

**Company Registration Number: 08156759** (England & Wales)

**DIOCESE OF BRISTOL ACADEMIES TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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<b>Members</b>	Diocese of Bristol Academies Company D McGregor I Yemm
<b>Trustees</b>	L Fisher, Vice Chair/Chair <sup>1,2</sup> R Parker, Chair (resigned 12 July 2018) <sup>1,3</sup> T Arkle (appointed 5 December 2017) <sup>1</sup> R Clark <sup>2</sup> I Craig <sup>1</sup> C Dursley (appointed 5 December 2017) <sup>3</sup> A Gubbins <sup>3</sup> A Hill (resigned 7 June 2018) <sup>1</sup> A Holt (appointed 11 July 2018) <sup>2</sup> D McGregor (resigned 5 December 2017) <sup>2</sup> N McKemey (appointed 2 October 2018) <sup>2</sup> J Morison <sup>2</sup> S Parsons (resigned 5 December 2017) <sup>2</sup> J Swainston <sup>1,2,3</sup> J Yeomans (appointed 2 October 2018) <sup>3</sup>  <sup>1</sup> Finance & Audit Committee <sup>2</sup> HR & Remuneration Committee <sup>3</sup> Standards Committee
<b>Company registered number</b>	08156759
<b>Company name</b>	Diocese of Bristol Academies Trust
<b>Principal and registered office</b>	First Floor Hillside House 1500 Parkway North Stoke Gifford Bristol Bristol BS34 8YU
<b>Company secretary</b>	A Pickering
<b>Accounting Officer</b>	J Swainston
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT

**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2018**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2018. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 11 primary academies in the Diocese of Bristol. Its academies have a combined pupil capacity of 2,856 and had a roll of 2,467. The majority of the difference between capacity and roll relates to Tadpole Farm CE Academy and Ridgeway Farm CE Academy, new academies which have capacities of 420 and 210, respectively, but which only opened in 2014 and 2016, respectively, and are consequently not due to be full to capacity yet.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

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

The Trustees of Diocese of Bristol Academies Trust are also the directors of the charitable company for the purposes of company law.

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

**Members' liability**

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

**Trade union facility time**

Facility Time is the provision of paid or unpaid time off from an employee's normal role to undertake trade union duties and activities as a trade union representative. Under the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Trust as a relevant public sector employer is now required to collect and publish, on an annual basis, a range of data in relation to their employees who are trade union representatives.

In 2017-18 the Trust had one employee who was a trade union representative who spent less than 1% of their time on trade union activities. The total cost of facility time was £nil (0% of the Trust's total pay bill).

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £10,000,000.

**TRUSTEES**

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

The Trustees of DBAT (Diocese of Bristol Academies Trust) shall be appointed by DoBAC (Diocese of Bristol Academies Company).

**DIOCESE OF BRISTOL ACADEMIES TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**Policies and Procedures Adopted for the Induction and Training of Trustees**

The Academy Trust has a Trustee Recruitment, Induction and Training policy available.

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

**Organisational Structure**

The DBAT Board of Trustees (Main Board) meets termly. The Board establishes an overall framework for the governance of the Trust. It receives reports and draft policies from Officers for consideration and ratification. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

In the period, DBAT comprised eleven Primary Academies:

- Christian Malford Church of England Academy
- Easton Church of England Academy
- Fishponds Church of England Academy
- Lydiard Millicent Church of England Academy
- Ridgeway Farm Church of England Academy
- Seagry Church of England Academy
- Somerfords' Walter Powell Church of England Academy
- South Marston Church of England Academy
- St Mary Redcliffe Church of England Academy
- St Peter's Church of England Academy
- Tadpole Farm Church of England Academy

Academies have their own Local Board responsible for governance and oversight of school operations and management of the school's budget. Parallel arrangements will be put in place for all future Academies in DBAT.

The Main Board has formed a Finance & Audit Sub-Committee, a Standards Sub-Committee and a HR & Remuneration Sub-Committee.

The following decisions are reserved to the Board of Trustees; to consider any proposals for changes to the status or constitution of an Academy and its Local Board/committee structure; to appoint or remove the Chair of the Local Board; to appoint the Principal of each Academy; to approve the Annual Development Plan and budget of each Academy.

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

The Board has devolved responsibility for day to day management of the Academies, within the Scheme of Delegation, to the Principal, the Senior Management Team and the Local Board of Governors, details of which can be found on the Academy's website. Each Academy implements the Board's policies and reports back on performance.

The Chief Executive Officer is the Accounting Officer.

**DIOCESE OF BRISTOL ACADEMIES TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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

The Trustees, who also fulfil the role of Directors under company law, form the key management of the company as they are responsible for all key decisions, either directly or through the Scheme of Delegation. Trustees are not remunerated for the role and as such there are no arrangements for setting pay and remuneration of key management personnel that require disclosure. The HR & Remuneration Committee are responsible for setting the remuneration arrangements for local management personnel within the academies.

**Connected Organisations, Including Related Party Relationships**

The Bristol Diocesan Board of Finance Limited, a company with common trustees, employed a number of central staff connected with the Diocese of Bristol Academies Trust, including the Chief Executive Officer and Deputy Chief Executive Officer.

The Diocese of Bristol Academies Company (DoBAC), a company with common trustees, has been set up to perform a role in the Diocese of supporting Church of England Academy Trusts to fulfil their responsibilities. The trustees of DoBAC are appointed by the Diocesan Board of Education.

DBAT Enterprises Ltd is a trading subsidiary of the trust but has been dormant throughout the year under review and to the date of this report. As such the value of the investment is considered fully impaired and no amount is included in these financial reports in recognition of the investment.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal aim of DBAT is to run Good and Outstanding Academies as judged by both Ofsted and SIAMS inspections (The Statutory Inspection of Anglican and Methodist Schools).

In 2018 this aim was applicable to the 11 existing Academies. They provide free education and care for pupils of different abilities between the ages of 3 and 11.

The aims of the Trust during the period ended 31 August 2018 are summarised below:

- to raise the standard of educational attainment and achievement so that all pupils can achieve their full potential and achieve a minimum of 64% reaching age related expectations in the combined measures at KS2, and 70% in all KS1 measures;
- to provide a broad and balanced curriculum in its Academies, including extra curricular activities;
- to develop pupils as more effective learners;
- to provide value for money for the funds expended both centrally and through its Academies;
- to develop greater coherence, clarity and effectiveness in the Trust and in its Academies;
- to comply with all appropriate statutory and curriculum requirements;
- to staff the Trust appropriately to enable it to manage change and demonstrate the highest standards of integrity, probity and openness;
- to prepare for the admission of further Academies into the Trust.

