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REGISTERED COMPANY NUMBER: 08782792 (England and Wales)

**The Crabtree Academy Trust  
(A Company Limited by Guarantee)  
Report of the Trustees and  
Financial Statements for the Year Ended 31 August 2019**

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**The Crabtree Academy Trust**

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for the Year Ended 31 August 2019**

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**The Crabtree Academy Trust**  
**Reference and Administrative Details**  
**for the Year Ended 31 August 2019**

**MEMBERS**

Robert Cregan  
Philip Kendall  
Christopher Rule

**TRUSTEES**

Kathryn Connolly  
Philip Kendall  
Sally Patrick (resigned 31 December 2018)  
Christopher Rule  
Mark Davies (resigned 30 September 2018)  
Chloe Hawkins  
Linda Macdonald (resigned 11 October 2019)  
Stuart Pope (appointed 1 January 2019)

**REGISTERED OFFICE**

Crabtree Infants' School  
Crabtree Lane  
Harpenden  
Hertfordshire  
AL5 5PU

**REGISTERED COMPANY NUMBER**

08782792 (England and Wales)

**INDEPENDENT AUDITORS**

BeyondProfit  
Statutory Auditors  
Suite 3  
St Lyses House  
20 St Lyses Street  
Bedford  
MK40 1ZL

**SOLICITORS**

Browne Jacobson  
77 Gracechurch Street  
London  
EC3V 0AS

**BANKERS**

Lloyds Bank PLC  
18 High Street  
Harpenden  
Hertfordshire  
AL5 2TA

## **The Crabtree Academy Trust**

### **Reference and Administrative Details for the Year Ended 31 August 2019**

#### **SENIOR MANAGEMENT TEAM**

Senior Executive Leader and Accounting Officer  
Head of School (CIS)  
Head of School (CJS)  
Chief Financial Officer

Stuart Pope  
Soledad Vela and Hannah Dovey  
Emma Simmons  
Andrea Chapman

#### **CRABTREE INFANTS' SCHOOL LOCAL GOVERNING BODY**

Chair  
Vice Chair  
Co-Head of School  
Co-Head of School  
Headteacher  
Governor  
Governor/Chair  
Governor  
Governor  
Governor  
Governor  
Staff Governor  
Governor  
Governor  
Governor  
Staff Governor  
Governor  
Governor

Christopher Rule  
James Evans  
Soledad Vela (appointed 1 September 2018)  
Hannah Dovey (appointed 1 January 2019)  
Sally Patrick (resigned 31 December 2018)  
Lyn Bollen (resigned 2 October 2018)  
Laura Brierly (appointed 1 November 2018)  
Ilaria Evans (appointed 1 November 2018)  
Pierre-Louis Gatti (resigned 2 January 2019)  
Laurie Keel (appointed 1 November 2018)  
Nitya Krishnamoorthy  
Anna Baillie Lane (resigned 19 October 2019)  
Linda MacDonald (resigned 11 October 2019)  
John Maton  
Peter Philips (resigned 8 September 2018)  
Sarah Roberson (appointed 5 November 2018)  
Alexa Vaughan  
Amy Wren (appointed 11 November 2018)

#### **CRABTREE JUNIOR SCHOOL LOCAL GOVERNING BODY**

Chair  
Vice Chair  
Head of School  
Staff Governor  
Governor  
Governor  
Governor  
Governor  
Staff Governor  
Governor  
Governor  
Governor  
Staff Governor

Philip Kendall (reappointed 11 September 2018)  
Nelson Hanna  
Emma Simmons (appointed 1 September 2018)  
Julie Brooks (appointed 14 December 2018)  
Marie Hall  
Chloe Hawkins (reappointed 8 October 2018)  
Jane Long (appointed 11 September 2018)  
Jennifer McGrandle  
Rebecca Meredith  
Claire Petevinos (resigned 31 December 2018)  
Wilhelmina Solomon-Odei (appointed 1 September 2019)  
Nicholas Sunderland (appointed 1 September 2019)  
Doug Wood (term ended 7 October 2018)

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Year Ended 31 August 2019**

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The Crabtree Academy Trust operates two academies serving a catchment area in Harpenden: Crabtree Infants' School and Crabtree Junior School. The schools are two-form entry primary schools, operating on a shared site, with a pupil capacity of 436: 180 at Crabtree Infants' and 256 at Crabtree Junior School. There were 430 pupils on roll in the school census as at January 2019 (176 and 254 respectively). At the Autumn 2019 census the Infants' School returned to 180 pupils on roll whilst the Junior School remained at 254 pupils.

## **OBJECTIVES AND ACTIVITIES**

### **Objects and aims**

The Crabtree Academy Trust's objects are restricted to the following:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum;
- to promote for the benefit of the inhabitants of Harpenden and its surrounding areas the provision of facilities for the recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or the public at large in the interests of social welfare and the object of improving the condition of life of the said inhabitants.

### **Objectives, strategies and activities**

The Crabtree Academy Trust aims for all learners to achieve outstanding outcomes from their own unique starting points. We provide an inspirational and challenging curriculum that gives all learners opportunities to find and develop key knowledge and skills that enables them to compete locally, regionally and nationally. We open doors to a lifelong love of learning with highly skilled staff helping to promote resilience, creativity, pride and respect. We are curious about the future and keen to rise to its challenge. Our self-belief and aspirational outlook give us the confidence to face tasks head on. All learners at Crabtree Academy Trust are independent and motivated to succeed. We understand the power of collaboration and teamwork.

Crabtree Academy Trust believes these elements together help to create well rounded young citizens who are ready for the next stage of their journey.

The academy trust's main strategies for both Crabtree Infants' School and Crabtree Junior School achieving their aims are outlined in their annual development plan which is shared with the academy trust board of trustees and their own local governing bodies. See 'future plans' section for detail on these and the trust's priorities for the year.

The academy trust's principal activities are concentrated on providing the highest quality of teaching and learning for the pupils in its care.

### **Public benefit**

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission. The key public benefit delivered by The Crabtree Academy Trust is the maintenance and development of high quality education to the children of its constituent academies.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Year Ended 31 August 2019**

**STRATEGIC REPORT**

**Achievement and performance**

*Summary*

**Crabtree Infants' School**

Crabtree Infants' School achieved a grading of outstanding at its last Ofsted inspection (May 2009). The school continuously aspires to a high level of provision and its own self-evaluation grades the school as outstanding in all areas. Termly visits by an external educational consultant judge the school as maintaining this outstanding grading. The school's Hertfordshire Improvement Partner (JARV report March 2018) commented that the continued judgement of outstanding is based on 'A relentless drive by leaders and governors to improve still further outcomes for the children. Leaders are self-analytical and want to do even better. The response to the issues raised at the standards visit in the Autumn is an example of this; leaders reviewed the key aspects of provision in science and mathematics and quickly put in place new systems and procedures to try to ensure much better outcomes this summer. Governors too play a key role in ensuring leaders are challenged, but also supported, in their drive for better outcomes.' Influenced by the new Ofsted framework, the most recent Hertfordshire Improvement Partner visit, in October 2019, followed the model of a deep dive into a single curriculum area. The report acknowledged many strengths in the area and the progress made. School leaders are focused on ensuring the school delivers a curriculum offer for all pupils that meets the needs of our community and prepares our pupils for the next stage in their education journey. The school also engages with other advisory colleagues to assess and review areas such as Safeguarding and SEND.

**Crabtree Junior School**

Crabtree Junior School achieved a grading of outstanding at its last Ofsted inspection (May 2009). In November 2018, the school's Hertfordshire Improvement Partner, who visits termly, confirmed that in his opinion the standards have been maintained as outstanding. 'Throughout each year group and across the curriculum, including English and mathematics, pupils make substantial progress, developing excellent knowledge and understanding considering their different starting points.' Influenced by the new Ofsted framework, the most recent Hertfordshire Improvement Partner visit, in October 2019, followed the model of a deep dive into a single curriculum area. The report acknowledged many strengths in the area and the progress made. The academic achievements in recent years have ensured the school has placed in the top 250 state schools nationally for the last 3 years in the Sunday Times Parent Power Best Schools Guide. School leaders are focused on ensuring the school delivers a curriculum offer for all pupils that meets the needs of our community and prepares our pupils for the next stage in their education journey. The school also engages with other advisory colleagues to assess and review areas such as Safeguarding and SEND.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Year Ended 31 August 2019**

**STRATEGIC REPORT**

**Achievement and performance**

*Key financial performance indicators*

**Crabtree Infants' School**

**EYFS Attainment:** In 2019 78.3% of the children in the EYFS achieved 'Good Level of Development', above Herts (72.9%) and national (71.9%).

