2	0.5	

**Strategic report (continued)**

**Achievements and performance (continued)**

**Key Stage 2**

**Reading, Writing and Maths (RWM)**

The trust outperformed the 2019 national average of 65% by 16.8 percentage points. The percentage of pupils reaching the expected standard in reading, writing and maths in 2019 decreased with 81.8% achieving the expected standard compared to 85.3% in 2018.

**Reading**

The trust outperformed the 2019 national average of 73% by 12.5 percentage points. The percentage of pupils reaching the expected standard in reading in 2019 decreased with 85.5% achieving the expected standard compared to 91.5% in 2018. This represents a decrease of 6 percentage points.

The average scaled score in reading in 2019 was 107.6 compared to 109.5 in 2018. This represents a decrease of 1.9 points. The trust outperformed the 2019 national average of 104 by 3.6 points.

**Writing**

The trust outperformed the 2019 national average of 78% by 9 percentage points. The percentage of pupils reaching the expected standard in reading in 2019 decreased with 87.0% achieving the expected standard compared to 89.4% in 2018. This represents a decrease of 2.4 percentage points.

**Maths**

The trust outperformed the 2019 national average of 79% by 8.9 percentage points. The percentage of pupils reaching the expected standard in maths in 2019 decreased with 87.9% achieving the expected standard compared to 90.1% in 2018. This represents a decrease of 2.2 percentage points.

The average scaled score in maths in 2019 was 107.4 compared to 108.8 in 2018. This represents a decrease of 1.4 points. The trust outperformed the 2019 national average of 105 by 2.4 points.

**Grammar, Punctuation and Spelling (GPS)**

The trust outperformed the 2019 national average of 78% by 6.5 percentage points. The percentage of pupils reaching the expected standard in grammar, punctuation and spelling in 2019 decreased with 84.5% achieving the expected standard compared to 90.4% in 2018. This represents a decrease of 5.9 percentage points.

The average scaled score in grammar, punctuation and spelling in 2019 was 108.3 compared to 110.9 in 2018. This represents a decrease of 2.6 points. The trust outperformed the 2019 national average of 106 by 2.3 points.

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

**Strategic report (continued)**

**Achievements and performance (continued)**

	Percentage of pupils meeting the expected standard of Key Stage 2 - Reading			Percentage of pupils meeting the expected standard of Key Stage 2 - Writing			Percentage of pupils meeting the expected standard of Key Stage 2 - Maths		
	2018	2019	Improvement	2018	2019	Improvement	2018	2019	Improvement
Exceed Academies Trust	91.5	85.5	-6.0	89.4	87.0	-2.4	90.1	87.9	-2.2
National	75.0	73.0	-2.0	78.0	78.0	0.0	75.0	79.0	4.0
Gap	16.5	12.5		11.4	9.0		15.1	8.9	

	Percentage of pupils meeting the expected standard of Key Stage 2 - GPS			Percentage of pupils meeting the expected standard of Key Stage 2 - RWM		
	2018	2019	Improvement	2018	2019	Improvement
Exceed Academies Trust	90.4	84.5	-5.9	85.3	81.8	-3.5
National	78.0	78.0	0.0	64.0	65.0	1.0
Gap	12.4	6.5		21.3	16.8	

**Key Stage 2 Progress**

**Reading**

The progress made by pupils is significantly higher than the 2019 national average (0). The progress made by pupils in reading in 2019 decreased with an average progress score of 3.8 compared to 4.6 in 2018. This represents a decrease of 0.8 points.

**Writing**

The progress made by pupils is significantly higher than the 2019 national average (0). The progress made by pupils in writing in 2019 decreased with an average progress score of 2.6 compared to 3.0 in 2018. This represents a decrease of 0.4 points.

**Maths**

The progress made by pupils is significantly higher than the 2019 national average (0). The progress made by pupils in maths in 2019 decreased with an average progress score of 2.9 compared to 4.8 in 2018. This represents a decrease of 1.9 points.

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TRUSTEES' REPORT (CONTINUED)  
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**Strategic report (continued)**

**Achievements and performance (continued)**

	Key Stage 2 Progress Scores Reading			Key Stage 2 Progress Scores Writing			Key Stage 2 Progress Scores Maths		
	2018	2019	Improvement	2018	2019	Improvement	2018	2019	Improvement
<b>Exceed Academies Trust</b>	4.6	3.8	-0.8	3.0	2.6	-0.4	4.8	2.9	-1.9
<b>National</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Gap</b>	4.6	3.8		3.0	2.6		4.8	2.9	

**Key Stage 4**

Internal data analysis shows that Attainment 8, Progress 8, 9-4 English and 9-4 Maths have all improved. Most subjects report an increase in pupil attainment.

Measure	Exceed Academies Trust	England average
Attainment 8	39.5%	46.5%
Progress 8	30.4%	40.0%
Grade 5 or above in English and maths GCSE	33.8%	43.0%
EBacc average point score	3.29	4.06

**Individual school performance**

Each school's outcomes are available on the Department for Education's '*Find and Compare Schools in England*' website:

**a. Going concern**

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

**b. Key performance indicators**

Exceed Academies Trust consists of two outstanding schools (Horton Grange Primary and Copthorne Primary) and one Good school (Horton Park Primary). From 1 September 2017 Appleton Academy joined the trust who Ofsted graded as Requires Improvement, and on 1 December 2017 Holybrook Primary joined the trust as a sponsored academy (Special Measures). Harden Primary joined the trust on 1 October 2018 and an Ofsted visit in September 2019 graded the school as Good. Bradford AP Academy joined the trust on 1 March 2019 as an Outstanding school.



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

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**Strategic report (continued)**

***Financial review***

***a. Reserves policy***

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

The trustees have determined that an appropriate level of free reserves should be sufficient to cover immediate and forthcoming financial commitments (payroll and payment runs) and sufficient contingency (cash buffer) for unexpected payments. This has been deemed by the Trustees to be between 5% and 7% of GAG income which in 2018/19 equates to between £750k and £1m.