At each Academy in DBAT we aim to get the best for, and from, each child. We aim to enable each child to realise his or her full academic, creative, physical and spiritual potential and to develop positive social and moral values.

Our Academies are communities in which children, staff and parents experience a happy and caring environment.

**Objectives, Strategies and Activities**

Some key priorities for the year are outlined in the previous section.

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**Public Benefit**

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

**STRATEGIC REPORT**

**Achievements and Performance**

The information presented below gives an overall indication of the progress and attainment measures for the Trust.

In Early Years Foundation Stage (EYFS) the assessments are based on pupils' progress and attainment in several areas of development, with a final judgement of pupils reaching a Good Level of Development (GLD) against age-related standards.

At the end of Key Stage 1 (KS1) pupils are assessed in Reading, Writing, Maths (and Grammar, Punctuation and Spelling (GPS)) at the expected and above the expected standards. There is no combined score nationally for KS1.

At the end of Key Stage 2 (KS2) pupils are assessed in Reading, Writing, Maths and GPS, and are given a Combined score. The combined score collated the number of pupils who achieve the national standards in all 3 subjects of Reading, Writing and Maths (W,R,M). This is a key measure for us a Trust as it enables us to see the consistency of teaching and learning across all subject areas. Nationally the Combined average is lower than those of the individual subject areas.

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

**Overall Trust Summary**

The overall figures for the Trust are as follows:

Measure	Cohort Size	Term Actual Outcomes	6 Term Predicted Outcomes	4 Term Predicted Outcomes	2 2018 Targets	2017 Trust Outcomes	2017 National Outcomes	2018 National Outcomes
Year 6 Combined	283	51%	143 (51%)		64%	47%	61%	64%
Year 6 Reading	283	66%	181 (64%)	186 (67%)	70%	61%	72%	75%
Year 6 Writing	283	69%	181 (64%)	176 (63%)	70%	68%	76%	78%
Year 6 Mathematics	283	62%	171 (60%)	163 (58%)	71%	59%	75%	76%
Year 6 GPS	283	65%	190 (67%)	189 (68%)	78%	70%	77%	76%
Year 2 Reading	370	74%	277 (75%)	280 (76%)	75%	74%	76%	
Year 2 Writing	370	69%	253 (68%)	264 (72%)	70%	65%	68%	
Year 2 Mathematics	370	78%	282 (76%)	285 (78%)	75%	73%	75%	
Year 1 Phonics	378	85%	291 (77%)		80%	77%	81%	
EYFS GLD	372	67%	244 (66%)		85%	71%	71%	

Outcomes show a generally positive picture:

- With the exception of grammar, punctuation and spelling (GPS), all Year 6 outcomes show an increase compared to 2017 Trust outcomes
- However all Year 6 outcomes are below initial targets and provisional 2018 national outcomes
- There has been a slight closing of gaps in reading, mathematics and combined, however the writing and GPS gaps have widened when compared to national outcomes
- Year 2 writing and mathematics also show an increase compared to 2017 Trust outcomes. However there was a mixed picture compared to targets and 2017 outcomes with only mathematics targets being met and only writing exceeding 2017 national outcomes
- Phonics outcomes were a real strength with an increase compared to 2017 Trust outcomes, targets were exceeded and outcomes exceeded 2017 national outcomes
- EYFS outcomes, although exceeding Trust targets, showed a slight decline compared to 2017 Trust and national outcomes
- Trends over the year show increases in outcomes in Key Stage 2 writing and mathematics, but decreases in Key Stage 2 GPS and Key Stage 1 reading
- Three year trends show continued rising outcomes for phonics, all aspects of Key Stage 1 and reading, mathematics and the combined measures for Key Stage 2

**Key Performance Indicators**

The key financial performance indicator for this financial year is the total spend compared to budget. The Trustees aim to utilise fully the school budget share of the General Annual Grant (GAG) funding on the pupils. Other financial KPIs used in the year under review include staff costs as a percentage of total costs, per-pupil cost measures and per-pupil income measures.

These will continue to develop as the organisation grows.

**Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Going concern policy.



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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**FINANCIAL REVIEW**

**Financial Review**

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

During the year ended 31 August 2018, the Trust received total income of £13,379,571 which consisted of recurrent grant funding from the DfE of £11,367,207, and other incoming resources of £2,012,364. Total expenses for the period amounted to £14,162,689.

At 31 August 2018 the net book value of fixed assets was £32,843,951 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

**Financial and Risk Management Objectives and Policies**

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

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

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

**Reserves Policy**

It is the Trustees objective to maintain a structure of prudent financial management. The Reserves Policy is to keep 8% of combined Trust GAG income in reserve across General Restricted funds and Unrestricted funds combined. The Trustees have considered that this is a sufficient amount to allow for fluctuations in future funding or unexpected expenditure, whilst ensuring that current period funding is expended to maximise provision of education. The Trustees have also considered the particular financial risk arising from the opening of brand new schools, and Free Schools in particular, and consider this amount sufficient to also cover the risk arising from future Free School openings which are already in the pipeline.

For the period under review, 8% of relevant Trust GAG equates to £780,033. Therefore actual year-end reserves show a £158,205 surplus compared to target.

There are no other cash reserves.

**Investment Policy**

The Academy Trust has in place a cash management process which transfers excess funds into a higher interest rate account on a daily basis.

The Trustees will continue to regularly monitor performance.

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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**Principal Risks And Uncertainties**

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

**Financial** - the Academy Trust has considerable reliance on continued Government funding through the ESFA. In the last year 94% (2017: 91%) of the Academy's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

**Failures in governance and/or management** - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

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

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

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

**Business Development** – there are a number of large key projects gathering steam, throughout 2017-18 and beyond, and the Trust must ensure that there is continuity of service in business-as-usual matters alongside these developmental initiatives.

The Trust has continued to strengthen its risk management by maintaining a risk register which is reviewed and updated on a regular basis.

The Trust has also contracted its Internal Auditors to review and advise on risk management processes in the year under review.