**EYFS Progress:** (3 steps progress = expected): In 2019 the vast majority of children made expected progress.

<u>Area of Learning</u>	<u>% at expected or better</u>
Communication and Language	97%
Physical Development	100%
PSED	92%
Literacy	90%
Maths	92%

**Yr 1 Phonics Test:** 93% reached the expected standard which is above Herts (84%) and national (82%), and the average score was 36.6 which is above Herts (34.3) and national average (33.8).

**KS1 Attainment:** For individual subject areas, results were as follows:

<u>READING</u>				<u>End of Yr2 2019</u> <u>WRITING</u>				<u>MATHS</u>			
<u>% EXS or above</u>		<u>% GDS</u>		<u>% EXS or above</u>		<u>% GDS</u>		<u>% EXS or above</u>		<u>% GDS</u>	
<u>Sch</u>	<u>Nat</u>	<u>Sch</u>	<u>Nat</u>	<u>Sch</u>	<u>Nat</u>	<u>Sch</u>	<u>Nat</u>	<u>Sch</u>	<u>Nat</u>	<u>Sch</u>	<u>Nat</u>
86%	75%	54%	25%	81%	69%	35%	15%	81%	76%	46%	22%

EXS: Expected standard; GDS: Greater depth standard.

KS1 Attainment at the end of KS1 is outstanding as it continues to be well above Hertfordshire and national averages.

Children who are not on track for age related expectation and/or are not on track to make the expected progress are identified by the class teacher(s) and discussed with the Inclusion Leader and/or Head of School at Pupil Progress Meetings. Actions/interventions are put into place as necessary. The format/impact of these actions are recorded on a class intervention log.

**Basic Characteristics (taken from Analyse School Performance 2019 which uses data from January 2019 census):**

<u>Area</u>	<u>School</u>	<u>National</u>
% Ever 6 FSM	1.1	23.0
% Minority Ethnic	23.9	33.8
% English as additional language	5.1	21.2
% SEN	6.3	12.6
% SEN with statement or care plan	0.6	1.6
% Stability	94.9	85.6
% School deprivation indicator	0.03	0.21

There was one pupil receiving Pupil Premium and one pupil receiving Pupil Premium Plus.  
Attendance for the 18/19 academic year was 96.5% (national figures are around 95.5-96%).

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Year Ended 31 August 2019**

**STRATEGIC REPORT**

**Achievement and performance**

*Key financial performance indicators*

**Crabtree Junior School**

**KS2 Attainment:** All areas are above National figures. 78% of pupils achieved the expected standard ('EXS') in a combined Reading, Writing and Maths (against Herts average of 67% and national average of 65%) and 34% achieved a higher standard in all 3 areas, working at greater depth ('GDS') (against Herts average of 13% and national average of 11%).

For individual subject areas, results were as follows:

**End of Y6 2019**

	EXS Sch %	EXS Nat %	GDS Sch %	GDS Nat %
<b>Reading</b>	86	73	45	27
<b>Writing</b>	92	78	53	20
<b>Maths</b>	84	79	47	27
<b>Spelling, Punctuation and Grammar (SPAG)</b>	94	78	61	36
<b>Combined R,W,M</b>	78	65	34	11

**Average scale scores:** Individual's scale scores are centered around 100 being 'Age Related Expectations'. 110 is 'Greater Depth Standard'.

2019

<b>Average scale scores</b>	<b><u>School</u></b>	<b><u>National</u></b>
Reading	<b>109.2</b>	104.4
Maths	<b>108.8</b>	105.0
SPAG	<b>112.0</b>	106.3

**KS2 Progress:** Progress scores are centred around 0, with most schools within the range of -5 to +5. A score of 0 means pupils in this school on average do about as well at KS2 as those with similar prior attainment nationally. A positive score means pupils in this school on average do better at KS2 as those with similar prior attainment nationally. For 2019 60 out of the 64 cohort, scores were as follows:

Reading: +1.16 (average)  
 Writing: +2.12 (above average)  
 Maths: +0.71 (average)

These progress results are above the national threshold for sufficient progress for all pupils and well above Herts average of -0.07, -0.36 and -0.44 respectively, and national averages of +0.02, +0.05 and +0.03 respectively. The school undertakes regular analyses of the provision for specific groups of pupils, and has extensive programs of intervention to ensure that disadvantaged and vulnerable pupils are able to achieve their full potential.

Crabtree Junior School was ranked 185th out of 500 primary schools listed in the Sunday Times Parent Power 2019 Best Schools Guide which identifies the highest achieving schools in the UK, ranked by their recent examination results. Note that there are over 20,000 primary schools in the UK.

**Basic Characteristics (taken from Analyse School Performance 2019 which uses data from January 2019 census):**

<b><u>Area</u></b>	<b><u>School</u></b>	<b><u>National</u></b>
% Ever 6 FSM	2.8	23.0
% Minority Ethnic	21.8	33.8



**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Year Ended 31 August 2019**

**STRATEGIC REPORT**

**Achievement and performance**

*Key financial performance indicators*

% SEN	13.8	12.6
% SEN with EHCP	1.2	1.6
% Stability	95.7	85.6
% School deprivation indicator	0.04	0.21

There were six pupils receiving Pupil Premium.

Attendance for the 18/19 academic year was 97.6% (national figures are around 95.5-96%).

**Financial review**

*Financial position and principal funding sources*

Most of The Crabtree Academy Trust's income is obtained from the DfE via the ESFA in the form of its General Annual Grant (GAG) the use of which is restricted to particular purposes; i.e. the objects of the academy trust. The GAG received during the period covered by this report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Expenditure for the period covered by this report was covered by the GAG received from the DfE and other income, such as voluntary income, activities for generating funds and investment income.

The academy trust's total incoming resources for the year ended 31 August 2019 amounted to £2,308,000 (2018: £2,172,000).

*Investment policy and objectives*

There are no material investments held by the academy trust at this time. Cash balances have been held in the current account and in two higher interest-bearing deposit accounts.

The academy trust's investment objectives are as follows:

- To preserve the capital value of the reserves with the minimum level of risk.
- To ensure the majority of the assets are available at short notice to meet anticipated and unanticipated cash flow requirements.

Cash balances have been held mainly in the current account with Lloyds Bank, but in accordance with the academy trust's finance policy, cash is transferred into a higher interest-bearing deposit account when significant surplus balances can be foreseen and cashflow is certain. £75,000 of cash is held in an interest earning savings account with Virgin Money and £85,000 in an interest earning savings account with United Trust Bank. These institutions are all protected by the Financial Services Compensation Scheme up to £85,000 and have good credit ratings. Any change of policy would require approval by the board.

The investment strategy is:

- Regularly monitor cash flow and current account balances to ensure immediate financial commitments can be met (payroll and payment runs) and that the accounts have adequate balances to meet forthcoming commitments.
- Funds surplus to this amount to be identified and transferred to a deposit account bearing a high interest rate if available.
- To periodically (annually) review interest rates and compare with other investment opportunities.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Year Ended 31 August 2019**

**STRATEGIC REPORT**

**Financial review**

*Reserves policy*

In establishing a reserves policy, the academy trust considers and balances the following principles:

- sufficient funds should be immediately available to meet urgent or emergency requirements
- to smooth short term cash deficit issues whether arising from adverse timing or from permanent reductions in income
- the trustees have an obligation to protect the assets of the academy trust, predominantly buildings and plant and equipment, ensuring timely repairs, renewals and replacement of infrastructure
- the income of the academy trust should be spent for the benefit of current pupils
- the policy should not compromise the requirement for the income for each school to be spent on that school
- the expectation that funding will be increasingly tight year on year.

The trustees review the reserves levels of the academy trust annually. The resources committee monitors them on a regular basis and draws any issues to the attention of the trustees.

The academy trust's current level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) available for use to meet the academy trust's objectives as at 31 August 2019 was £400,000 (2018: £460,000). Further information on the total fund balance before fixed assets and pension reserve and the split by school is included in note 19 of the financial statements.

*Going concern*

After making appropriate enquiries, the board of trustees has a reasonable expectation that The Crabtree Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it has adopted the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies note.

**Fundraising**

The Crabtree Academy Trust does not have a formal approach to fundraising as it is funded almost entirely by grant income. At the same time the Trust achieves a small amount of income from lettings (at market price for comparable schools/public rooms) and asks for a small donation in return for distributing relevant and appropriate advertising leaflets to pupils or advertising in the school newsletter. A small amount of commission is made on school photographs and book sales. There is no work undertaken with any commercial participators / professional fundraisers.

