

**Company Registration Number: 09320523** (England & Wales)

**RICHARD HUISH TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**



**RICHARD HUI SH TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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**RICHARD HUISH TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

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|                 |   |
|-----------------|---|
| <b>Members</b>  | D Alexander as Chair of Richard Huish College<br>J Langdon as Vice-chair of Richard Huish College<br>P White<br>The Bath and Wells Diocesan Board of Education Trust as represented<br>by H Fenn to 31 December 2018 and E Gregory from 01 January 2019               |
| <b>Trustees</b> | J Abbott, Chief Executive Officer <sup>1</sup><br>G Adams, Chair of Trustees (from 30/11/2018) <sup>1</sup><br>M Braund<br>C Christie <sup>1</sup><br>D Griffin <sup>1</sup><br>L Heath<br>C Ommrod <sup>1</sup><br>V Holbrook (resigned 26 August 2019) <sup>1</sup> |

<sup>1</sup> Finance and Audit Committee

|  |  |
|--|--|
| <b>Company registered number</b>       | 09320523   |
| <b>Company name</b>                    | Richard Huish Trust  |
| <b>Principal and registered office</b> | Richard Huish College<br>South Road<br>Taunton<br>Somerset<br>TA1 3DZ  |
| <b>Accounting officer</b>              | J Abbott   |
| <b>Senior management team</b>          | J Abbot, CEO<br>P Lonsdale, CFO  |
| <b>Independent auditors</b>            | Bishop Fleming LLP<br>Chartered Accountants<br>Statutory Auditors<br>2nd Floor Stratus House<br>Emperor Way<br>Exeter Business Park<br>Exeter<br>EX1 3QS |

**RICHARD HUISH TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2019. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates three primary academies and one secondary academy in the Taunton area of Somerset. Our academies have a combined published pupil capacity of 1727 and had a roll of 1399 in the year 2018/19. A fifth Primary School, Nerrols Primary School, will commence in September 2019 and has a pupil capacity of 420 and a planned number of 45 starts across key stage one.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

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

The Trustees of Richard Huish Trust are also the directors of the charitable company for the purposes of company law. The Charitable Company operates as Richard Huish Trust and, in the year to August 2019, had four school members; The Taunton Academy; West Buckland Primary School, North Curry CofE Primary school and North Town Primary School. A fifth school, Nerrols Primary School, will open its doors for the first time in September 2019.

Details of the Trustees who served throughout the year, and to the date the accounts are approved are included in the Reference and Administration Details on page 1.

**Members' liability**

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

**Trade union facility time**

**Relevant union officials**

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

**Percentage of time spent on facility time**

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

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

|   |           |
|---|-----------|
| Total cost of facility time                         | 1,000     |
| Total pay bill                                      | 4,926,492 |
| Percentage of total pay bill spent on facility time | - %       |

**Paid trade union activities**

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

**RICHARD HUISH TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**Trustees' Indemnities**

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

**TRUSTEES**

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

The Trust shall have the following Trustees as set out in its Articles of Association:

- no less than three Trustees, with no maximum
- up to 5 Trustees appointed under Article 50 by Members
- up to 2 Trustees appointed under Article 50A by the Bath and Wells BDE Trust
- the Chief Executive Officer
- A minimum of two Parent Trustees (unless there are Local Governing Bodies which include at least two Parent governors);
- The Trust may also have any co-opted Trustee appointed by the Trustees. A Co-opted Trustee means a person who is appointed to be a Trustee by being co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Trust as a Co-opted Trustee if thereby the number of Trustees who are employees of the Trust would exceed one third of the total number of Trustees including the CEO.

The term of office for any Trustee shall be four years, except that this time shall not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

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

The training and induction provided for the new Trustees will depend on their existing experience. All Trustees are provided with copies of policies, procedures, minutes and accounts, budgets and other documents that they will need to undertake their role as Trustees.

**Organisational Structure**

The Trust is comprised and governed by:

The four Members who guarantee the liabilities of the Trust and review its strategic direction.

The eight Board Trustees who are responsible for, and oversee, the management and administration of the Trust and the schools run by the Trust. The Board normally meets at least once each term. The Board establishes an overall framework for the governance of the Trust and determines responsibilities, terms of reference and procedures for its sub-committees. It receives reports including policies from sub-committees for ratification. It monitors the activities of the committees through the minutes of their meetings.

There is one main sub-committee which meets termly: Finance and Audit Committee.

The Board has established a pay policy which sets out clearly the basis on which decisions about pay progression for the Headteachers, senior employees and leaders of the Trust will be determined.