**DIOCESE OF BRISTOL ACADEMIES TRUST  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**PLANS FOR FUTURE PERIODS**

DBAT won a bid to establish a Secondary Church of England Free School in Swindon in 2019. Further bids to open two Primary Church of England Free Schools in Swindon were also successful.

We continue to speak to a number of schools about joining the Trust. This is ongoing. However, we strive to ensure that the Academy Trust has capacity built in to successfully manage the growing organisation and new Academies.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

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

**AUDITORS**

In so far as the Trustees are aware:

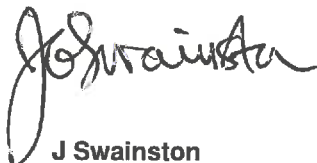
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on 4.12.2018 and signed on the board's behalf by:



**L Fisher**  
Chair of Trustees



**J Swainston**  
Chief Executive Officer

**DIOCESE OF BRISTOL ACADEMIES TRUST  
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**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

As Trustees, we acknowledge we have overall responsibility for ensuring that Diocese of Bristol 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 Officer, 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 Diocese of Bristol 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 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
L Fisher, Vice Chair/Chair	5	6
R Parker, Chair	5	6
T Arkle	4	5
R Clark	5	6
I Craig	4	6
C Dursley	4	5
A Gubbins	6	6
A Hill	3	5
A Holt	0	1
D McGregor	1	1
J Morison	5	6
S Parsons	0	1
J Swainston	5	6

During the year four Trustees have left, one trustee has joined and the Board have appointed two further Trustees since the year end. All Trustees have been linked individually with at least one Academy to provide support and governance at a more detailed level. The Trustees continue to seek further appointments to increase both the capacity and expertise of the Board.

**Governance reviews:**

The Board regularly review their effectiveness which includes identifying necessary skills that may be required for the Academy Trust. When skills are identified, the Board seek to source an individual to fill the void.

The Finance & Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- Evaluate the Trust's risks, including recommendation of risk registers, and monitor mitigation processes that are in place.
- Consider the effectiveness of the system of internal control in place within the Trust, through the monitoring of internal audit reports.
- Review the Trust's accounts and make recommendations to the Board accordingly.

**DIOCESE OF BRISTOL ACADEMIES TRUST  
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**GOVERNANCE STATEMENT (continued)**

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Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
I Craig	4	5
L Fisher	2	2
A Hill	2	3
T Arkle	2	4

**REVIEW OF VALUE FOR MONEY**

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

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

- Joining the Risk Protection Arrangements as an alternative to commercial insurance to reduce cost and increase levels of cover
- Combining the procurement of new contracts for Trust-wide services with the procurement of new emerging services for the Deanery CE Academy – a brand new Free School opening September 2019
- Engaging with the Schools' Buying Hub South West as a procurement partner and the engagement of a procurement consultant to drive priority procurement activities
- Making use of Framework agreements through Crown Commercial Services and other brokers
- Integration of Pre-Schools with their corresponding Primary Schools to facilitate operational effectiveness

**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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Diocese of Bristol Academies Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;

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**GOVERNANCE STATEMENT (continued)**

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- 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 RSM UK Group LLP as internal auditor with effect from 1 September 2016. These services include the provision of an internal audit function including checks on individual Academy's financial systems as well as providing advice on financial and risk management matters.

In particular the checks carried out in the current period included:

- review of risk culture and risk management;
- review of establishment controls;
- review of fundamental financial control systems; and,
- review of policy administration and process within the Trust.

On a termly basis, the auditor reports to the Board of Trustees through the Finance & Audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

No significant matters of note were identified in the year.

**REVIEW OF EFFECTIVENESS**

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

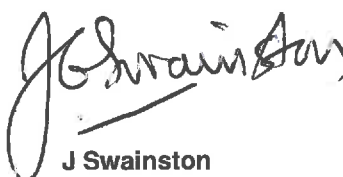
- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Board of Trustees in conjunction with the Finance & 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 on 8 December 2018 and signed on their behalf, by:



**L Fisher**  
Chair of Trustees

  
J Swainston  
Accounting Officer

**DIOCESE OF BRISTOL ACADEMIES TRUST  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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

  
J Swainston

**DIOCESE OF BRISTOL ACADEMIES TRUST  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2018**

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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 Strategic report, the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare 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 2017 to 2018;
- 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:



**L Fisher**  
Chair of Trustees

**Date:** 4 December 2018



**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**OPINION**

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

In our opinion the financial statements:

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

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

**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. 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.

**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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.

**RESPONSIBILITIES OF TRUSTEES**

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

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

**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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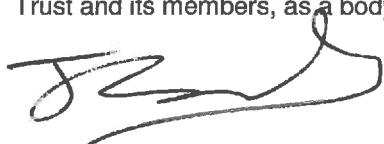
**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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



Joseph Scaife FCA DChA (Senior Statutory Auditor)

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date: 12/12/15

**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO DIOCESE OF  
BRISTOL ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 16 October 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Diocese of Bristol Academies Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Diocese of Bristol 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 Diocese of Bristol Academies Trust and the 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 Diocese of Bristol Academies Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIOCESE OF BRISTOL ACADEMIES TRUST'S ACCOUNTING  
OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Diocese of Bristol Academies Trust's funding agreement with the Secretary of State for Education dated 24 August 2012, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

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

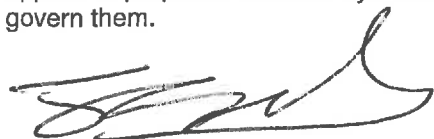
**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO DIOCESE OF  
BRISTOL 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 suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Joseph Scaife FCA DChA (Reporting Accountant)

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
16 Queen Square  
Bristol  
BS1 4NT