Fundraising is carried out by the Crabtree Schools' Parents' Association on behalf of the schools. This fundraising conforms to recognised standards, and the association is a charity which produces its own accounts and as such is monitored directly. There have been no fundraising complaints. All donations are entirely voluntary and the public are thereby protected from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

**Principal risks and uncertainties**

The board of trustees and local governing bodies are responsible for overseeing the risks faced by the academy trust and the individual academies. Detailed considerations of risk are delegated to the senior leadership team of the academy. Risks are identified, assessed and controls put in place. The board of trustees have implemented a formal risk register, and have sought and followed external advice on appropriate insurance relative to the risks to operations. Risks identified can fall under strategic/reputational, operational, compliance/legislation and financial (including health and safety, security, pupil welfare, employment & recruitment and trips). The academy board of trustees and local governing bodies are satisfied that the risk management process is established within both academies and that all major risks have been adequately mitigated for where appropriate. It is recognised that systems can only provide reasonable reassurance and not absolute assurance that major risks have been adequately managed.

A School Emergency Response Plan is in place and members of the senior leadership team and local governing bodies of Crabtree Infants' School and Crabtree Junior School are aware of their role on any such occasion.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Year Ended 31 August 2019**

**STRATEGIC REPORT**

**Financial and risk management objectives and policies**

Policies are continually reviewed on a rolling basis and where appropriate individual school policies are being consolidated into academy trust-wide policies. The academy trust's pay policy is reviewed annually by the CAT Board and includes arrangements for setting pay and remuneration of the academy trust's key management personnel. The key management personnel are personnel to whom the trustees have delegated significant authority or responsibility for the day to day running of the academy trust and in this case refers to the heads of each school in the trust as well as the executive headteacher.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Year Ended 31 August 2019**

**STRATEGIC REPORT**

**Future plans**

**Crabtree Infants' School** sets out its targets for the upcoming year in its school improvement plan 2019-20. These priorities are then developed to set out priority outcome targets.

Priority 1: Outstanding outcomes for all pupils from their own unique starting points.

Priority 2: To implement an engaging curriculum that meets the needs of all of our children at Crabtree.

Priority 3: To establish clear roles and responsibilities across the Trust.

**Crabtree Junior School** sets out its targets for the upcoming year in its school improvement plan 2019-20. The priorities include:

Priority 1: Outstanding outcomes for all pupils from their own unique starting points.

Priority 2: To embed an engaging curriculum that meets the needs of all learners.

Priority 3: Our pupils develop detailed knowledge and skills across the curriculum and, as a result, achieve well.

Priority 4: To support and teach skills to pupils, staff and parents to increase their awareness of emotional health and wellbeing.

**Crabtree Academy Trust Priorities**

**Outstanding outcomes for all**

We believe that all pupils are entitled to the same opportunities and we support this through a broad and rich curriculum that is delivered by highly skilled practitioners. We are proud of our results and continue to track data to ensure good levels of progress is secured by all. Our pupils are exposed to exceptional quality first teaching and learning that is supported by a range of supplementary interventions. We track data carefully in all subjects and provide specialist teachers to enhance the quality of learning ensuring our pupils have the best chance to find a talent and develop skills with passion and enthusiasm. Our pupils leave us ready for the next stage in their journey. We have common approaches to data collection and a vision for shared CPD. Each academy within the Trust works with a collective and consistent practice, in line with Trust quality assurance systems.

**Access to high quality professional development and a Trust-wide commitment to staff welfare**

We work in partnership with the West Hertfordshire Teaching School Alliance, The Harpenden Heads Consortium and the Local Authority to ensure our staff have exposure to high quality CPD. All staff have professional development written in to their performance management and are encouraged to think about progression. We know that to continue to provide the best education for our pupils, our staff need continuous education too. We also take part in work with other schools and establishments, including moderation, to ensure that staff are constantly engaged in professional dialogue. Staff appraisal creates clear career paths for all and enables the Board and Executive Head to succession plan. Strategies include opportunities for staff to collaborate with colleagues, experience work in more than one Trust Academy and middle leaders are effectively deployed to sustain and enhance their impact. We believe that staff welfare promotes quality in performance and productivity and focussing on this is key to our mission. A commitment to Staff wellbeing maintains motivation and reduces absence. It will be fundamental to our recruitment and retention strategy (a national issue) and will encourage the best staff to work with us while guaranteeing the best performance at the same time. We are also aware that happy staff equal happy pupils. We aspire to have realistic expectations of staff that are relevant to their role and provide support and guidance across the Trust. All staff are clear what their role is and have a development and training plan to help achieve optimum performance. The Trust is constantly seeking ways to reward staff and provide benefits to all employees.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Year Ended 31 August 2019**

**STRATEGIC REPORT**

**Quality of teaching and learning**

School leaders at all levels routinely monitor standards in their schools. Senior leaders actively monitor behaviour and environments as well as the quality of lessons and work in books. The Governing bodies of our schools are regularly involved with monitoring activities and will join Senior Leaders for some sessions as well as conducting their own visits and meetings with leaders. The schools engage with the Hertfordshire Improvement Partner programme for monitoring visits and analysis against standards and School Improvement Plans. We are also working with other schools to help with progress against development targets and provide critical and constructive evaluations of school performance. Staff appraisals hold employees to account on their performance and the outcomes of learners. We are able to use our staff to support each other and design school based CPD around areas identified through data such as monitoring and coaching activities.

**Collaboration within the Trust and beyond**

All key stakeholders at Crabtree Academy Trust believe that collaboration is the key to future developments. We aim to work alongside fellow professionals in a range of contexts to support and grow each other. Partnerships have been established and will continue to develop through staff outreach work and strong professional relationships. Our primary view is not to assert the Crabtree way but to develop practice further by working with colleagues which will improve outcomes as a result. We are outward facing and collaboration underpins everything we do. We are very aware that all schools nationwide are working towards the same goals and face similar challenges. This provides great scope for collaboration and, as educators, we are all collectively responsible for the outcomes of our learners. If something is effective, we want to learn about it and share it. We believe we are stronger together.

**Financial stability**

Crabtree Academy Trust has a stable financial foundation, an essential support given the increasing challenges caused by diminishing funding relative to increasing costs. Leaders work hard to ensure the children receive an education that is backed by a range of resources that meet the needs of our challenging curriculum. We can identify areas to develop and plan carefully to achieve targets. All finances are reviewed monthly and our budgets are set in advance to ensure we have the financial capacity to grow and sustain our standards with no compromise accepted. We use our high-quality staff team as a method of generating income by outsourcing them to other educational establishments and through moderation activities, work with the local authority and our teaching school partnerships. We work hard with our Parents Association to focus on fundraising projects and welcome the support of our community. We also have a very effective Holiday and Before and After School Club that generates useful income for the school and provides support for working families. Our finance team budget a three year forecast and our committed Governors and Leaders work collaboratively to seek funding and establish other income avenues. This helps us achieve a staff team of highly skilled practitioners.

**Securing capacity and expanding the Trust**

We are an ambitious Trust and would like to grow in order to raise standards and support other schools. We will not compromise our own standards by growing so we have a commitment to due diligence checks taking place before any growth, ensuring we understand the task ahead. We have a robust central system that can support other schools that may wish to join us, and we will move quickly to identify areas of strength from new schools that can be added to our existing offer. Through careful analysis and rigorous development plans and self-evaluations, we will seek to add skills to our existing skillset which in turn increase our capacity to grow and support further. There is a clear accountability framework from the Chair of the Trust to Executive Head and Chairs of LGBs and from Executive Head to school leaders and other Trust leaders which improves standards and connects to performance management. This in turn maintains capacity to improve by building on strengths and developing new expertise. Our Trust board understands and plans for delegated authority across the Trust and challenges the Local Governing Boards to effectively quality assure each academy. This is driven by the Executive Head and the central team ensuring that performance in each academy remains strong and accountability flows from top down and bottom up. Crabtree Academy Trust's Board understands risk and ensures that risks in all areas are well managed. They understand that this is a constantly reviewed process and builds in time to regularly review and assess risk.

The trustees and local governing bodies will continue to monitor their current strategies. This will ensure that Crabtree Infants' School and Crabtree Junior School aim continuously for outstanding provision with excellent progress and high attainment in an inclusive environment where pupils feel safe and well cared for.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Year Ended 31 August 2019**

**STRATEGIC REPORT**

The investment focus this year at both schools was on necessary capital improvements. Both schools continue to invest in the IT provision and this year have upgraded the server to improve the wifi connection. The Infants' School has purchased a new water heater, whilst the Junior School has replaced its water supply and provided drinking taps in classrooms, as well as building a small summer house. A 2-3 year fundraising project was completed and the works got underway for a large capital project to enable all year round use of the schools' playing field which gets waterlogged and unusable in the winter months. This work was completed subsequent to year-end.