Local Governing Bodies are in place for each school within the Trust who are responsible for, subject to the

**RICHARD HUISH TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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provisions of the Scheme of Delegation, the day to day management and administration of each respective school.

A Scheme of Delegation has been approved detailing the relative responsibilities of the Board of Trustees, its sub-committee and Local Governing Bodies. The Scheme of Delegation provides clarity to Local Governing Bodies on the extent of their rights, responsibilities, authority and powers and provides a framework within which they interact and work with the other governance aspects of the Trust.

The Trustees have devolved responsibility for the day to day management of the Trust to the CEO, Chief Finance Officer and Local Governing Bodies.

A revised version of Articles of Association was adopted by RHT Members in May 2018 to enable voluntary controlled Church of England Schools to join the Trust from 1st May 2018 (North Curry CofE).

In adopting the new RHT Articles of Association and the Bath and Wells Diocese Memorandum of Understanding from 1st May 2018 the key changes to the RHT Trust were as follows:

- 25% Diocesan representation at Member level
- 25% Diocesan representation at Trustee/Director level
- 25% Diocesan representation at Local Governing Body level for Church of England Academies.

The CEO is the Accounting Officer.

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

The Board has established a pay policy which sets out clearly the basis on which decisions about pay progression for the Headteachers, senior employees and leaders in the Trust will be determined.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings. Their remuneration is benchmarked against similar roles found elsewhere within academies of a similar size and constitution.

All the Trustees give their time freely.

**Connected Organisations, including Related Party Relationships**

Richard Huish Trust is sponsored by Richard Huish College. The role of the sponsor is to share its educational experience, develop the educational vision for the Trust and support and assist the Trust and its schools.

Related party transactions are detailed in Note 27 to the accounts. Richard Huish College provides a range of back office services to the Trust. The Trust Chief Executive Officer and Chief Finance Officer roles are also provided by The Principal and Vice Principal Finance of Richard Huish College.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing academies, offering a broad and balanced range of curriculum.

The principal aim of the Trust is: 'Delivering Exceptional Education'

The Trust's values, as set out below, underpin the delivery of the Trust's strategic vision:

- **Students are at the centre of everything we do** – all decisions are considered in relation to the impact on students.
- **We are determined and rigorous in our pursuit of educational excellence** – we are individually and collectively committed to making improvements for the benefit of students.

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

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- **We strive to add value** and are committed to supporting all members of the community to achieve beyond what might be expected.
- **We have a culture that cares for the individual and promotes inclusivity, equality and mutual respect** – specialist support is available for all and diversity is embraced.
- **Honesty and integrity are central to our work** – we are committed to being transparent, open and trusting.
- **We work collaboratively and constructively as a team in order to best serve the local and wider community** – all stakeholders work together positively and professionally.

**Objectives, Strategies and Activities**

The Trust's values are underpinned by the following strategic objectives:

- To deliver continuous improvements in the quality of education through our teaching and learning to improve all student outcomes and life opportunities.
- Further develop partnerships within, across and beyond the Huish group of organisations.
- Pursue financial efficiencies and maintain financial stability.
- Seek ways to ensure all students are taught in and have access to the very best facilities with particular regard to available digital technology.
- Ensure there are clear lines of accountability and responsibility across the Huish group of organisations.
- Recruit, retain and develop inspirational and highly effective staff at all levels.
- Provide highly effective governance and strategic leadership.

**Public Benefit**

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

**STRATEGIC REPORT**

**Achievements and Performance**

**Primary phase**

| School                                 | EYFS Cohort | EYFS %age Good level of development | Y6 Cohort  | RWM Exp       | Reading Exp   | Writing Exp   | Maths Exp     |
|--|-------------|-------------------------------------|------------|---------------|---------------|---------------|---------------|
| North Curry CofE VC Primary School     | 23          | 83.00%                              | 30         | 80.00%        | 83.33%        | 87.00%        | 93.00%        |
| West Buckland Community Primary School | 17          | 71.00%                              | 6          | 84.00%        | 84.00%        | 84.00%        | 84.00%        |
| North Town Primary School              | 64          | 67.00%                              | 64         | 72.00%        | 77.00%        | 84.00%        | 80.00%        |
| <b>Huish Trust</b>                     | <b>104</b>  | <b>72.00%</b>                       | <b>100</b> | <b>75.00%</b> | <b>79.00%</b> | <b>85.00%</b> | <b>84.00%</b> |
| National Exp benchmark                 |             | 71.80%                              |            | 65.00%        | 73.00%        | 78.00%        | 79.00%        |

The data presented is based on provisional national data and schools' unvalidated data. National (revised) data for all schools will be published in December 2019 on <https://www.compare-school-performance.service.gov.uk>

Our Primary phase schools returned very positive results for 2018/19 with all schools being above the provisional national benchmarks.