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

At the end of the period the trust has £1,986k of free reserves. The free reserves balance will be retained by the trust whilst there is uncertainty over future funding levels.

The Trustees will review the balance of free reserves on an annual basis to ensure it is deemed adequate to meet the needs of the trust.

***b. Financial report for the period***

During the period ended 31 August 2019, total income of £23.7m was recognised. Part of this income (£1.43m) is the value of the land and buildings at Harden Primary School which transferred into the trust on 1 October 2018. The land and buildings of Bradford Alternative Provision Academy, which transferred into the trust on 1 March 2019 from the Local Authority on conversion amounted to £1.7m.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Most of the Trust's regular income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Total expenditure amounting to £21.8m was incurred resulting in an overall deficit of £2.2m, after the loss on the defined benefit scheme of £5.8m.

The restricted general fund excluding pension liability is £597k but overall shows a negative figure due to the pension liability value measured by the actuary. The trust pension liability at the year end is £8.63m and this amount is underwritten by the Government if settlement was ever required.

***c. Investment policy***

The Trust has an Investment policy which is reviewed annually and approved by the board of trustees to provide a means to ensure:

- a. The Trust can meet its commitments;

**Strategic report (continued)**

**Financial review (continued)**

- b. To ensure that sufficient sums are available at short notice or no notice to meet foreseeable requirements;
- c. To earn an acceptable rate of return on surplus funds without undue risk;
- d. To spread risk between differing types of investment and institutions.

A return on working capital should be optimised whilst allowing easy access of the funds. In balancing risk against return the Trust policy is clearly geared towards avoiding risk than to maximising return.

***d. Principal risks and uncertainties***

During the year the trust has invested considerable time establishing its Risk Register, following extensive training for all heads and senior leaders by an experienced external consultant. Risk Registers are now in place for all schools and are listed as a standing item on the Local Advisory Board meetings 3 times a year.

The main risks of the Trust have been identified:

- **Expansion of the trust and maintaining standards in founding schools**

As the trust expands and resources are stretched it is of key importance that standards within the three founding academies are maintained and outcomes for its pupils remain high.

- **Failing to improve sponsored academies**

As the trust takes on its first sponsored academy, and a fresh start re-brokered academy in the 2017/18 academic year there is a risk the trust has little or no impact on the standards within these schools, leading to reputational damage of the trust.

- **Ongoing uncertainty over schools funding**

The trust has considerable reliance on continued government funding from ESFA. There is continued uncertainty around funding levels under a new Government due in December 2019, the impact of Brexit and the proposed National Funding Formula. There is no assurance that policy or practice will remain the same or will continue at the same levels. This makes budgeting and forecasting for the future difficult but the trust is establishing robust financial plans and building up of reserves to support it through potentially more difficult financial periods.

This is mitigated as the three founding academies within the trust are full or oversubscribed and the trust is working consistently to ensure the standards remain high and demand for places is sustained.

Exceed Academies Trust has appointed BHP as its Internal Auditors to further develop and embed the system of internal controls, designed to protect the Trust's assets and reputation.

Reports of their findings have been reported to the Audit and Risk Committee who were monitoring all recommendations to ensure they are put into practice as soon as possible to provide independent assurance to the board that controls have been adequately designed and complied with.

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**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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

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***e. Fundraising***

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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

**Plans for future periods**

The Trust has a sustainable growth strategy which has been reviewed by the DfE and approved by our Trustees.



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

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**Plans for future periods (continued)**

Additionally, the trust wishes to attract a combination of good and outstanding schools to join our trust which will allow us to sponsor further academies in need of school improvement.

Growth will be managed at a sustainable pace based and will continue to build upon economy and effectiveness established in the formation of the trust from December 2016.

The Teaching School and SCITT will continue to develop and increase our offering to our members. We are continuing to build on the success of the first year of the Leeds SCITT hub from September 2018 in partnership with Leeds Trinity University and increase numbers each year.

***Disclosure of information to auditors***

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are aware of that information.

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

**T Evans**  
Chair of Trustees

Date:

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**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Exceed Academies 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 Chief Executive, 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 Exceed Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 8 times during the period (including meetings of the Risk and Audit Committee).

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

Trustee	Meetings attended	Out of a possible
Trevor Evans, Chair	5	5
Victoria Eaton	2	4
Jason Edwards	2	3
Belinda Fearnley	2	2
Elaine Hughes	4	5
Nadia Hussain (maternity leave)	1	5
Sharon Lambert	5	5
Sandra Whitson	5	5
Ian Willoughby	1	5

The Chair of the Board was reappointed for a further year at the meeting held in October 2019.

During the period, the Board has recruited new Trustees to build on the skills and knowledge possessed. Experience and skills added to the Board include ICT, procurement, Estates and Human Resources.

As the Trust grows, regular reviews of the data and other information provided to the Board and Local Advisory Boards along with the terms of reference and other constitutional documents and arrangements will be undertaken.

The Risk & Audit Committee is a sub committee of the main Board of Trustees. Its key purposes are:

- To support the board in ensuring a framework is established and maintained for the identification and management of risk.
- To monitor and assess the internal controls of the Exceed Academies Trust to ensure the Trust is operating at appropriate levels of risk and compliance with audit requirements.
- To take responsibility for all external and internal audit matters.
- To review the effectiveness of risk management, control and governance arrangements of the Trust.

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**EXCEED ACADEMIES TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

Attendance during the period at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Gillian Johnson, Chair	2	3
Jason Edwards	1	2
Trevor Evans	3	3
Elaine Hughes	3	3
Ian Willoughby	1	3

**Review of value for money**

As Accounting Officer, the Chief Executive 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's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate.

The Accounting Officer for the academy has delivered improved value for money during the year by:

- Centralisation of back office functions

From 1 September 2018 the trust centralised the finance and HR functions of the trust. This has not only deliver financial efficiencies but will significantly improve the service provided to the schools by allowing highly skilled professionals to lead and focus on specific areas and to develop consistent, effective procedures and oversight from the centre.