Our future plans will be financed from income direct from the DfE, related to pupil numbers and other lump sum factors. Trustees and the resources committee will ensure that funding is monitored over a medium and long term period to ensure sustainability. Any additional income via charitable contributions will be managed and allocated using the same policies/procedures as those applied for DfE sourced income.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Crabtree 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 the Crabtree Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Crabtree Academy Trust.

Details of the trustees who served throughout the year on the board of trustees and details of the local governing bodies of Crabtree Junior School and Crabtree Infants' School are included in the Reference and Administrative Details section.

**Members' liability**

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

**Trustees' Indemnities**

In accordance with normal practice the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions whilst on academy trust business. The cover under the policy is £1 million in aggregate per period of insurance. In the period under review no claims were made.

## **The Crabtree Academy Trust**

### **Report of the Trustees for the Year Ended 31 August 2019**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Recruitment and appointment of new trustees**

Trustees of the academy trust are appointed as follows:

- The executive headteacher of Crabtree Academy Trust;
- The chair of the Crabtree Infants' School local governing body and chair of the Crabtree Junior School local governing body;
- Two further trustees elected by the local governing bodies, with each governing body electing one person from among the members of both local governing bodies (other than the chair, the head of school, or any employee of the academy trust);
- Up to one co-opted trustee, appointed by trustees who have not been so appointed;
- Up to two community trustees: the local governing bodies may each appoint one community trustee;
- There shall be a minimum of two parent trustees unless there are local governing bodies which each include at least two parent governors. This minimum was met by both local governing bodies;
- Two associate trustees elected by the staff of Crabtree Infants' and Crabtree Junior schools. The associate trustees will attend meetings but have no voting rights.

Governors on the local governing bodies are appointed as follows:

- The head of school of the academy;
- Parent governors: At least two and up to five governors through an open election for all eligible parents or guardians of pupils who are currently attending the academy;
- Staff governors: two governors through an open election for all eligible members of staff working at the academy;
- Co-opted governors: Up to five governors through nomination by the local governing body of the academy and up to two governors through nomination by the academy trust board of trustees. The academy would seek to appoint governors with relevant background or experience to complement the existing governors' qualifications and expertise.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Year Ended 31 August 2019**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

The board of trustees is ultimately responsible for the activities of all schools within the academy trust. In exercising their powers, the board currently delegates much of the school specific responsibility to local governing bodies at each of the academy schools.

A joint resources committee (Multi Academy Trust resources committee) acts as a sub-committee of the board and its members are a mix of trustees and governors drawn from each academy local governing body. The resources committee terms of reference require it to focus on identifying resources needed by schools within the academy trust with specific areas of focus being finance, personnel and premises/health & safety. Each local governing body has a curriculum committee whose terms of reference direct focus on school specific standards, curriculum and communications.

The local governing bodies determine the general policy of their academy, with the board of trustees determining the shared policies across the academy trust. The day to day running of each academy is delegated to the heads of school, who are each supported by a senior leadership team. The heads of school undertake the key leadership role within their own academy of overseeing educational, pastoral, human resources and administrative functions in consultation with senior staff. From 1st January 2019 a permanent executive headteacher, Stuart Pope, was appointed working across the trust, and will increasingly take on the non curriculum aspects. This permanent appointment replaced the interim arrangements in place since September 2018. Sally Patrick left the Trust on 31 December 2018; since September 2018 Soli Vela (Infants') and Emma Simmons (Juniors) have been in role as heads of school. A co-head of school, Hannah Dovey, was appointed in January 2019 at Crabtree Infants in a job share arrangement. The governors are working with Stuart to develop further strategic direction for the Trust. The new executive headteacher is also the Accounting Officer of the Trust.

The heads of school oversee their academy's recruitment of all staff. The heads of school are ex-officio governors and attend all meetings of their local governing body and curriculum committee; both are members of the MAT resources committee. Until 31 December 2018 they were also ex-officio trustees. From 1 January 2019 the executive headteacher took the board trustee role but the heads of school remain governors and on curriculum committees. The academy trust Chief Financial Officer is invited to attend all board meetings and all MAT resource committee meetings.

Subject leader responsibilities are published at least annually and distributed to local governing bodies. All members of both senior leadership teams are invited to local governing body meetings as and when appropriate within their own academy.

The trustees (and governors through delegation) are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the academy trust by the use of budgets and other data, and making major decisions about the direction of the academy trust, capital expenditure and staff appointments.

The senior leadership team (SLT) of Crabtree Infants' School for the year consisted of the co-heads of school, a senior leader, and an inclusion leader who is shared with the Junior School. The SLT of Crabtree Junior School consisted of the head of school, the inclusion leader, two phase leaders and the office manager. The SLT of each academy control their academy at an executive level implementing the policies laid down by the trustees/governors and reporting back to them.

The executive headteacher, heads of school and the Chief Financial Officer are responsible for the authorisation of spending within agreed budgets; a summary of this is in the schedule of financial delegation. The heads of school are responsible for the appointment of staff, though appointment panels for teaching posts always include a governor.

Finance is provided by an outsource arrangement from Herts for Learning's 'Financial Services for Schools', supported by a part-time Chief Financial Officer appointed by the Trust.

An audit committee reports to the Board of Directors and provides assurance over the suitability of, and compliance with, the trust's financial systems and operational controls.



## **The Crabtree Academy Trust**

### **Report of the Trustees for the Year Ended 31 August 2019**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Induction and training of new trustees**

It is expected that all governors undertake training as appropriate to their role on the board or local governing body. New governors are required to undertake the Herts for Learning Induction training for governors and this is supplemented by additional training opportunities. The academies subscribe to Herts for Learning's governor training package, which includes training courses, in-house training sessions and attendance at the Governors' Annual conference. A log is kept of all governor training and reviewed on a regular basis by the local governing bodies. The Board is developing specific training plans in the event that a trustee is recruited who is not also a member of local governing body.

##### **Arrangements for setting pay and remuneration of key management personnel**

The trust applies the School Teachers Pay and Conditions Document (STPCD) published annually by the Department for Education. Additionally, the locally agreed pay policy for the local authority has been approved and adhered to in formation of the Pay Policy for the trust. All staff, including the heads of school, have clear performance management targets, including pupil progress, and if all targets are met and evidence provided, the staff member may receive incremental point(s) in line with the pay policy, authorised by the heads of school and executive headteacher. The governors and directors receive anonymised reports detailing performance grades and meeting of targets.

Pay and remuneration for heads of school and executive headteacher is based on the trust's agreed pay and appraisal policies which include individual school ranges based on school group size and other relevant factors. The trustees pay due regard to nationally and locally agreed terms and conditions and market rates as well as taking advice from consultants where necessary. Leadership skills level descriptors are used. Pay progression is informed by appraisal and the meeting of key objectives and standards. The Chair of Trustees (who is also Chair of CIS), Chair of the CJS LGB and one other governor (together the Headteacher Performance Management Body) meet with the School Improvement Partner to review the headteacher's evidence against the agreed targets. If targets have been met the Performance Management Body shall make a recommendation in line with the Pay Policy for consideration by the Resources Committee. Additional payment may occasionally be made in line with policy such as if the executive headteacher is bringing in income generation opportunities.

The only trustees receiving remuneration from the trust are the executive headteacher and a trustee who is a member of the support staff.

##### **Connected organisations including related party relationships**

The heads of school are active members of the Harpenden Schools Primary Headteachers' Consortium, where expertise and ideas are pooled and shared.

Both schools are members of the Harpenden Plus Partnership. This partnership aims to provide a range of activities and services that allows both schools and the community to benefit from a wider and broader access to learning and life. In addition, one-to-one support of parents and parenting classes are provided.

All parents of children at the Crabtree Schools are members of the Crabtree Schools' Parents Association (registered charity no. 297330). The Association raises money to benefit children at both the Junior and Infants' Schools as well as promoting the strong sense of community that exists between parents, children and staff.

#### **FUNDS HELD AS CUSTODIAN FOR OTHERS**

During the period 1 September 2018 to 31 August 2019 The Crabtree Academy Trust did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the academy trust's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the academy trust's auditors are aware of that information.