Date: 12/12/18

**DIOCESE OF BRISTOL ACADEMIES TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>INCOME FROM:</b>						
Donations & capital grants:						
Transfer on conversion	2	-	-	-	-	5,811,239
Other donations and capital grants	2	80,000	252,043	257,704	589,747	528,070
Charitable activities	5	782,754	11,755,981	-	12,538,735	10,474,625
Other trading activities	3	250,381	-	-	250,381	209,907
Investments	4	708	-	-	708	2,624
<b>TOTAL INCOME</b>		<b>1,113,843</b>	<b>12,008,024</b>	<b>257,704</b>	<b>13,379,571</b>	<b>17,026,465</b>
<b>EXPENDITURE ON:</b>						
Raising funds		250,381	-	-	250,381	122,320
Charitable activities		1,056,108	12,048,838	807,362	13,912,308	11,983,070
<b>TOTAL EXPENDITURE</b>	6	<b>1,306,489</b>	<b>12,048,838</b>	<b>807,362</b>	<b>14,162,689</b>	<b>12,105,390</b>
<b>NET BEFORE TRANSFERS</b>		<b>(192,646)</b>	<b>(40,814)</b>	<b>(549,658)</b>	<b>(783,118)</b>	<b>4,921,075</b>
Transfers between Funds	19	-	(180,033)	180,033	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>(192,646)</b>	<b>(220,847)</b>	<b>(369,625)</b>	<b>(783,118)</b>	<b>4,921,075</b>
Actuarial gains on defined benefit pension schemes	24	-	412,000	-	412,000	694,000
<b>NET MOVEMENT IN FUNDS</b>		<b>(192,646)</b>	<b>191,153</b>	<b>(369,625)</b>	<b>(371,118)</b>	<b>5,615,075</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		670,509	(3,806,779)	33,252,571	30,116,301	24,501,226
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>477,863</b>	<b>(3,615,626)</b>	<b>32,882,946</b>	<b>29,745,183</b>	<b>30,116,301</b>

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

**DIOCESE OF BRISTOL ACADEMIES TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 08156759**

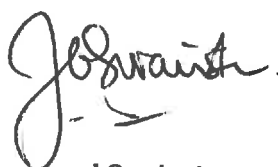
**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	14		32,843,951		33,089,339
<b>CURRENT ASSETS</b>					
Debtors	15	980,608		1,185,585	
Cash at bank and in hand		1,138,831		1,026,379	
		<u>2,119,439</u>		<u>2,211,964</u>	
<b>CREDITORS: amounts falling due within one year</b>	16	<u>(1,140,707)</u>		<u>(1,242,752)</u>	
<b>NET CURRENT ASSETS</b>			978,732		969,212
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			33,822,683		34,058,551
<b>CREDITORS: amounts falling due after more than one year</b>	17		<u>(1,500)</u>		<u>(2,250)</u>
<b>NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES</b>			33,821,183		34,056,301
Defined benefit pension scheme liability	24		<u>(4,076,000)</u>		<u>(3,940,000)</u>
<b>NET ASSETS</b>			<u>29,745,183</u>		<u>30,116,301</u>
<b>FUNDS OF THE ACADEMY TRUST</b>					
Restricted funds:					
General funds	19	460,374		133,221	
Fixed asset funds	19	32,882,946		33,252,571	
Restricted funds excluding pension liability		<u>33,343,320</u>		<u>33,385,792</u>	
Pension reserve		<u>(4,076,000)</u>		<u>(3,940,000)</u>	
Total restricted funds			29,267,320		29,445,792
Unrestricted funds	19		477,863		670,509
<b>TOTAL FUNDS</b>			<u>29,745,183</u>		<u>30,116,301</u>

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



**L Fisher**  
Chair of Trustees



**J Swainston**  
Chief Executive Officer

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

**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2018**

	<b>Note</b>	<b>2018 £</b>	<b>2017 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	21	<u>347,588</u>	<u>(129,855)</u>
<b>Cash flows from investing activities:</b>			
Interest received		(678)	2,624
Purchase of tangible fixed assets		(561,974)	(757,007)
Capital grants from DfE/ESFA		<u>327,516</u>	<u>375,093</u>
<b>Net cash used in investing activities</b>		<u>(235,136)</u>	<u>(379,290)</u>
<b>Cash flows from financing activities:</b>			
Cash transferred on conversion to an academy trust		-	370,264
<b>Net cash provided by financing activities</b>		<u>-</u>	<u>370,264</u>
<b>Change in cash and cash equivalents in the year</b>		<b>112,452</b>	<b>(138,881)</b>
Cash and cash equivalents brought forward		<u>1,026,379</u>	<u>1,165,260</u>
<b>Cash and cash equivalents carried forward</b>	22	<u><u>1,138,831</u></u>	<u><u>1,026,379</u></u>

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



**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES**

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

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

Diocese of Bristol Academies Trust constitutes a public benefit entity as defined by FRS 102.

**1.2 GOING CONCERN**

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

**1.3 FUND ACCOUNTING**

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

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

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

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

**1.4 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.

**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

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

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

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

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where receipt is probable and it can be measured reliably.

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

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

**1.5 EXPENDITURE**

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

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

Expenditure on charitable activities are costs incurred on the Academy Trust's educational operations, including support costs and those costs relating to the governance of the Academy Trust apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £1,000 are capitalised 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, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold land	-	over the life of the lease
Long term leasehold buildings	-	straight line over 50 years
Furniture and fixtures	-	straight line over 5 years
Computer equipment	-	straight line over 3 years

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.

Where the Trust has been granted use of school buildings from the Bristol Diocesan Board of Finance Ltd under Supplemental Agreements, the Academies Accounts Direction prescribes that where the Academy Trust concludes it has control over access and works of the land and buildings they can be recognised as an asset. The land and buildings have been included within the long-term property of the Trust as the Bristol Diocesan Board of Finance Ltd are currently not exerting control over the assets. On conversion the long term leasehold property was recognised as a donation on conversion and was valued using the depreciated replacement cost method.

The Supplemental Agreement includes the right for the Bristol Diocesan Board of Finance Ltd Trustees to give not less than 2 years written notice to the Academy Trust and Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements.

**1.7 OPERATING LEASES**

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

**1.8 TAXATION**

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

**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.9 INTEREST RECEIVABLE**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the Bank.

**1.10 DEBTORS**

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

**1.11 CASH AT BANK AND IN HAND**

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

**1.12 LIABILITIES AND PROVISIONS**

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

**DIOCESE OF BRISTOL ACADEMIES TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

**1.13 PENSIONS**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**1.14 FINANCIAL INSTRUMENTS**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 16 and 17. 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 instruments.