The trust central team expanded in the year to include Trust Clerk and Projects Officer and Chief Estates Officer to support the schools, and since September 2019 has further expanded with an additional HR Officer and Management Accountant.

- Governance and oversight

The trust places a high emphasis on the competency and experience of its trustees and regularly reviews its governors skills matrix to ensure there is continued sufficient coverage of skills to challenge areas. In the year we have strengthen the Board of Trustees by appointing 3 new trustees with specific skill sets to meet our needs and provide increased challenge to management.

The Trust benefits from the provision of an independent internal audit service who report to the board of trustees on all financial systems and procedures

The trust has also received support throughout from its external auditors on compliance and accounting practices.

**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of value for money (continued)**

- Creating efficiencies

The establishment of the MAT has given the trust the opportunity to streamline suppliers and a number of contracts. During the year the trust has completed a very successful trust wide procurement exercise for outsourced catering and photocopying which will lead to significant savings and improvements in service for all areas of the trust. The trust has also centralised a trust wide ICT support contract to allow improvement in the service and offering provided to schools as well as finding efficiencies and savings to be made on central procurement. In the year we have also entered into trust wide utility contracts.

**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 Exceed Academies Trust for the year to 31 August 2019 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

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

**The risk and control framework**

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint BHP LLP as internal auditor to the Trust and undertake a scope of work as directed by the Audit and Risk Committee across all parts of the Trust.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems.



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**EXCEED ACADEMIES TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**The risk and control framework (continued)**

During the year reviews have taken place on the key financial controls across the different locations the trust operates from.

**Review of effectiveness**

As Accounting Officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

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

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

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

**T Evans**  
Chair of Trustees  
Date:

**D Jacques**  
Accounting Officer

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**EXCEED ACADEMIES TRUST**  
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

**D Jacques**  
Accounting Officer  
Date:

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**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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

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

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

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

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

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

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

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

**T Evans**  
Chair of Trustees  
Date:

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**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF EXCEED ACADEMIES TRUST**

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**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF EXCEED ACADEMIES TRUST (CONTINUED)**

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**Other information**

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

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

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**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF EXCEED ACADEMIES TRUST (CONTINUED)**

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**Responsibilities of trustees**

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

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

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

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

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

**Use of our report**

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

**Michael Jackson (Senior statutory auditor)**

for and on behalf of

**BHP LLP**

**1st Floor**

**Mayesbrook House**

**Lawnswood Business Park**

**Leeds**

**LS16 6QY**

Date:

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**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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

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In accordance with the terms of our engagement letter dated 17 August 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Exceed Academies Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Exceed Academies Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Exceed Academies Trust's funding agreement with the Secretary of State for Education dated 1 December 2016 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

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**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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

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**Conclusion**

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

**Michael Jackson (Senior statutory auditor)**

**BHP LLP**  
**1st Floor**  
**Mayesbrook House**  
**Lawnswood Business Park**  
**Leeds**  
**LS16 6QY**

Date:



**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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

		Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
	Note					
<b>Income from:</b>						
Donations and capital grants:	3					
Transfer from local authority on conversion		159	(166)	1,688	1,681	1,976
Transfer from an existing academy into the trust		24	(347)	1,451	1,128	43,245
Other donations and capital grants		22	-	684	706	63
Charitable activities	4	66	18,722	-	18,788	17,217
Teaching schools	31	202	546	-	748	502
Investments	5	3	-	-	3	3
Other income		696	-	-	696	703
<b>Total income</b>		<b>1,172</b>	<b>18,755</b>	<b>3,823</b>	<b>23,750</b>	<b>63,709</b>
<b>Expenditure on:</b>						
Charitable activities	7	75	19,874	1,227	21,176	18,684
Teaching schools	31	127	546	4	677	487
<b>Total expenditure</b>		<b>202</b>	<b>20,420</b>	<b>1,231</b>	<b>21,853</b>	<b>19,171</b>
<b>Net income/(expenditure)</b>		<b>970</b>	<b>(1,665)</b>	<b>2,592</b>	<b>1,897</b>	<b>44,538</b>
Transfers between funds	17	-	(117)	117	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>970</b>	<b>(1,782)</b>	<b>2,709</b>	<b>1,897</b>	<b>44,538</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	26	-	(4,169)	-	(4,169)	1,240
<b>Net movement in funds</b>		<b>970</b>	<b>(5,951)</b>	<b>2,709</b>	<b>(2,272)</b>	<b>45,778</b>

**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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

Note	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
<b>Reconciliation of funds:</b>					
Total funds brought forward	1,016	(2,083)	57,703	56,636	10,858
Net movement in funds	970	(5,951)	2,709	(2,272)	45,778
<b>Total funds carried forward</b>	<b>1,986</b>	<b>(8,034)</b>	<b>60,412</b>	<b>54,364</b>	<b>56,636</b>

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

The notes on pages 36 to 66 form part of these financial statements.

**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**  
REGISTERED NUMBER: 10050238

BALANCE SHEET  
AS AT 31 AUGUST 2019

	Note	2019 £000	2018 £000
<b>Fixed assets</b>			
Tangible assets	14	60,099	57,697
		<u>60,099</u>	<u>57,697</u>
<b>Current assets</b>			
Debtors	15	886	871
Cash at bank and in hand		3,589	3,110
		<u>4,475</u>	<u>3,981</u>
Creditors: amounts falling due within one year	16	(1,579)	(2,237)
		<u>2,896</u>	<u>1,744</u>
<b>Net current assets</b>			
		<u>62,995</u>	<u>59,441</u>
<b>Total assets less current liabilities</b>			
Defined benefit pension scheme liability	26	(8,631)	(2,805)
		<u>54,364</u>	<u>56,636</u>
<b>Total net assets</b>			
<b>Funds of the academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	17	60,412	57,703
Restricted income funds	17	597	722
		<u>61,009</u>	<u>58,425</u>
Restricted funds excluding pension asset	17	61,009	58,425
Pension reserve	17	(8,631)	(2,805)
		<u>52,378</u>	<u>55,620</u>
<b>Total restricted funds</b>	17	52,378	55,620
<b>Unrestricted income funds</b>	17	1,986	1,016
		<u>54,364</u>	<u>56,636</u>
<b>Total funds</b>		<u>54,364</u>	<u>56,636</u>

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**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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**BALANCE SHEET (CONTINUED)**  
*AS AT 31 AUGUST 2019*

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The financial statements on pages 31 to 66 were approved by the Trustees, and authorised for issue on 11 December 2019 and are signed on their behalf, by:

**T Evans**  
Chair of Trustees

The notes on pages 36 to 66 form part of these financial statements.