#### **AUDITORS**

The auditors, BeyondProfit, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**The Crabtree Academy Trust**

**Report of the Trustees  
for the Year Ended 31 August 2019**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on .....13/12/19..... and signed on the board's behalf by:



.....  
Christopher Rule - Trustee

**The Crabtree Academy Trust**  
**Governance Statement**  
**for the Year Ended 31 August 2019**

**Scope of Responsibility**

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

The board of the trustees has delegated the day-to-day responsibility to the executive headteacher of the Crabtree Academy Trust, 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 The Crabtree Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities. The board of trustees has formally met 4 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
Kathryn Connolly	2	4
Philip Kendall	4	4
Sally Pattrick	1	2
Christopher Rule	4	4
Mark Davies	-	-
Chloe Hawkins	4	4
Linda Macdonald	2	4
Stuart Pope	2	2

The academy trust is governed by a board of trustees. The board of trustees retains ultimate responsibility and accountability for the activities of all schools within the academy trust. The board makes significant delegations to a resources sub-committee (MAT resources committee) and to local governing bodies at each school. The board and each local governing body maintains specific development plans and undertake annual self-evaluations. Alongside the board of trustees sit the academy trust members. The members meet annually to review and approve the financial accounts and appoint the academy trust auditor.

The function of the resources committee is to focus on identifying resources needed by schools within The Crabtree Academy Trust and to plan for their successful and safe delivery and maintenance. The tasks and activities specifically delegated to the resources committee fall under the three main headings of finance, personnel and premises/health & safety. Responsibility for approving the budget and the final accounts remains with the board.

An audit committee acts as a sub-committee of the board. This committee focuses on the systems of internal control and risk management for the academy trust. This committee reviews internal audit/responsible officer reports and provides advice to the board where action is required. In the academic year ended 31 August 2019 four meetings took place.

Four Board meetings are held per year, but effective oversight of funds is maintained through a further five meetings per year of Resources Committee, to whom the board delegates financial scrutiny and oversight.

Herts for Learning has been retained via a finance services support agreement. This provides the academy trust with access to an experienced team of finance professionals who provide finance administration, monitoring and budgetary support.

**Review of Value for Money**

As accounting officer the senior executive leader 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 Crabtree Academy Trust**  
**Governance Statement**  
**for the Year Ended 31 August 2019**

**Review of Value for Money**

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:

Improving educational outcomes

The leadership team have developed robust procedures of assessment and targeted interventions are provided by teachers and teaching assistants to raise attainment. Teaching assistants are deployed across the year groups according to need.

Pupil premium income was allocated for interventions and also to contribute to the cost of targeted resources, additional staff, school journeys, trips and extra-curricular activities. The Inclusion Manager reports regularly on monies spent and the impact on 'closing the gap'.

Performance for both schools is compared against Herts, national and statistical neighbours using management information reports and Government Inspection Data to make sure that the resources promote the best outcomes for our children and our community.

Financial governance and oversight

In the last Ofsted report, 2009, it was stated that leadership and management of both Crabtree Junior School and Crabtree Infants' School was outstanding.

The Crabtree Academy Trust employs BeyondProfit to provide internal audit services to provide security over the strength of the internal controls. Herts for Learning provides finance services and a Chief Financial Officer who is a Chartered Accountant is appointed in a part-time role.

The trust finance policy was written to ensure best practice for procurement and compliance with accounting procedures.

Value for money and efficient and effective use of resources

All expenditure is approved in line with the schedule of financial delegation which requires that higher value expenditure needs to be supported by three quotations to ensure best value for money is achieved. Specific items of expenditure are reviewed by the Resources Committee to ensure maximum impact is achieved with the allocated funds. Spend vs. budget is regularly reviewed by the Resources Committee to ensure spend is in line with budget and to approve any reallocations. Costs are shared where possible between the linked Infants' and Junior Schools and opportunities for further cost sharing both within the trust and the local consortium of primary schools are regularly reviewed.

The schools have prioritised income generation through continuing to run in-house the Breakfast and After School clubs, and the Infants' School has continued to run a Holiday Club for a fourth successful year. Together these clubs have brought in c.£108k of net contribution to overheads. Both schools continue to generate good income from lettings to a wide range of hirers. The trust lettings policy commits the schools to optimise lettings income across the multi-academy trust rather than solely for each individual school.

The trust is aware of the impact of continued cuts to educational funding and increased NI and pension costs for teaching staff, as well as nationally approved pay rises for teaching and support staff, and has been actively taking measures to address any potential shortfall. Both schools have worked to a tight budget. Action at both schools was taken to control expenditure in a number of areas including learning resources, CPD, bought in professional services, staff absence insurance, building and contents insurance, and IT. Both schools make use of Higher Level Teaching Assistants or cover from existing teachers to save on expensive supply costs and have managed to keep supply teaching costs very low. Both schools have a relatively high ratio of more expensive experienced teachers, and they have recruited newly qualified teachers following departures of more experienced teachers. Fundraising for the School Grounds Project over the last few years has resulted in c£100k total income raised, mainly via the Parents' Association. The funds have been fully allocated to the project which has been completed since the year end.

Reviewing controls and managing risks

Budget monitoring reports are produced and reviewed by the leadership team, CFO and governors.

**The Crabtree Academy Trust**  
**Governance Statement**  
**for the Year Ended 31 August 2019**

**Review of Value for Money**

The trust benefits from an independent method of ensuring robust segregation of duties within financial control through its business arrangement with Herts for Learning to process financial transactions and prepare budget monitoring.

Monitoring

These areas will be monitored for lessons learned and best value by:

In-house monitoring by the Senior Leadership Team and subject leaders e.g. classroom practice, work sampling.

Financial monitoring reports are made to the Resources Committee each half term. Governors challenge decisions makers within the trust on the cost and effectiveness of spending proposals in order to achieve value for money.

Regular visits by the accountant.

An internal controls monitoring framework has been agreed with a targeted termly rolling programme of review.

Monthly monitoring is undertaken for the headteachers by Herts for Learning overseen by the CFO.

**The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Crabtree Academy Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

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

**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 resources committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has appointed BeyondProfit, the trust's external auditor, to perform additional checks. The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular, the checks carried out in the current period included testing income, cash and bank, purchasing systems, financial oversight and control.

**The Crabtree Academy Trust**  
**Governance Statement**  
**for the Year Ended 31 August 2019**

**The Risk and Control Framework**

On a termly basis, the reviewer reports to the board of trustees, through the audit committee and resources committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

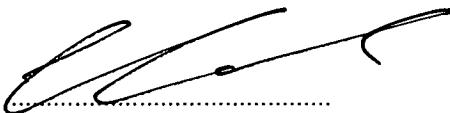
**Review of Effectiveness**

As accounting officer has responsibility for reviewing the effectiveness of the systems of internal control for the academy trust. During the period in question the review has been informed by:

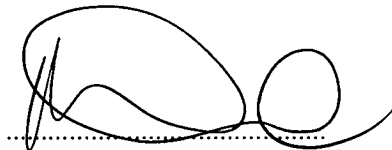
- the work of the external auditor acting as reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control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

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

Approved by order of the members of the board of trustees on .....13/12/19..... and signed on its behalf by:



Christopher Rule - Trustee



Stuart Pope - Accounting Officer

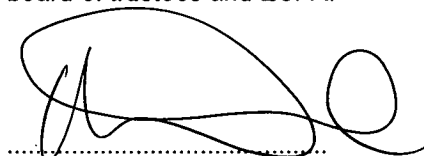
**The Crabtree Academy Trust**

**Statement on Regularity, Propriety and Compliance  
for the Year Ended 31 August 2019**

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

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

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



.....  
Stuart Pope - Accounting Officer

Date: 13/12/19 .....

## **The Crabtree Academy Trust**

### **Statement of Trustees Responsibilities for the Year Ended 31 August 2019**

The trustees (who act as governors of The Crabtree Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Academies Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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 academy trust and of the incoming resources and application of resources, including the income and expenditure, of the academy trust for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy trust will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the academy trust's transactions and disclose with reasonable accuracy at any time the financial position of the academy trust and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the academy trust 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 academy trust 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 the 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 academy trust's website.

Approved by order of the members of the board of trustees on .....13/12/19..... and signed on its behalf by:



.....  
Christopher Rule - Trustee



## **Report of the Independent Auditors to the Members of The Crabtree Academy Trust**

### **Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland';
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

### **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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

- the trustees' use of the going concern basis of accounting in the preparation of the 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 Report of the Independent Auditors 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.

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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of The Crabtree Academy Trust**

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

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

We have nothing to report in respect of the following matters where 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 charitable company 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.

### **Our 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 a Report of the Independent Auditors 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 Report of the Independent Auditors.