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**1. ACCOUNTING POLICIES (continued)**

**1.15 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

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

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Transfer on conversion	-	-	-	-	5,811,239
	-	-	-	-	5,811,239
Donations	80,000	182,231	-	262,231	152,977
Capital Grants	-	69,812	257,704	327,516	375,093
	80,000	252,043	257,704	589,747	528,070
	80,000	252,043	257,704	589,747	6,339,309
Total 2017	467,171	(482,417)	6,354,555	6,339,309	

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**3. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	58,598	-	58,598	43,651
Consultancy	21,007	-	21,007	48,301
Fees received	170,776	-	170,776	117,955
	<u>250,381</u>	<u>-</u>	<u>250,381</u>	<u>209,907</u>
Total 2017	<u>209,907</u>	<u>-</u>	<u>209,907</u>	

**4. INVESTMENT INCOME**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	708	-	708	2,624
	<u>708</u>	<u>-</u>	<u>708</u>	<u>2,624</u>
Total 2017	<u>2,624</u>	<u>-</u>	<u>2,624</u>	

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**5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General Annual Grant	-	9,750,414	9,750,414	8,041,045
Start up Grants	-	23,000	23,000	47,197
Other DfE/ESFA grants	-	1,593,793	1,593,793	1,273,298
	-	11,367,207	11,367,207	9,361,540
<b>Other Government grants</b>				
High Needs	-	265,495	265,495	210,548
Other government grants non capital	536,465	123,279	659,744	658,640
	536,465	388,774	925,239	869,188
<b>Other funding</b>				
Internal catering income	128,327	-	128,327	112,566
Sales to students	7,374	-	7,374	9,306
Other	110,588	-	110,588	122,025
	246,289	-	246,289	243,897
	782,754	11,755,981	12,538,735	10,474,625
Total 2017	613,523	9,861,102	10,474,625	

**6. EXPENDITURE**

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on fundraising trading	191,783	58,598	-	250,381	122,320
Education:					
Direct costs	8,034,978	807,362	818,604	9,660,944	8,300,898
Support costs	2,016,190	760,481	1,474,693	4,251,364	3,682,172
	10,242,951	1,626,441	2,293,297	14,162,689	12,105,390
Total 2017	8,677,118	1,169,347	2,258,925	12,105,390	



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**7. DIRECT COSTS**

	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Pension finance costs	72,000	48,000
Educational supplies	456,882	375,745
Staff development	68,750	68,297
Educational visits and activities	219,559	176,986
Supply teachers	282,468	192,454
Technology costs	1,413	6,896
Wages and salaries	5,899,612	5,127,111
National insurance	540,601	454,248
Pension cost	1,312,297	1,093,968
Depreciation	807,362	757,193
	<b>9,660,944</b>	<b>8,300,898</b>
Total 2017	<b>8,300,898</b>	

**8. SUPPORT COSTS**

	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Pension finance costs	46,000	35,000
Recruitment and support	129,357	95,561
Maintenance of premises and equipment	279,564	249,281
Cleaning	231,464	173,865
Rent and rates	108,721	83,787
Energy costs	94,604	117,458
Insurance	53,459	72,453
Security and transport	46,128	45,443
Catering	573,395	448,479
Technology costs	210,899	238,376
Office overheads	176,706	141,715
Legal and professional	255,262	263,190
Bank interest and charges	8,276	4,158
Governance	21,339	22,024
Wages and salaries	1,481,743	1,237,564
National insurance	87,459	64,416
Pension cost	446,988	389,402
	<b>4,251,364</b>	<b>3,682,172</b>
Total 2017	<b>3,682,172</b>	

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**9. NET INCOME/(EXPENDITURE) FOR THE PERIOD**

This is stated after charging:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets:		
- Owned or held under lease or agreement	<b>807,362</b>	757,193
Auditors' remuneration - audit	<b>16,000</b>	16,000
Auditors' remuneration - other services	<b>3,250</b>	3,000
Operating lease rentals	<b>28,085</b>	18,528

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**10. STAFF COSTS**

**a. Staff costs**

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	7,548,138	6,448,880
Social security costs	628,060	518,664
Operating costs of defined benefit pension schemes	1,759,285	1,483,370
	<u>9,935,483</u>	<u>8,450,914</u>
Agency staff costs	282,468	192,454
Staff restructuring costs	25,000	33,750
	<u>10,242,951</u>	<u>8,677,118</u>

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

Included in staff restructuring costs are non-contractual settlement payments totalling £25,000 (2017 £33,750) individually, the payments were £10,000, £10,000 and £5,000.

**c. Staff numbers**

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

	2018 No.	2017 No.
Teachers	99	106
Educational, Administration and Clerical Support	272	230
Management	27	25
	<u>398</u>	<u>361</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	80	86
Educational, Administration and Clerical Support	136	126
Management	26	19
	<u>242</u>	<u>231</u>

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**10. STAFF COSTS (continued)**

**d. Higher paid staff**

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

	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	<b>5</b>	<b>2</b>
In the band £80,001 - £90,000	<b>1</b>	<b>1</b>

The above employees participated in the Teachers' Pension Scheme. Annual equivalent pension contributions during the period, for these staff members amounted to £66,376 (2017: £34,529).

**e. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £232,803 (2017: £187,065). Included in this amount is £64,541 (2017: £63,240) recharged from Bristol Diocesan Board of Finance Ltd as included in the disclosure in note 26.

**11. CENTRAL SERVICES**

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

- human resources
- financial services
- legal services
- educational support services
- others as arising

The Academy Trust charges for these services on the following basis:

5% of GAG income from each Academy within the Academy Trust

The actual amounts charged during the year were as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Christian Malford Church of England Academy	<b>17,356</b>	15,930
Easton Church of England Academy	<b>114,243</b>	118,557
Fishponds Church of England Academy	<b>85,448</b>	86,791
Lydiard Millicent Church of England Academy	<b>37,678</b>	37,189
Ridgeway Farm Church of England Academy	<b>24,917</b>	21,485
Seagry Church of England Academy	<b>8,237</b>	9,635
Somerfords' Walter Powell Church of England Academy	<b>11,930</b>	11,293
South Marston Church of England Academy	<b>24,339</b>	19,005
St Mary Redcliffe Church of England Primary School	<b>82,606</b>	13,870
St Peter's Church of England Academy	<b>35,460</b>	37,499
Tadpole Farm Church of England Academy	<b>44,406</b>	32,434
<b>Total</b>	<b>486,620</b>	<b>403,688</b>

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**12. TRUSTEES' REMUNERATION AND EXPENSES**

During the year, no Trustees received any remuneration (2017: £NIL).

During the year, no Trustees received any benefits in kind (2017: £NIL).