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**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2019

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	Note	2019 £000	2018 £000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	107	1,651
<b>Cash flows from investing activities</b>	21	189	(596)
<b>Cash flows from financing activities</b>	20	183	79
<b>Change in cash and cash equivalents in the year</b>		479	1,134
Cash and cash equivalents at the beginning of the year		3,110	1,976
<b>Cash and cash equivalents at the end of the year</b>	22	<u>3,589</u>	<u>3,110</u>

The notes on pages 36 to 66 form part of these financial statements

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

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

Exceed Academies Trust is a private limited company limited by guarantee incorporated in England. The address of the registered office is given in the Reference and Administrative Details given on page 1 of these financial statements. The nature of the academy trusts operations and principal activities are set out in the Trustees' Report on page 3.

The financial statements 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1,000.

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

**1.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Income**

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

- **Grants**

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the

**1. Accounting policies (continued)**

**1.3 Income (continued)**

Balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the academy on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the academy. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Transfer of existing academies into the academy**

Where assets and liabilities are received on the transfer of an existing academy into the academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the academy. An equal amount of income is recognised for the transfer of an existing academy into the academy within 'Income from Donations and Capital Grants' to the net assets acquired.

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

**1. Accounting policies (continued)**

**1.4 Expenditure (continued)**

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

**1.6 Taxation**

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**1.7 Interest receivable**

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

**1.8 Tangible fixed assets**

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 requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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



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

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**1. Accounting policies (continued)**

**1.8 Tangible fixed assets (continued)**

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% straight line
Furniture and equipment	- 20% straight line
Computer equipment	- 25% straight line
Motor vehicles	- 25% 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.

**1.9 Debtors**

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

**1.10 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.11 Liabilities**

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

**1.12 Financial instruments**

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

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

**1. Accounting policies (continued)**

**1.13 Operating leases**

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

**1.14 Pensions**

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

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

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

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

**1.15 Fund accounting**

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

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

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

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

**1. Accounting policies (continued)**

**1.16 Redundancy and severance payments**

Where the academy trust has a constructive liability to make a redundancy payment this is recognised as and when the liability arises. Where the trustees have agreed it in the interests of the trust to make a severance payment which is not contracted, this is recognised as a liability once the decision to make a payment has been ratified at a meeting of the board of trustees.

**1.17 Agency arrangements**

Where the academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities.

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**EXCEED ACADEMIES TRUST**  
**(A company limited by guarantee)**

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

**3. Income from donations and capital grants**

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Transfer from an existing academy trust	24	(347)	1,451	1,128	43,245
Transfer from local authority on conversion	159	(166)	1,688	1,681	1,976
	<u>183</u>	<u>(513)</u>	<u>3,139</u>	<u>2,809</u>	<u>45,221</u>
Donations	22	-	-	22	3
Capital grants	-	-	684	684	60
<b>Subtotal</b>	<u>22</u>	<u>-</u>	<u>684</u>	<u>706</u>	<u>63</u>
	<u>205</u>	<u>(513)</u>	<u>3,823</u>	<u>3,515</u>	<u>45,284</u>
Total 2018	<u><u>516</u></u>	<u><u>(1,946)</u></u>	<u><u>46,714</u></u>	<u><u>45,284</u></u>	

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

**4. Funding for the academy's educational operations**

	<b>Unrestricted funds 2019 £000</b>	<b>Restricted funds 2019 £000</b>	<b>Total funds 2019 £000</b>	<b>Total funds 2018 £000</b>
<b><i>DfE/ESFA grants</i></b>				
General Annual Grant	-	14,655	<b>14,655</b>	13,642
Other DfE/EFA grants	-	2,359	<b>2,359</b>	2,371
	-	17,014	<b>17,014</b>	16,013
<b><i>Other government grants</i></b>				
Local authority income	-	1,708	<b>1,708</b>	1,185
	-	1,708	<b>1,708</b>	1,185
<b><i>Other funding</i></b>				
Other income from educational operational	66	-	<b>66</b>	19
	66	18,722	<b>18,788</b>	17,217
Total 2018	19	17,198	17,217	

**5. Investment income**

	<b>Unrestricted funds 2019 £000</b>	<b>Total funds 2019 £000</b>	<b>Total funds 2018 £000</b>
Investment income	3	<b>3</b>	3

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

**6. Expenditure**

	<b>Staff Costs</b>	<b>Premises</b>	<b>Other</b>	<b>Total</b>	Total
	<b>2019</b>	<b>2019</b>	<b>2019</b>	<b>2019</b>	2018
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	£000
Educational Operations:					
Direct costs	12,894	262	1,699	<b>14,855</b>	12,813
Allocated support costs	2,711	1,552	2,058	<b>6,321</b>	5,871
Teaching school	195	4	478	<b>677</b>	487
	<u>15,800</u>	<u>1,818</u>	<u>4,235</u>	<u><b>21,853</b></u>	<u>19,171</u>
Total 2018	<u>13,678</u>	<u>482</u>	<u>5,011</u>	<u>19,171</u>	

**7. Analysis of expenditure on charitable activities**

*Summary by fund type*

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	Total
	<b>funds</b>	<b>funds</b>	<b>funds</b>	funds
	<b>2019</b>	<b>2019</b>	<b>2019</b>	2018
	<b>£000</b>	<b>£000</b>	<b>£000</b>	£000
Educational Operations	75	21,101	<b>21,176</b>	18,684
	<u>75</u>	<u>21,101</u>	<u><b>21,176</b></u>	<u>18,684</u>
Total 2018	<u>1,200</u>	<u>17,484</u>	<u>18,684</u>	