### **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 the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



Christopher Martin BSc FCA (Senior Statutory Auditor)  
for and on behalf of BeyondProfit  
Statutory Auditors  
Suite 3  
St Loyes House  
20 St Loyes Street  
Bedford  
MK40 1ZL

Date: 16/12/19

### **Note:**

The maintenance and integrity of the The Crabtree Academy Trust website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

**Independent Reporting Accountant's Assurance Report on Regularity to  
The Crabtree Academy Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 18 December 2013 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Crabtree Academy Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Crabtree Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Crabtree Academy Trust's funding agreement with the Secretary of State for Education dated 26 March 2014 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

**Conclusion**

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



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Date: 16/12/19

The Crabtree Academy Trust

**Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**for the Year Ended 31 August 2019**

	Note	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	31.8.19 Total funds £'000	31.8.18 Total funds £'000
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and capital grants	2	7	18	99	124	39
<b>Charitable activities</b>	6					
Funding for the academy's educational operations	3	335	1,776	-	2,111	2,061
Provision of local facilities and social welfare		51	-	-	51	53
Other trading activities	4	20	-	-	20	19
Investment income	5	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>-</u>
<b>Total</b>		<b>415</b>	<b>1,794</b>	<b>99</b>	<b>2,308</b>	<b>2,172</b>
<b>EXPENDITURE ON Charitable activities</b>						
Academy's educational operations		249	2,017	87	2,353	2,314
Provision of local facilities and social welfare		<u>27</u>	<u>-</u>	<u>-</u>	<u>27</u>	<u>35</u>
<b>Total</b>	7	<b>276</b>	<b>2,017</b>	<b>87</b>	<b>2,380</b>	<b>2,349</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>139</b>	<b>(223)</b>	<b>12</b>	<b>(72)</b>	<b>(177)</b>
<b>Transfers between funds</b>	20	<u><b>(200)</b></u>	<u><b>200</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>-</b></u>
<b>Other recognised gains/(losses)</b>						
Actuarial gains/losses on defined benefit schemes		<u>-</u>	<u>(215)</u>	<u>-</u>	<u>(215)</u>	<u>122</u>
<b>Net movement in funds</b>		<b>(61)</b>	<b>(238)</b>	<b>12</b>	<b>(287)</b>	<b>(55)</b>
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		<b>460</b>	<b>(370)</b>	<b>5,922</b>	<b>6,012</b>	<b>6,067</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><b>399</b></u>	<u><b>(608)</b></u>	<u><b>5,934</b></u>	<u><b>5,725</b></u>	<u><b>6,012</b></u>

The notes form part of these financial statements

**The Crabtree Academy Trust**

**Statement of Financial Activities - continued  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 August 2019**

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

**The Crabtree Academy Trust**

**Statement of Financial Position  
At 31 August 2019**

	Notes	31.8.19 £'000	31.8.18 £'000
<b>FIXED ASSETS</b>			
Tangible assets	13	5,919	5,923
<b>CURRENT ASSETS</b>			
Debtors	14	83	50
Cash at bank		429	483
		<u>512</u>	<u>533</u>
<b>CREDITORS</b>			
Amounts falling due within one year	15	(153)	(172)
		<u>359</u>	<u>361</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			
		6,278	6,284
<b>CREDITORS</b>			
Amounts falling due after more than one year	16	(1)	(2)
<b>PENSION LIABILITY</b>	21	(552)	(270)
		<u>5,725</u>	<u>6,012</u>
<b>NET ASSETS</b>			
<b>FUNDS</b>	20		
Unrestricted funds:			
General fund		400	460
Restricted funds:			
Fixed asset fund		5,934	5,922
General fund		(58)	(100)
Pension reserve		(551)	(270)
		<u>5,325</u>	<u>5,552</u>
<b>TOTAL FUNDS</b>		<u>5,725</u>	<u>6,012</u>

The financial statements were approved by the Board of Trustees on 13/12/19 and were signed on its behalf by:



Christopher Rule -Trustee

The notes form part of these financial statements

**The Crabtree Academy Trust**  
**Statement of Cash Flows**  
**for the Year Ended 31 August 2019**

	Notes	31.8.19 £'000	31.8.18 £'000
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>28</u>	<u>26</u>
<b>Net cash provided by (used in) operating activities</b>		<u>28</u>	<u>26</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(84)	(31)
Interest received		<u>2</u>	<u>-</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(82)</u>	<u>(31)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(54)</u>	<u>(5)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>483</u>	<u>488</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>429</u></u>	<u><u>483</u></u>

The notes form part of these financial statements

**The Crabtree Academy Trust**

**Notes to the Statement of Cash Flows  
for the Year Ended 31 August 2019**

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

	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£'000</b>	<b>£'000</b>
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>(72)</b>	<b>(177)</b>
<b>Adjustments for:</b>		
Depreciation	<b>87</b>	<b>95</b>
Interest received	<b>(2)</b>	<b>-</b>
(Increase)/decrease in debtors	<b>(33)</b>	<b>20</b>
(Decrease)/increase in creditors	<b>(19)</b>	<b>1</b>
Difference between pension charge and cash contributions	<b>67</b>	<b>87</b>
	<hr/>	<hr/>
<b>Net cash provided by (used in) operating activities</b>	<b>28</b>	<b>26</b>
	<hr/>	<hr/>



## **The Crabtree Academy Trust**

### **Notes to the Financial Statements for the Year Ended 31 August 2019**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2018 to 2019 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Crabtree Academy Trust meets the definition of a public benefit entity under FRS 102.

##### **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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the 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.

##### **Income**

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Grants**

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

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

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

##### **Sponsorship income**

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

##### **Donations**

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

##### **Other income**

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

## **The Crabtree Academy Trust**

### **Notes to the Financial Statements - continued for the Year Ended 31 August 2019**

#### **1. ACCOUNTING POLICIES - continued**

##### **Donated goods, facilities and services**

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

##### **Donated fixed assets**

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

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the academy trust to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Charitable activities**

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

##### **Liabilities**

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

## **The Crabtree Academy Trust**

### **Notes to the Financial Statements - continued for the Year Ended 31 August 2019**

#### **1. ACCOUNTING POLICIES - continued**

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Furniture and equipment	- 20% on cost
Computer equipment	- 33% on cost

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

##### **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 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

##### **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.

## **The Crabtree Academy Trust**

### **Notes to the Financial Statements - continued for the Year Ended 31 August 2019**

#### **1. ACCOUNTING POLICIES - continued**

##### **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 funds can only be used for particular restricted purposes within the objects of the academy trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in note 20.

##### **Hire purchase and leasing commitments**

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

##### **Pension costs and other post-retirement benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 21, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

# **The Crabtree Academy Trust**

## **Notes to the Financial Statements - continued for the Year Ended 31 August 2019**

### **1. ACCOUNTING POLICIES - continued**

#### **Critical accounting estimates and areas of judgement**

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

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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

### **2. DONATIONS AND CAPITAL GRANTS**

	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>31.8.19 Total funds £'000</b>	<b>31.8.18 Total funds £'000</b>
Donations	7	84	91	19
Capital grants	-	33	33	20
	<u>7</u>	<u>117</u>	<u>124</u>	<u>39</u>

### **3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS**

	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>31.8.19 Total funds £'000</b>	<b>31.8.18 Total funds £'000</b>
Catering income	59	-	59	61
Trip income	56	-	56	53
School clubs and other income	220	6	226	230
Grants	-	1,770	1,770	1,717
	<u>335</u>	<u>1,776</u>	<u>2,111</u>	<u>2,061</u>

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2019**

**3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS - continued**

An analysis of grants received is given below:

	Unrestricted funds £'000	Restricted funds £'000	31.8.19 Total funds £'000	31.8.18 Total funds £'000
<b>DfE/ESFA revenue grant</b>				
General Annual Grant(GAG)	-	1,600	1,600	1,574
Pupil Premium	-	12	12	12
Other DfE/ESFA Grants	-	126	126	116
	<u>-</u>	<u>1,738</u>	<u>1,738</u>	<u>1,702</u>
<b>Other government grant</b>				
Local authority grants	-	32	32	15
	<u>-</u>	<u>1,770</u>	<u>1,770</u>	<u>1,717</u>

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds £'000	Restricted funds £'000	31.8.19 Total funds £'000	31.8.18 Total funds £'000
Hire of facilities	20	-	20	19
	<u>20</u>	<u>-</u>	<u>20</u>	<u>19</u>

**5. INVESTMENT INCOME**

	Unrestricted funds £'000	Restricted funds £'000	31.8.19 Total funds £'000	31.8.18 Total funds £'000
Deposit account interest	2	-	2	-
	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>

**6. INCOME FROM OTHER CHARITABLE ACTIVITIES**

As well as its main charitable object of the provision of free State education, the academy trust has a second charitable object being 'to promote for the benefit of the inhabitants of Harpenden and its surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare and the object of improving the condition of life of the said inhabitants.'