During the year ended 31 August 2018, expenses totalling £2,362 (2017: £1,647) were reimbursed to 6 Trustees (2017: 5).

Other related party transactions involving the Trustees are set out in note 26.

**13. TRUSTEES' AND OFFICERS' INSURANCE**

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

**14. TANGIBLE FIXED ASSETS**

	Long term leasehold land and buildings £	Furniture and fixtures £	Computer equipment £	Total £
<b>COST</b>				
At 1 September 2017	33,584,184	800,890	416,400	34,801,474
Additions	430,134	84,918	46,922	561,974
At 31 August 2018	34,014,318	885,808	463,322	35,363,448
<b>DEPRECIATION</b>				
At 1 September 2017	1,277,243	191,350	243,542	1,712,135
Charge for the year	540,375	163,047	103,940	807,362
At 31 August 2018	1,817,618	354,397	347,482	2,519,497
<b>NET BOOK VALUE</b>				
At 31 August 2018	32,196,700	531,411	115,840	32,843,951
At 31 August 2017	32,306,941	609,540	172,858	33,089,339

**15. DEBTORS**

	2018 £	2017 £
Trade debtors	77,314	95,515
VAT repayable	269,426	432,680
Other debtors	76,647	22,328
Prepayments and accrued income	557,221	635,062
	<b>980,608</b>	<b>1,185,585</b>

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

	2018 £	2017 £
Loans	750	750
Trade creditors	436,001	534,325
Other taxation and social security	146,357	150,070
Other creditors	203,027	177,829
Accruals and deferred income	354,572	379,778
	<u>1,140,707</u>	<u>1,242,752</u>

	2018 £	2017 £
<b>DEFERRED INCOME</b>		
Deferred income at 1 September 2017	255,739	127,540
Resources deferred during the year	234,061	255,739
Amounts released from previous years	(255,739)	(127,540)
Deferred income at 31 August 2018	<u>234,061</u>	<u>255,739</u>

Included in deferred income is Universal Infant Free School Meals grant received in advance of the 2018/19 academic year and money received from parents for trips taking place in 2018/19.

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2018 £	2017 £
Loans	<u>1,500</u>	<u>2,250</u>

Included within the above are amounts falling due as follows:

	2018 £	2017 £
<b>BETWEEN ONE AND TWO YEARS</b>		
Other loans	<u>750</u>	<u>750</u>
<b>BETWEEN TWO AND FIVE YEARS</b>		
Other loans	<u>750</u>	<u>1,500</u>

Included above is an interest free Salix loan of £3,000 repayable in twice yearly instalments (in March and September) over 4 years commencing September 2017.

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**18. FINANCIAL INSTRUMENTS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Financial assets measured at amortised cost	<b>1,725,279</b>	<b>1,619,490</b>
Financial liabilities measured at amortised cost	<b>(588,952)</b>	<b>(659,114)</b>

Financial assets measured at amortised cost comprise trade debtors, other debtors, cash at bank and in hand and accrued income.

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

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**19. STATEMENT OF FUNDS**

	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Carried forward £
<b>UNRESTRICTED FUNDS</b>						
Unrestricted funds	670,509	1,113,843	(1,306,489)	-	-	477,863
<b>RESTRICTED FUNDS</b>						
	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Carried forward £
General Annual Grant	11,497	9,804,338	(9,312,293)	(170,033)	-	333,509
High Needs	-	265,495	(265,495)	-	-	-
Donations	-	96,330	(76,330)	(10,000)	-	10,000
Pupil premium	-	886,287	(886,287)	-	-	-
Start up grant	-	23,000	(23,000)	-	-	-
Devolved Formula Capital	-	69,812	(69,812)	-	-	-
Swindon Secondary grant	38,193	90,000	(64,504)	-	-	63,689
UIFSM	-	369,032	(369,032)	-	-	-
PE Sports Grant	-	194,550	(194,550)	-	-	-
Other ESFA	74,031	-	(20,855)	-	-	53,176
Other LA funding	-	72,231	(72,231)	-	-	-
Educational visits	-	85,901	(85,901)	-	-	-
Other restricted funds	9,500	51,048	(60,548)	-	-	-
Pension reserve	(3,940,000)	-	(548,000)	-	412,000	(4,076,000)
	<u>(3,806,779)</u>	<u>12,008,024</u>	<u>(12,048,838)</u>	<u>(180,033)</u>	<u>412,000</u>	<u>(3,615,626)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Carried forward £
Fixed assets transferred on conversion	31,280,364	-	(521,409)	-	-	30,758,955
Fixed assets purchased from GAG and other restricted funds	1,252,762	2,000	(280,099)	180,033	-	1,154,696
Condition Improvement Fund	719,445	255,704	(5,854)	-	-	969,295
	<u>33,252,571</u>	<u>257,704</u>	<u>(807,362)</u>	<u>180,033</u>	<u>-</u>	<u>32,882,946</u>
Total restricted funds	<u>29,445,792</u>	<u>12,265,728</u>	<u>(12,856,200)</u>	<u>-</u>	<u>412,000</u>	<u>29,267,320</u>
Total of funds	<u>30,116,301</u>	<u>13,379,571</u>	<u>(14,162,689)</u>	<u>-</u>	<u>412,000</u>	<u>29,745,183</u>



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**19. STATEMENT OF FUNDS (continued)**

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

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

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

Donations represent amounts raised through fundraising for specific purposes and various small restricted donations.

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

Start up Grant - This represents one off funding received from the ESFA to contribute to the cost of converting from a school to an academy.

Devolved Formula Capital - This represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

Swindon Secondary grant is funding received from the ESFA to cover the pre-opening expenditure incurred in the opening of a secondary school in Swindon in 2017/18.

UFSM is funding received from the ESFA for the provision of school dinners to all Reception and Key Stage One pupils.

PE Grant - This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

Other ESFA grants include other grants received from the ESFA for specific purposes.

Other LA funding represents Pupil Premium and Pupil Trigger Funding received from the Local Authority.

Educational visits relates to amounts received for specific trips in the period, to cover the costs incurred on the trip by parents and amounts received for the purchase of specified fixed assets.

Other restricted funds represents amounts received from various bodies and includes income under the following initiatives; Department of Work & Pensions reimbursements and Educational visits.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

**FIXED ASSET FUNDS**

Fixed assets transferred on conversion represents land, buildings and other equipment donated to the Academy Trust on the conversion of Local Authority schools to the Academy Trust.