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

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2019 £000</b>	<b>Support costs 2019 £000</b>	<b>Total funds 2019 £000</b>	<b>Total funds 2018 £000</b>
Educational Operations	14,855	6,321	<b>21,176</b>	18,684
Total 2018	12,358	6,326	18,684	

**Analysis of support costs**

	<b>Educational Operations 2019 £000</b>	<b>Total funds 2019 £000</b>	<b>Total funds 2018 £000</b>
Staff costs	2,630	<b>2,630</b>	2,931
Depreciation	1,227	<b>1,227</b>	1,067
Agency costs	81	<b>81</b>	94
Recruitment and other staff costs	659	<b>659</b>	570
Maintenance of premises	265	<b>265</b>	250
Cleaning	207	<b>207</b>	228
Rent & rates	144	<b>144</b>	125
Heat & light	268	<b>268</b>	201
Insurance	27	<b>27</b>	43
Security & transport	11	<b>11</b>	8
Technology costs	271	<b>271</b>	244
Office overheads	221	<b>221</b>	200
Legal & professional fees	307	<b>307</b>	361
Bank interest and charges	3	<b>3</b>	4
	6,321	<b>6,321</b>	6,326

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

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**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2019</b>	2018
	<b>£000</b>	£000
Operating lease rentals	<b>88</b>	55
Depreciation of tangible fixed assets	<b>1,231</b>	1,067
Fees paid to auditors for:		
- audit	<b>16</b>	11
- other services	<b>5</b>	6
	<b>=====</b>	<b>=====</b>

**10. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2019</b>	2018
	<b>£000</b>	£000
Wages and salaries	<b>11,594</b>	10,674
Social security costs	<b>1,303</b>	1,001
Pension costs	<b>2,625</b>	1,873
	<b>=====</b>	<b>=====</b>
	<b>15,522</b>	13,548
Agency staff costs	<b>262</b>	233
Staff restructuring costs	<b>16</b>	35
	<b>=====</b>	<b>=====</b>
	<b>15,800</b>	13,816
	<b>=====</b>	<b>=====</b>

Staff restructuring costs comprise:

	<b>2019</b>	2018
	<b>£000</b>	£000
Redundancy payments	<b>5</b>	7
Severance payments	<b>11</b>	28
	<b>=====</b>	<b>=====</b>
	<b>16</b>	35
	<b>=====</b>	<b>=====</b>



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

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**10. Staff costs (continued)**

**b. Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs are non-contractual severance payments paid to one individual £11,000 (2018: £28,000).

**c. Staff numbers**

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

	<b>2019</b>	2018
	<b>No.</b>	No.
Teachers	<b>181</b>	159
Admin and support	<b>353</b>	330
Management	<b>21</b>	25
	<hr/> <b>555</b> <hr/>	<hr/> 514 <hr/>

The average headcount expressed as full-time equivalents was:

	<b>2019</b>	2018
	<b>No.</b>	No.
Teachers	<b>177</b>	155
Admin and support	<b>320</b>	236
Management	<b>20</b>	25
	<hr/> <b>517</b> <hr/>	<hr/> 416 <hr/>

**d. Higher paid staff**

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

	<b>2019</b>	2018
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>6</b>	4
In the band £70,001 - £80,000	<b>4</b>	3
In the band £90,001 - £100,000	<b>1</b>	1
In the band £120,001 - £130,000	<b>1</b>	1
	<hr/> <b>12</b> <hr/>	<hr/> 9 <hr/>

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

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**10. Staff costs (continued)**

**d. Higher paid staff (continued)**

Within the above bandings, the total pension contributions are £146,400 (2018: £110,837). The number of employees within the pension scheme are 12 (2018: 9).

**e. 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 £1,181,800 (2018: £974,598).

**11. Central services**

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

- Human resources
- Financial services
- Payroll services
- Legal services
- MAT leadership

The academy charges for these services on the following basis:

This charge is at 5.5% of GAG income for each school plus an additional 0.5% top slice. No charge is made in the year of transfer into the Trust.

The actual amounts charged during the year were as follows:

	<b>2019</b>	2018
	<b>£000</b>	£000
Appleton Academy	<b>404</b>	322
Copthorne Primary School	<b>117</b>	105
Holybrook Primary School	<b>67</b>	39
Horton Grange Primary	<b>172</b>	160
Horton Park Primary	<b>136</b>	126
Exceed Teaching school	<b>25</b>	-
<b>Total</b>	<b>921</b>	752

Harden Primary School and Bradford Alternative Provison Academy Central joined the Trust during the year and therefore no charge was made.

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

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**12. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		<b>2019</b>	2018
		<b>£000</b>	£000
N K Hussain (appointed 2 April 2016)	Remuneration	<b>30 - 35</b>	35 - 40
	Pension contributions paid	<b>0 - 5</b>	0 - 5
D W Jacques, Chief Executive (appointed 2 April 2016, resigned 31 August 2018)	Remuneration		120 - 125
	Pension contributions paid		25 - 30

During the year ended 31 August 2019, travel and subsistence expenses totalling £225 were reimbursed to one trustee (2018 - £72).

**13. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2019 was £728 (2018 - £728). The cost of this insurance is included in the total insurance cost.