The academy trust ran paid-for holiday clubs for local children during the year, and the trustees consider that the provision of these clubs falls within the second charitable object set out above. Income from these clubs amounted to £51,119 (2018: £53,241).

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2019**

**7. EXPENDITURE**

				31.8.19	31.8.18
	Staff costs	Non-pay expenditure		Total	Total
	£'000	Premises	Other costs	£'000	£'000
		£'000	£'000		
<b>Charitable activities</b>					
<b>Academies educational operations</b>					
Direct costs	1,425	44	157	1,626	1,604
Allocated support costs	342	93	292	727	710
<b>Provision of local facilities and social welfare</b>					
Direct costs	19	-	8	27	35
	<u>1,786</u>	<u>137</u>	<u>457</u>	<u>2,380</u>	<u>2,349</u>

Net income/(expenditure) is stated after charging/(crediting):

	31.8.19	31.8.18
	£'000	£'000
Depreciation - owned assets	88	95
Hire of plant and machinery	2	2
Auditors' audit fees	8	8
Auditors' non-audit fees	<u>1</u>	<u>1</u>

**8. CHARITABLE ACTIVITIES**

	Unrestricted funds	Restricted funds	31.8.19	31.8.18
	£'000	£'000	Total funds	Total funds
			£'000	£'000
<b>Direct costs - academy's educational operations</b>	56	1,570	1,626	1,604
<b>Direct costs - provision of local facilities and social welfare</b>	27	-	27	35
<b>Support costs - academy's educational operations</b>	<u>192</u>	<u>535</u>	<u>727</u>	<u>710</u>
	<u>275</u>	<u>2,105</u>	<u>2,380</u>	<u>2,349</u>

# The Crabtree Academy Trust

## Notes to the Financial Statements - continued for the Year Ended 31 August 2019

### 8. CHARITABLE ACTIVITIES - continued

				31.8.19	31.8.18
	Academy's educational operations £'000	Provision of local facilities and social welfare £'000	Others £'000	Total £'000	Total £'000
<b>Analysis of support costs</b>					
Support staff costs	342	-	-	342	323
Depreciation	3	-	-	3	5
Technology costs	25	-	-	25	26
Premises costs	93	-	-	93	94
Other support costs	243	-	-	243	224
Governance costs	21	-	-	21	38
<b>Total support costs</b>	<b>727</b>	<b>-</b>	<b>-</b>	<b>727</b>	<b>710</b>

### 9. TRUSTEES' REMUNERATION AND BENEFITS

The headteachers and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteachers and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. The value of trustees' remuneration for the year 1 September 2018 to 31 August 2019 was as follows:

Sally Patrick (trustee and head CIS)	Salary £15,000 - £20,000 (2018: £50,000 - £55,000) Pension £0 - £5,000 (2018: £5,000 - £10,000)
Kathryn Connolly (trustee and TA CIS)	Salary £5,000 - £10,000 (2018: £5,000 - £10,000) Pension £0 - £5,000 (2018: £0 - £5,000)
Stuart Pope (trustee and executive head)	Salary £50,000 - £55,000 (2018: Nil) Pension £Nil (2018: Nil)

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2019 nor for the year ended 31 August 2018.



**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2019**

**10. STAFF COSTS**

	<b>31.8.19</b>	31.8.18
	<b>£'000</b>	£'000
Wages and salaries	1,375	1,335
Social security costs	99	93
Operating costs of defined benefit pension schemes	<u>306</u>	<u>324</u>
	<b>1,780</b>	1,752
Supply teacher costs	<u>6</u>	<u>3</u>
	<b><u>1,786</u></b>	<b><u>1,755</u></b>

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	<b>31.8.19</b>	31.8.18
Teaching staff	27	26
Administration and support (incl. TAs)	50	51
Management	<u>5</u>	<u>4</u>
	<b><u>82</u></b>	<b><u>81</u></b>

No employees received emoluments in excess of £60,000.

**11. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £1,000,000 on any one claim. The cost of this insurance is included in the total insurance cost but it is not possible to quantify the trustees and officers indemnity element from the overall cost.

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total funds £'000
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and capital grants	4	1	34	39
<b>Charitable activities</b>				
Funding for the academy's educational operations	334	1,727	-	2,061
Provision of local facilities and social welfare	53	-	-	53
Other trading activities	<u>19</u>	<u>-</u>	<u>-</u>	<u>19</u>
<b>Total</b>	<b>410</b>	<b>1,728</b>	<b>34</b>	<b>2,172</b>

The Crabtree Academy Trust

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2019

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total funds £'000
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Academy's educational operations	256	1,963	95	2,314
Provision of local facilities and social welfare	35	-	-	35
<b>Total</b>	<b>291</b>	<b>1,963</b>	<b>95</b>	<b>2,349</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>119</b>	<b>(235)</b>	<b>(61)</b>	<b>(177)</b>
<b>Transfers between funds</b>	<b>(113)</b>	<b>116</b>	<b>(3)</b>	<b>-</b>
<b>Other recognised gains/(losses)</b>				
Actuarial gains/losses on defined benefit schemes	-	122	-	122
<b>Net movement in funds</b>	<b>6</b>	<b>3</b>	<b>(64)</b>	<b>(55)</b>
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<b>455</b>	<b>(374)</b>	<b>5,986</b>	<b>6,067</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>461</b>	<b>(371)</b>	<b>5,922</b>	<b>6,012</b>

13. TANGIBLE FIXED ASSETS

	Freehold property £'000	Furniture and equipment £'000	Computer equipment £'000	Assets under construction £'000	Totals £'000
<b>COST</b>					
At 1 September 2018	6,061	146	92	8	6,307
Additions	-	17	6	61	84
At 31 August 2019	6,061	163	98	69	6,391
<b>DEPRECIATION</b>					
At 1 September 2018	196	114	74	-	384
Charge for year	49	25	14	-	88
At 31 August 2019	245	139	88	-	472
<b>NET BOOK VALUE</b>					
At 31 August 2019	5,816	24	10	69	5,919
At 31 August 2018	5,865	32	18	8	5,923

Included in the cost of land and buildings is undepreciated freehold land of £3,595,000 (2018: £3,595,000).

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2019**

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31.8.19</b>	31.8.18
	<b>£'000</b>	£'000
Trade debtors	7	7
VAT recoverable	25	16
Prepayments and accrued income	51	27
	<u>83</u>	<u>50</u>

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

	<b>31.8.19</b>	31.8.18
	<b>£'000</b>	£'000
Other loans (see note 17)	1	1
Trade creditors	23	32
Social security and other taxes	26	23
Other creditors	30	29
Accruals and deferred income	73	87
	<u>153</u>	<u>172</u>

At the balance sheet date the academy trust has deferred grant income received relating to the year ending 31 August 2019. The bulk of deferred income is represented by the Universal Infants Free School Meals grant.

	<b>31.8.19</b>	31.8.18
	<b>£'000</b>	£'000
Deferred income		
Deferred income at 1 September 2018	72	51
Resources deferred in the year	58	72
Amounts released from previous years	(72)	(51)
Deferred income at 31 August 2019	<u>58</u>	<u>72</u>

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

	<b>31.8.19</b>	31.8.18
	<b>£'000</b>	£'000
Other loans (see note 17)	<u>1</u>	<u>2</u>

**17. LOANS**

An analysis of the maturity of loans is given below:

	<b>31.8.19</b>	31.8.18
	<b>£'000</b>	£'000
Amounts falling due within one year on demand:		
Other loans	<u>1</u>	<u>1</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>1</u>	<u>2</u>

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2019**

**17. LOANS**

An analysis of the maturity of loans is given below:

	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£'000</b>	<b>£'000</b>
Amounts falling due within one year on demand:		
Other loans	<u>1</u>	<u>1</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>1</u>	<u>2</u>

The loan is from Salix, is provided interest-free and is repayable over five years.