Fixed assets purchased from GAG and other restricted funds represent amounts spent on fixed assets from the GAG or other restricted funding received from the ESFA or other bodies including funding received from Swindon County Council for the purchase of fixed assets at Ridgeway Farm Church of England Academy.

Condition Improvement Fund represents funding received from the ESFA for the purchase of fixed assets.

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**19. STATEMENT OF FUNDS (continued)**

**TRANSFERS BETWEEN FUNDS**

The transfer from the restricted fund to the restricted fixed asset fund represents the total capital expenditure from the General Annual Grant and other restricted grants during the year.

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2018 were allocated as follows:

	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Christian Malford Church of England Academy	(40,155)	(31,379)
Easton Church of England Academy	163,011	138,492
Fishponds Church of England Academy	283,355	197,940
Lydiard Millicent Church of England Academy	169,573	90,974
Ridgeway Farm Church of England Academy	(1,062)	(22,044)
Seagry Church of England Academy	(23,876)	27,896
Somerfords' Walter Powell Church of England Academy	(22,755)	(5,614)
South Marston Church of England Academy	107,024	80,598
St Mary Redcliffe Church of England Primary School	183,067	291,905
St Peter's Church of England Academy	71,939	21,354
Tadpole Farm Church of England Academy	(72,030)	(125,236)
Central Services	120,146	138,844
	<hr/>	<hr/>
Total before fixed asset fund and pension reserve	938,237	803,730
Restricted fixed asset fund	32,882,946	33,252,571
Pension reserve	(4,076,000)	(3,940,000)
	<hr/>	<hr/>
Total	29,745,183	30,116,301
	<hr/>	<hr/>

The following academies are carrying net deficits on their portion of the funds as follows:

<b>Name of academy</b>	<b>Amount of deficit £</b>
Christian Malford Church of England Academy	(40,155)
Ridgeway Farm Church of England Academy	(1,062)
Somerfords' Walter Powell Church of England Academy	(22,755)
Tadpole Farm Church of England Academy	(72,030)
Seagry Church of England Academy	(23,876)

Tadpole Farm Church of England Academy and Ridgeway Farm Church of England Academy are two new build schools opened in 2014 and 2016 respectively. Their negative reserves positions have been brought about by losses generated to the diseconomies associated with running schools which are yet to reach capacity. As these schools grow to full capacity, the Trust will ensure that appropriate staffing and other cost structures are put in place to reverse opening years deficits and ensure that balanced budgets are reached.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**19. STATEMENT OF FUNDS (continued)**

Christian Malford Church of England Academy, Seagry Church of England Academy and Somerfords' Walter Powell Church of England Academy are small, rural schools which have experienced unusually low numbers on roll in recent years. The three schools have continued to work together in the year to identify savings through new shared leadership structures, along with arrangements to utilise resource from other schools within the trust. The savings achieved through these arrangements, along with the projected reversal of declines in numbers on roll, mean the schools should be in a position to begin to reverse their reserves deficits over the coming period.

**ANALYSIS OF ACADEMIES BY COST**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2018 £	Total 2017 £
Christian Malford	303,697	112,385	30,023	89,129	535,234	443,259
Easton	2,063,868	351,768	161,955	315,705	2,893,296	3,182,766
Fishponds	1,245,814	209,623	240,305	348,834	2,044,576	2,232,703
Lydiard Millicent	526,125	82,300	66,013	168,768	843,206	831,490
Ridgeway Farm	392,282	84,735	64,504	127,599	669,120	516,000
Seagry	162,311	79,327	12,564	54,980	309,182	254,915
Somerfords' Walter Powell	195,054	55,329	21,080	53,009	324,472	321,666
South Marston	393,738	69,542	48,316	120,075	631,671	530,812
St Mary Redcliffe	1,344,378	228,132	235,565	434,016	2,242,091	297,915
St Peter's	527,582	86,720	39,571	220,562	874,435	910,472
Tadpole Farm	763,427	219,215	91,374	193,978	1,267,994	1,124,298
Central Services	29,597	439,535	17,802	242,729	729,663	701,897
	<u>7,947,873</u>	<u>2,018,611</u>	<u>1,029,072</u>	<u>2,369,384</u>	<u>13,364,940</u>	<u>11,348,193</u>

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2017 £
<b>GENERAL FUNDS</b>						
Unrestricted funds	698,001	1,293,225	(1,320,717)	-	-	670,509

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**FOR THE YEAR ENDED 31 AUGUST 2018**

**19. STATEMENT OF FUNDS (continued)**

**RESTRICTED FUNDS**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2017 £
General Annual Grant	32,646	8,041,045	(7,642,591)	(419,603)	-	11,497
High Needs	-	210,548	(210,548)	-	-	-
Pupil premium	-	716,868	(716,868)	-	-	-
Start up grant	-	47,197	(47,197)	-	-	-
Devolved Formula Capital	-	81,513	(81,513)	-	-	-
Swindon Secondary grant	90,660	-	(52,467)	-	-	38,193
UIFSM	-	241,300	(241,300)	-	-	-
PE Sports Grant	-	62,403	(62,403)	-	-	-
Sponsor capacity	-	75,000	(75,000)	-	-	-
Other ESFA	-	177,727	(103,696)	-	-	74,031
Other LA funding	-	279,514	(279,514)	-	-	-
Educational visits	-	56,070	(56,070)	-	-	-
RFA Start Up Grant	15,313	-	(15,313)	-	-	-
Other restricted funds	-	9,500	-	-	-	9,500
Pension reserve	(3,571,000)	(620,000)	(443,000)	-	694,000	(3,940,000)
	<u>(3,432,381)</u>	<u>9,378,685</u>	<u>(10,027,480)</u>	<u>(419,603)</u>	<u>694,000</u>	<u>(3,806,779)</u>