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

**14. Tangible fixed assets**

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
<b><i>Cost or valuation</i></b>					
At 1 September 2018	58,556	238	113	-	58,907
Additions	326	18	120	30	494
Assets donated on transfer to Exceed Academies Trust	3,118	17	4	-	3,139
At 31 August 2019	<u>62,000</u>	<u>273</u>	<u>237</u>	<u>30</u>	<u>62,540</u>
<b><i>Depreciation</i></b>					
At 1 September 2018	1,185	15	10	-	1,210
Charge for the year	1,135	56	35	5	1,231
At 31 August 2019	<u>2,320</u>	<u>71</u>	<u>45</u>	<u>5</u>	<u>2,441</u>
<b><i>Net book value</i></b>					
At 31 August 2019	<u>59,680</u>	<u>202</u>	<u>192</u>	<u>25</u>	<u>60,099</u>
At 31 August 2018	<u>57,371</u>	<u>223</u>	<u>103</u>	<u>-</u>	<u>57,697</u>

Harden Primary School transferred into the trust during the year, the value of the land and buildings were £1,430,000.

Bradford Alternative Provision Academy transferred into the trust during the year, on conversion the value of the land and buildings were £1,687,500.

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

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**15. Debtors**

	<b>2019</b>	2018
	<b>£000</b>	£000
<b><i>Due within one year</i></b>		
Trade debtors	<b>127</b>	51
Other debtors	<b>211</b>	266
Prepayments and accrued income	<b>548</b>	554
	<b>886</b>	871

**16. Creditors: Amounts falling due within one year**

	<b>2019</b>	2018
	<b>£000</b>	£000
Trade creditors	<b>355</b>	977
Other taxation and social security	<b>265</b>	356
Other creditors	<b>189</b>	214
Accruals and deferred income	<b>770</b>	690
	<b>1,579</b>	2,237

  

	<b>2019</b>	2018
	<b>£000</b>	£000
Deferred income at 1 September 2018	<b>487</b>	146
Resources deferred during the year	<b>383</b>	487
Amounts released from previous periods	<b>(487)</b>	(146)
	<b>383</b>	487

At the balance sheet date the academy trust was holding funds received in advance for rates relief, universal free school meals, parental engagement activities, various grants and school trips booked for the 2019/20 academic year.

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**17. Statement of funds**

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
<b>Unrestricted funds</b>						
Unrestricted	1,016	1,172	(202)	-	-	1,986
<b>Restricted general funds</b>						
GAG	699	14,655	(14,640)	(117)	-	597
Other DfE Grants	13	894	(907)	-	-	-
Other funds	10	1,707	(1,717)	-	-	-
Pupil premium	-	1,467	(1,467)	-	-	-
Teaching school	-	546	(546)	-	-	-
Pension reserve	(2,805)	(514)	(1,143)	-	(4,169)	(8,631)
	(2,083)	18,755	(20,420)	(117)	(4,169)	(8,034)
<b>Restricted fixed asset funds</b>						
Transferred on conversion	56,838	3,139	(1,062)	-	-	58,915
Capital grants	417	684	(169)	117	-	1,049
Capital expenditure	448	-	-	-	-	448
	57,703	3,823	(1,231)	117	-	60,412
<b>Total Restricted funds</b>	<b>55,620</b>	<b>22,578</b>	<b>(21,651)</b>	<b>-</b>	<b>(4,169)</b>	<b>52,378</b>
<b>Total funds</b>	<b>56,636</b>	<b>23,750</b>	<b>(21,853)</b>	<b>-</b>	<b>(4,169)</b>	<b>54,364</b>

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

**General Annual Grant (GAG)**

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

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**17. Statement of funds (continued)**

**Other DfE/ESFA grants**

These funds relate to Pupil Premium, UIFSM, PE and Sports grant and Development grants.

**Other income**

These funds included in the Special Education Needs grants and other LA grants, as well as income from trading activities.

**Restricted Fixed Asset Fund – DfE/ESFA capital grants**

The Devolved Formula Capital grant, Conditional Improvement Fund and SCA income is to be used specifically to maintain and improve buildings.

**Transfers**

The transfer from the restricted general fund to the restricted fixed asset fund of £117k represents the total capital expenditure from GAG.

**Total funds analysis by academy**

Fund balances at 31 August 2019 were allocated as follows:

	<b>2019</b>	2018
	<b>£000</b>	£000
Horton Park Primary School	<b>505</b>	383
Horton Grange Primary School	<b>438</b>	372
Copthorne Primary School	<b>350</b>	224
Appleton Academy	<b>492</b>	320
Holybrook Primary School	<b>193</b>	136
Exceed Trust	<b>273</b>	146
Exceed Teaching School	<b>171</b>	157
Bradford Alternative Provision Academy	<b>159</b>	-
Harden Primary School	<b>2</b>	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	<b>2,583</b>	1,738
Restricted fixed asset fund	<b>60,412</b>	57,703
Pension reserve	<b>(8,631)</b>	(2,805)
	<hr/>	<hr/>
<b>Total</b>	<b>54,364</b>	56,636
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**17. Statement of funds (continued)**

**Total cost analysis by academy**

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

	<b>Teaching and educational support staff costs £000</b>	<b>Other support staff costs £000</b>	<b>Educational supplies £000</b>	<b>Other costs excluding depreciation £000</b>	<b>Total 2019 £000</b>	<b>Total 2018 £000</b>
Horton Park Primary School	1,598	121	41	647	<b>2,407</b>	2,482
Horton Grange Primary School	2,511	163	66	722	<b>3,462</b>	3,479
Copthorne Primary School	1,736	142	25	420	<b>2,323</b>	2,536
Appleton Academy	4,666	159	62	1,914	<b>6,801</b>	7,343
Holybrook Primary School	1,034	63	12	362	<b>1,471</b>	1,106
Exceed Trust	165	1,221	2	608	<b>1,996</b>	1,158
Exceed Teaching School	174	1	1	496	<b>672</b>	-
Bradford Alternative Provision Academy Central	476	15	5	113	<b>609</b>	-
Harden Primary School	545	41	10	285	<b>881</b>	-
	<u>12,905</u>	<u>1,926</u>	<u>224</u>	<u>5,567</u>	<u><b>20,622</b></u>	<u>18,104</u>



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**17. Statement of funds (continued)**