**18. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£'000</b>	<b>£'000</b>
Within one year	<u>2</u>	<u>-</u>
Between one and five years	<u>-</u>	<u>4</u>
	<u>2</u>	<u>4</u>

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

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Fixed asset</b>	<b>31.8.19</b>
	<b>fund</b>	<b>funds</b>	<b>fund</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>funds</b>
				<b>£'000</b>
Fixed assets	-	-	5,919	5,919
Current assets	417	80	15	512
Current liabilities	(17)	(136)	-	(153)
Long term liabilities	-	(1)	-	(1)
Pension liability	<u>-</u>	<u>(552)</u>	<u>-</u>	<u>(552)</u>
	<u>400</u>	<u>(609)</u>	<u>5,934</u>	<u>5,725</u>

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

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Fixed asset</b>	<b>31.8.18</b>
	<b>fund</b>	<b>funds</b>	<b>fund</b>	<b>Total</b>
			<b>£'000</b>	<b>funds</b>
				<b>£'000</b>
Fixed assets	-	-	5,923	5,923
Current assets	508	25	-	533
Current liabilities	(48)	(123)	(1)	(172)
Long term liabilities	-	(2)	-	(2)
Pension liability	<u>-</u>	<u>(270)</u>	<u>-</u>	<u>(270)</u>
	<u>460</u>	<u>(370)</u>	<u>5,922</u>	<u>6,012</u>

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2019**

**20. MOVEMENT IN FUNDS**

	At 1.9.18 £'000	Net movement in funds £'000	Transfers between funds £'000	At 31.8.19 £'000
<b>Unrestricted funds</b>				
General fund	460	140	(200)	400
<b>Restricted funds</b>				
Fixed asset fund	5,922	12	-	5,934
General fund	(100)	(158)	200	(58)
Pension reserve	(270)	(281)	-	(551)
	5,552	(427)	200	5,325
<b>TOTAL FUNDS</b>	<u>6,012</u>	<u>(287)</u>	<u>-</u>	<u>5,725</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
<b>Unrestricted funds</b>				
General fund	415	(275)	-	140
<b>Restricted funds</b>				
Fixed asset fund	99	(87)	-	12
General fund	1,794	(1,952)	-	(158)
Pension reserve	-	(66)	(215)	(281)
	1,893	(2,105)	(215)	(427)
<b>TOTAL FUNDS</b>	<u>2,308</u>	<u>(2,380)</u>	<u>(215)</u>	<u>(287)</u>

**Comparatives for movement in funds**

	At 1.9.17 £'000	Net movement in funds £'000	Transfers between funds £'000	At 31.8.18 £'000
<b>Unrestricted Funds</b>				
General fund	455	118	(113)	460
<b>Restricted Funds</b>				
Fixed asset fund	5,986	(61)	(3)	5,922
General fund	(71)	(145)	116	(100)
Pension reserve	(303)	33	-	(270)
	5,612	(173)	113	5,552
<b>TOTAL FUNDS</b>	<u>6,067</u>	<u>(55)</u>	<u>-</u>	<u>6,012</u>

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2019**

**20. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
<b>Unrestricted funds</b>				
General fund	410	(292)	-	118
<b>Restricted funds</b>				
Fixed asset fund	34	(95)	-	(61)
General fund	1,728	(1,873)	-	(145)
Pension reserve	<u>-</u>	<u>(89)</u>	<u>122</u>	<u>33</u>
	1,762	(2,057)	122	(173)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u><u>2,172</u></u>	<u><u>(2,349)</u></u>	<u><u>122</u></u>	<u><u>(55)</u></u>

# **The Crabtree Academy Trust**

## **Notes to the Financial Statements - continued for the Year Ended 31 August 2019**

### **20. MOVEMENT IN FUNDS - continued**

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

Restricted general funds represents income and expenditure where there were restrictions imposed as to how the income could be spent. Most such income is in the form of various grants from the DfE, ESFA and the local authority. The largest grant is the General Annual Grant (GAG) which is used for staff costs, educational resources and general costs incurred in the running of the academy trust. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019. Other grants received include Pupil Premium and SEN funding.

Unrestricted general funds represents income and expenditure relating to activities undertaken by the academy trust as part of its charitable activities. Unrestricted general funds can be used at the discretion of the trustees to meet the charitable objectives of the academy trust.

Restricted fixed asset funds represents income and expenditure relating to the purchase or other acquisition of land, buildings and capital equipment.

#### **Analysis of fund balances by academy**

Fund balances at 31 August 2019 were allocated as follows:

	<b>£'000</b>
Crabtree Junior School	<b>115</b>
Crabtree Infants' School	<b>226</b>
	<hr/>
Total before fixed assets and pension reserve	<b>341</b>
	<hr/>
Restricted fixed asset fund	<b>5,934</b>
Pension reserve	<b>(551)</b>
	<hr/>
Total	<b>5,724</b>
	<hr/> <hr/>

#### **Analysis of costs by academy**

Expenditure incurred by each academy during the year was:

	<b>Teaching and Educational Support Staff Costs £'000</b>	<b>Other Support Staff Costs £'000</b>	<b>Educational Supplies £'000</b>	<b>Other Costs excluding Depreciation £'000</b>	<b>Total £'000</b>
Crabtree Junior School	836	186	26	263	1,311
Crabtree Infants' School	602	157	19	203	981
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Academy Trust</b>	<b>1,438</b>	<b>343</b>	<b>45</b>	<b>466</b>	<b>2,292</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## **The Crabtree Academy Trust**

### **Notes to the Financial Statements - continued for the Year Ended 31 August 2019**

#### **21. PENSION AND SIMILAR OBLIGATIONS**

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

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

Contributions amounting to £27,871 were payable to the schemes at 31 August 2019 (2018: £28,116) 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' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

##### *Valuation of the Teachers' Pension Scheme*

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS was based on April 2016 data, whereupon the employer contribution rate has been reassessed and will be 23.68% from 1 September 2019.

The employer's pension costs paid to TPS in the period amounted to £128,177 (2018: £132,760).

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

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



**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2019**

**21. PENSION AND SIMILAR OBLIGATIONS  
- continued**

**Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £147,217 (2018: £134,552), of which employer's contributions totalled £120,471 (2018: £109,507) and employees' contributions totalled £26,746 (2018: £25,045). The agreed contribution rates for future years are 25.3% for employers and a range of 5.5% to 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.

The amounts recognised in the balance sheet are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£'000</b>	<b>£'000</b>
Present value of funded obligations	(1,438)	(948)
Fair value of plan assets	<u>886</u>	<u>678</u>
	<u>(552)</u>	<u>(270)</u>
Liability	<u><u>(552)</u></u>	<u><u>(270)</u></u>

The amounts recognised in the statement of financial activities are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost	178	191
Net interest from net defined benefit asset/liability	<u>8</u>	<u>9</u>
	<u><u>186</u></u>	<u><u>200</u></u>

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2019**

**21. PENSION AND SIMILAR OBLIGATIONS  
- continued**

Changes in the present value of the defined benefit obligation are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£'000</b>	<b>£'000</b>
Defined benefit obligation	948	816
Current service cost	178	191
Contributions by scheme participants	27	25
Interest cost	29	23
Benefits paid	(2)	(2)
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(60)	-
Actuarial (gains)/losses from changes in financial assumptions	318	(105)
	<u>1,438</u>	<u>948</u>

Changes in the fair value of scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£'000</b>	<b>£'000</b>
Fair value of scheme assets	678	512
Contributions by employer	119	112
Contributions by scheme participants	27	25
Interest income	21	14
Benefits paid	(2)	(2)
Return on plan assets (excluding interest income)	43	17
	<u>886</u>	<u>678</u>

The amounts recognised in other recognised gains and losses are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31.8.19</b>	<b>31.8.18</b>
	<b>£'000</b>	<b>£'000</b>
Actuarial (gains)/losses from changes in demographic assumptions	60	-
Actuarial (gains)/losses from changes in financial assumptions	(318)	105
Return on plan assets (excluding interest income)	43	17
	<u>(215)</u>	<u>122</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31.8.19</b>	<b>31.8.18</b>
<b>Equities</b>	<b>49%</b>	<b>53%</b>
<b>Bonds</b>	<b>39%</b>	<b>35%</b>
<b>Property</b>	<b>8%</b>	<b>8%</b>
<b>Cash</b>	<b>4%</b>	<b>4%</b>

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2019**

**21. PENSION AND SIMILAR OBLIGATIONS  
- continued**

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	<b>31.8.19</b>	<b>31.8.18</b>
<b>Discount rate</b>	<b>1.9%</b>	<b>2.8%</b>
<b>Future salary increases</b>	<b>2.4%</b>	<b>2.4%</b>
<b>Future pension increases</b>	<b>2.3%</b>	<b>2.3%</b>

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

	<b>Males</b>	<b>Females</b>
Current Pensioners	21.5 years	23.7 years
Future Pensioners	22.3 years	25.0 years

**22. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 August 2019.

**23. CENTRAL SERVICES**

No central services were provided by the trust to its academies during the period and no central charges arose.