**RESTRICTED FIXED ASSET FUNDS**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2017 £
Fixed assets transferred on conversion	25,733,287	6,060,975	(513,898)	-	-	31,280,364
Fixed assets purchased from GAG and other restricted funds	1,071,565	-	(238,406)	419,603	-	1,252,762
Condition Improvement Fund	430,754	293,580	(4,889)	-	-	719,445
	<u>27,235,606</u>	<u>6,354,555</u>	<u>(757,193)</u>	<u>419,603</u>	<u>-</u>	<u>33,252,571</u>
Total restricted funds	<u>23,803,225</u>	<u>15,733,240</u>	<u>(10,784,673)</u>	<u>-</u>	<u>694,000</u>	<u>29,445,792</u>
Total of funds	<u>24,501,226</u>	<u>17,026,465</u>	<u>(12,105,390)</u>	<u>-</u>	<u>694,000</u>	<u>30,116,301</u>

**DIOCESE OF BRISTOL ACADEMIES TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	32,843,951	32,843,951
Current assets	473,920	1,606,524	38,995	2,119,439
Creditors due within one year	3,943	(1,144,650)	-	(1,140,707)
Creditors due in more than one year	-	(1,500)	-	(1,500)
Pension scheme liability	-	(4,076,000)	-	(4,076,000)
	<u>477,863</u>	<u>(3,615,626)</u>	<u>32,882,946</u>	<u>29,745,183</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	33,089,339	33,089,339
Current assets	670,509	1,378,223	163,232	2,211,964
Creditors due within one year	-	(1,242,752)	-	(1,242,752)
Creditors due in more than one year	-	(2,250)	-	(2,250)
Pension scheme liability	-	(3,940,000)	-	(3,940,000)
	<u>670,509</u>	<u>(3,806,779)</u>	<u>33,252,571</u>	<u>30,116,301</u>

**21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(783,118)	4,921,075
<b>Adjustment for:</b>		
Depreciation charges	807,362	757,193
Gains/(losses) on investments	678	(2,624)
Decrease/(increase) in debtors	204,977	(375,734)
(Decrease)/increase in creditors	(102,795)	288,836
Capital grants from DfE and other capital income	(327,516)	(375,093)
Defined benefit pension scheme cost less contributions payable	430,000	360,000
Defined benefit pension scheme finance cost	118,000	83,000
Net assets and liabilities from local authority on conversion	-	(5,786,508)
<b>Net cash provided by/(used in) operating activities</b>	<u>347,588</u>	<u>(129,855)</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2018 £	2017 £
Cash at bank and in hand	1,138,831	1,026,379
	<u>1,138,831</u>	<u>1,026,379</u>

**23. CAPITAL COMMITMENTS**

At 31 August 2018 the Academy Trust had capital commitments as follows:

	2018 £	2017 £
Contracted for but not provided in these financial statements	47,642	163,232
	<u>47,642</u>	<u>163,232</u>

**24. PENSION COMMITMENTS**

The Academy Trust's employees belong to two principal pension schemes: the Teacher's 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 Bath and North East Somerset and Wiltshire Council. Both are multi-employer Defined Benefit Pension Schemes.

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

Contributions amounting to £186,485 were payable to the schemes at 31 August 2018 (2017: £153,280) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, 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.

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**24. PENSION COMMITMENTS (continued)**

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

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

The employer's pension costs paid to TPS in the period amounted to £684,778 (2017: £594,899).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £797,000 (2017: £655,000), of which employer's contributions totalled £626,000 (2017: £519,000) and employees' contributions totalled £171,000 (2017: £136,000). The agreed contribution rates for future years are 15.8% - 24.1% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	3.14 %	3.21 %
Rate of increase for pensions in payment / inflation	2.25 %	2.30 %
Inflation assumption (CPI)	1.14 %	1.12 %

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

	2018	2017
Retiring today		
Males	23.1 years	23.0 years
Females	25.5 years	25.5 years
Retiring in 20 years		
Males	25.2 years	25.1 years
Females	27.8 years	27.7 years

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**24. PENSION COMMITMENTS (continued)**

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	2,403,000	1,941,000
Gilts	425,000	407,000
Corporate bonds	442,000	126,000
Property	491,000	351,000
Cash and other liquid assets	133,000	91,000
Other	579,000	315,000
Total market value of assets	<u>4,473,000</u>	<u>3,231,000</u>

The actual return on scheme assets was £263,000 (2017: £379,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2018 £	2017 £
Current service cost	(1,056,000)	(879,000)
Interest income	87,000	49,000
Interest cost	(205,000)	(132,000)
Total	<u>(1,174,000)</u>	<u>(962,000)</u>
Actual return on scheme assets	<u>263,000</u>	<u>379,000</u>

Movements in the present value of the defined benefit obligation were as follows:

	2018 £	2017 £
Opening defined benefit obligation	7,443,000	5,791,000
Current service cost	1,056,000	879,000
Interest cost	205,000	132,000
Employee contributions	171,000	136,000
Actuarial gains	(240,000)	(474,000)
Benefits paid	(86,000)	(62,000)
Liabilities assumed in a business combination	-	1,041,000
Closing defined benefit obligation	<u>8,549,000</u>	<u>7,443,000</u>



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**24. PENSION COMMITMENTS (continued)**

Movements in the fair value of the Academy Trust's share of scheme assets:

	2018 £	2017 £
Opening fair value of scheme assets	3,503,000	2,220,000
Interest income	96,000	55,000
Actuarial losses	172,000	220,000
Employer contributions	626,000	519,000
Employee contributions	171,000	136,000
Benefits paid	(86,000)	(62,000)
Assets acquired in a business combination	-	421,000
Administration expenses	(9,000)	(6,000)
Closing fair value of scheme assets	4,473,000	3,503,000

**25. OPERATING LEASE COMMITMENTS**

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

	2018 £	2017 £
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	28,679	5,995
Between 1 and 5 years	41,864	18,282
Total	70,543	24,277

**26. RELATED PARTY TRANSACTIONS**

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

Bristol Diocesan Board of Finance Limited is an entity under common control. During the year the Academy Trust received recharges amounting to £Nil (2017: £51,168) from, and made recharges amounting to £150,431 (2017: £48,463) to Bristol Diocesan Board of Finance Limited. At the year end £25,093 (2017: £11,076) was due to Bristol Diocesan Board of Finance Limited from the Academy Trust.

**27. CONTROLLING PARTY**

The Trustees are appointed by DoBAC whose members are in turn appointed by The Diocesan Board of Education. The Diocesan Board of Education is the ultimate controlling party.

**DIOCESE OF BRISTOL ACADEMIES TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**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. GENERAL INFORMATION**

Diocese of Bristol Academies Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is First Floor Hillside House, Bristol Parkway North, Bristol, BS34 8YU.