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

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 August 2018 £000
<b><i>Unrestricted funds</i></b>					
General Funds - all funds	582	1,241	(749)	(58)	1,016
<b><i>Restricted general funds</i></b>					
GAG	340	13,643	(13,080)	(204)	699
Other DfE Grants	31	2,031	(2,049)	-	13
Other funds	68	1,632	(1,690)	-	10
Pension reserve	(1,617)	(1,892)	(536)	1,240	(2,805)
	(1,178)	15,414	(17,355)	1,036	(2,083)
<b><i>Restricted fixed asset funds</i></b>					
Transferred on conversion	11,217	46,654	(1,033)	-	56,838
Capital grants	17	400	-	-	417
Capital expenditure	220	-	(34)	262	448
	11,454	47,054	(1,067)	262	57,703
<b><i>Total Restricted funds</i></b>	<b>10,276</b>	<b>62,468</b>	<b>(18,422)</b>	<b>1,298</b>	<b>55,620</b>
<b><i>Total funds</i></b>	<b>10,858</b>	<b>63,709</b>	<b>(19,171)</b>	<b>1,240</b>	<b>56,636</b>

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**18. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	60,099	<b>60,099</b>
Current assets	1,986	2,176	313	<b>4,475</b>
Creditors due within one year	-	(1,579)	-	<b>(1,579)</b>
Provisions for liabilities and charges	-	(8,631)	-	<b>(8,631)</b>
<b>Total</b>	<b>1,986</b>	<b>(8,034)</b>	<b>60,412</b>	<b>54,364</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	57,697	57,697
Current assets	1,016	2,959	6	3,981
Creditors due within one year	-	(2,237)	-	(2,237)
Provisions for liabilities and charges	-	(2,805)	-	(2,805)
<b>Total</b>	<b>1,016</b>	<b>(2,083)</b>	<b>57,703</b>	<b>56,636</b>

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NOTES TO THE FINANCIAL STATEMENTS  
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**19. Reconciliation of net income to net cash flow from operating activities**

	<b>2019</b>	2018
	<b>£000</b>	£000
Net income for the year (as per Statement of financial activities)	<b>1,897</b>	44,538
<b>Adjustments for:</b>		
Depreciation	<b>1,231</b>	1,067
Capital grants from DfE and other capital income	<b>(684)</b>	(60)
Defined benefit pension scheme obligation inherited	<b>513</b>	1,893
Defined benefit pension scheme cost less contributions payable	<b>1,061</b>	456
Defined benefit pension scheme finance cost	<b>83</b>	80
Increase in debtors	<b>(15)</b>	(323)
(Decrease)/increase in creditors	<b>(657)</b>	733
Fixed assets donated from local authority on conversion	<b>(1,688)</b>	(2,295)
Fixed assets donated from existing academy	<b>(1,451)</b>	(44,359)
Cash received from local authority on conversion	<b>(159)</b>	(79)
Cash received on existing academy joining the trust	<b>(24)</b>	-
<b>Net cash provided by operating activities</b>	<b>107</b>	1,651

**20. Cash flows from financing activities**

	<b>2019</b>	2018
	<b>£000</b>	£000
Cash received from local authority on conversion	<b>159</b>	79
Cash received on existing academy joining the trust	<b>24</b>	-
<b>Net cash provided by financing activities</b>	<b>183</b>	79

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**21. Cash flows from investing activities**

	<b>2019</b>	2018
	<b>£000</b>	£000
Purchase of tangible fixed assets	<b>(496)</b>	(656)
Capital grants from DfE Group	<b>685</b>	60
<b><i>Net cash provided by/(used in) investing activities</i></b>	<b>189</b>	(596)

**22. Analysis of cash and cash equivalents**

	<b>2019</b>	2018
	<b>£000</b>	£000
Cash in hand	<b>3,589</b>	3,110
<b><i>Total cash and cash equivalents</i></b>	<b>3,589</b>	3,110

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**23. Conversion to an academy trust**

On 1 March 2019 Bradford Alternative Provision Academy Central converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Exceed Academies Trust from Bradford Local Authority for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

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

	<b>Unrestricted funds £000</b>	<b>Restricted funds £000</b>	<b>Restricted fixed asset funds £000</b>	<b>Total funds £000</b>
<b><i>Tangible fixed assets</i></b>				
Leasehold land and buildings	-	-	1,688	<b>1,688</b>
<b><i>Current assets</i></b>				
Cash - representing budget surplus on LA funds	159	-	-	<b>159</b>
<b><i>Non-current liabilities</i></b>				
LGPS pension deficit	-	(166)	-	<b>(166)</b>
<b><i>Net assets/(liabilities)</i></b>	<b>159</b>	<b>(166)</b>	<b>1,688</b>	<b>1,681</b>

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**24. Transfer of existing academies into the academy trust**

**Harden Primary School**

	Value reported by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
<b><i>Intangible assets</i></b>			
<b><i>Tangible fixed assets</i></b>			
Long-term leasehold property	1,469	(39)	<b>1,430</b>
Furniture and equipment	17	-	<b>17</b>
Computer equipment	4	-	<b>4</b>
<b><i>Current assets</i></b>			
Cash at bank and in hand	24	-	<b>24</b>
<b><i>Liabilities</i></b>			
<b><i>Pensions</i></b>			
LGPS pension deficit	(347)	-	<b>(347)</b>
<b><i>Net assets</i></b>			
	<u>1,167</u>	<u>(39)</u>	<u><b>1,128</b></u>

Land and buildings have been restated at transfer into the trust to reflect the fair value as per the valuation as at the date of transfer. The valuation was carried out by an independent Chartered Surveyor.

**25. Capital commitments**

	2019 £000	2018 £000
<b><i>Contracted for but not provided in these financial statements</i></b>		
Acquisition of tangible fixed assets	<u><b>28</b></u>	<u>-</u>

**26. Pension commitments**

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

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

**26. Pension commitments (continued)**

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

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

- 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 September 2019.

The employer's pension costs paid to TPS in the year amounted to £884k (2018 - £794k).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

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**26. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £748k (2018 - £444k), of which employer's contributions totalled £514k (2018 - £305k) and employees' contributions totalled £234k (2018 - £139k). The agreed contribution rates for future years are 13% for employers and between 5.5% and 12.5% per cent for employees.

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

**Principal actuarial assumptions**

	<b>2019</b>	2018
	%	%
Rate of increase in salaries	<b>3.25</b>	3.25
Rate of increase for pensions in payment/inflation	<b>2</b>	2
Discount rate for scheme liabilities	<b>1.9</b>	2.8
Inflation assumption (CPI)	<b>2</b>	2
Inflation assumption (RPI)	<b>3</b>	3.1

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

	<b>2019</b>	2018
	Years	Years
Retiring now		
Males	<b>22.2</b>	22.1
Females	<b>25.4</b>	25.3
Retiring in 20 years		
Males	<b>23.2</b>	23.1
Females	<b>27.2</b>	27.1



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**26. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2019</b>	2018
	<b>£000</b>	£000
Discount rate +0.1%	<b>20,494</b>	12,118
Discount rate -0.1%	<b>21,561</b>	12,750
Mortality assumption - 1 year increase	<b>20,337</b>	12,070
Mortality assumption - 1 year decrease	<b>21,713</b>	12,791
Pension increase rate +0.1%	<b>21,354</b>	12,627
Pension increase rate -0.1%	<b>20,693</b>	12,236
Salary increase +0.1%	<b>21,225</b>	12,551
Salary increase -0.1%	<b>20,819</b>	12,310

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

	<b>At 31 August</b>	At 31 August
	<b>2019</b>	2018
	<b>£000</b>	£000
Equities	<b>9,615</b>	7,181
Government bonds	<b>1,301</b>	1,039
Corporate bonds	<b>558</b>	337
Property	<b>545</b>	404
Cash and other liquid assets	<b>235</b>	212
Other	<b>136</b>	452
<b>Total market value of assets</b>	<b>12,390</b>	9,625

The actual return on scheme assets was £1,041k (2018 - £533k).

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

	<b>2019</b>	2018
	<b>£000</b>	£000
Current service cost	<b>(1,149)</b>	(761)
Past service cost	<b>(426)</b>	-
Interest income	<b>301</b>	217
Interest cost	<b>(384)</b>	(297)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(1,658)</b>	(841)

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**26. Pension commitments (continued)**

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

	<b>2019</b>	2018
	<b>£000</b>	£000
<b>At 1 September</b>	<b>12,430</b>	4,800
Current service cost	<b>1,149</b>	761
Interest cost	<b>384</b>	297
Contributions by participants	<b>234</b>	139
Actuarial losses/(gains)	<b>4,909</b>	(924)
Benefits paid	<b>(186)</b>	(91)
Past service costs	<b>426</b>	-
Net increase in liabilities from acquisitions	<b>1,675</b>	7,448
	<hr/>	<hr/>
<b>At 31 August</b>	<b>21,021</b>	12,430
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>2019</b>	2018
	<b>£000</b>	£000
<b>At 1 September</b>	<b>9,625</b>	3,183
Interest income	<b>301</b>	217
Actuarial losses	<b>740</b>	316
Employer contributions	<b>514</b>	305
Contributions by participants	<b>234</b>	139
Benefits paid	<b>(186)</b>	(91)
Net increase in assets from acquisitions	<b>1,162</b>	5,556
	<hr/>	<hr/>
<b>At 31 August</b>	<b>12,390</b>	9,625
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**27. Operating lease commitments**

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

	<b>2019</b>	2018
	<b>£000</b>	£000
Within 1 year	<b>107</b>	75
Between 1 and 5 years	<b>132</b>	73
	<b>239</b>	148

**28. Members' liability**

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

**29. Related party transactions**

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

Exceed, a charity in which Mr D Jacques is a trustee:

- During the year the academy trust received income of £34,342 (2018: £6,895) and incurred expenditure of £9,000 (2018: £61,536). At 31 August 2019 an amount of £7,826 (2018: £4,364) was owed to the academy trust.

Canterbury Nurse School, a school in which Mr D Jacques is executive head and governor:

- During the year the academy trust received income of £26,848 (2018: £39,803) and incurred expenditure of £5,096 (2018: £6,176). At 31 August 2019 an amount of £12 (2018: £6,015) was owed to the academy trust and an amount of £300 (2018: £4,026) was owed by the academy trust.

**30. Agency arrangements**

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In accounting period ending 31 August 2019 the academy trust received £0 and disbursed £0 from the fund. An amount of £68k (2018: £68k) is included in other creditors relating to undistributed funds that is repayable to ESFA.

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**31. Teaching school trading account**

	<b>2019</b>	<b>2019</b>	2018	2018
	<b>£000</b>	<b>£000</b>	£000	£000
<b><i>Income</i></b>				
<b><i>Direct income</i></b>				
Grant income	<b>546</b>		292	
<b><i>Other income</i></b>				
Other teaching school income	<b>202</b>		210	
<b><i>Total income</i></b>		<b>748</b>		502
<b><i>Expenditure</i></b>				
<b><i>Direct expenditure</i></b>				
Direct staff costs	<b>174</b>		153	
Other direct costs	<b>48</b>		110	
<b><i>Total direct expenditure</i></b>	<b>222</b>		263	
<b><i>Other expenditure</i></b>				
Other staff costs	<b>20</b>		19	
Other depreciation	<b>4</b>		-	
Equipment	<b>3</b>		20	
Professional fees	<b>218</b>		172	
Other costs	<b>212</b>		11	
Insurance	<b>1</b>		1	
Contribution to Holybrook	<b>31</b>		-	
Contribution to central services	<b>25</b>		-	
<b><i>Total other expenditure</i></b>	<b>514</b>		223	
<b><i>Total expenditure</i></b>		<b>736</b>		486
<b><i>Surplus from all sources</i></b>		<b>12</b>		16
<b><i>Teaching school balances at 1 September 2018</i></b>		<b>159</b>		143
<b><i>Teaching school balances at 31 August 2019</i></b>		<b>171</b>		159