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

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**Secondary phase**

| <b>The Taunton Academy</b>         |                |                |
|------------------------------------|----------------|----------------|
| <b>Measure</b>                     | <b>2017/18</b> | <b>2018/19</b> |
| Attainment 8                       | 35.92          | 36.78          |
| Progress 8                         | -0.61          | -0.65          |
| Basics (4+)                        | 49%            | 45%            |
| Basics (5+)                        | 23%            | 24%            |
| 5ACEM (4+)                         | 41.50%         | 42.10%         |
| 5AC (4+)                           | 43.40%         | 46.10%         |
| Pass rate (number of grades at 4+) | 51.40%         | 53%            |

The data presented in the above table is unvalidated school data. Validated school data for Key Stage for all schools will be published in January 2020.

The Taunton Academy's 2019 results were in line with the school's expectations. There are improvements in the Attainment 8 measure with more pupils achieving a higher overall attainment score across 8 subjects compared with the previous year. There are also gains in the percentage of pupils achieving Grade 5 or above in GCSE English and Maths, and the percentage of pupils achieving 5 or more GCSEs at Grade 4 or above.

**Key Trust achievements**

- Strong performance across all reported metrics for our Primary phase schools
- Continued improvements at Taunton Academy resulting in an improved Ofsted inspection outcome of requires improvement with good judgements for effectiveness of leadership and management and personal development, behaviour and welfare of pupils
- Improving, sustained financial health at Taunton Academy
- Continuing good financial health within our Primary phase schools
- Successful integration of North Town Primary School into our MAT in May 2019
- Successful project management of our new Free School, Nerrols Primary School, ensuring that the school will be able to deliver on stakeholder expectations from September 2019
- The development of pre-school provision, ready for a September start, at North Curry and West Buckland Primary Schools
- The securing of additional classroom facilities at West Buckland Primary School
- Further development and expansion of our back-room services to now include cross Trust IT support
- Rolling out of our e-commerce platform to support our move to 'cashless' schools

**Key Performance Indicators**

We remain committed to developing a range of financial and non-financial Key performance Indicators (KPIs) to ensure that we continue to meet the performance expectations of key stakeholders. We recognise the benefits of being able to benchmark our performance and efficiency against available national benchmarks. The performance tables for pupil outcomes include national benchmarks, Directors regularly assess the performance of each of our schools against the local and national picture.

We have engaged, Trust wide in the Integrated Curriculum Financial Planning initiative (ICFP) initiative and have been able to use the outputs from this to assess our teaching staff resources deployment efficiency, making improvements in our 2019/20 budget where possible. Towards the end of the year we also engaged with the DfE/ESFA Schools Resource Management Adviser (SRMA) initiative, again with a view to establishing further areas of potential cost efficiency. This report is due to be completed in the autumn term.



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

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In the year 2018/19 96% of our General Annual Grant (GAG) (2017/18 95%) was spent on staff costs. Income from other DfE Group sources increased by £137K, a proportion of which was spent on the increased staff costs spend. Comparing direct delivery costs to all income received in year (net of transfers in, conversions and fixed asset related grants) the proportion was 77% (2017/18 78%), the support costs proportion declined to 26% (2017/18 32%).

When comparing GAG to total income the 2018/19 ratio was 81% (2017/18 83%). This movement is predominantly as a result of other income increasing by £331K in year, an analysis of which can be found at note 4 to the financial statements.

Our ratio of current assets to current liabilities (current ratio) improved to 2.63:1 (2017/18 1.38:1). Cash holdings increased by £749,187 (2017/18 £427K). Net assets at the year-end were £11,765K (2017/18 £5,589K). Increases in the fixed asset fund of £3,625K (£3,283K of which relates to the net book value of assets transferred in from North Town Primary School) and the restricted income reserve of £291K were offset by an increase in the LGPS liability of £2,346K (£1,410K of which relates to North Town Primary School) and a reduction in unrestricted income funds of £159K.

**Going Concern**

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

**FINANCIAL REVIEW**

**Financial Review**

The majority of our income is obtained from the Department for Education (DfE) via the Education Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted for particular purposes. The grants received from the DfE, via the ESFA, during the year ended 31 July 2019 and the associated expenditure are shown in Restricted Funds in the Statement of Financial Activities.

The Trust also received grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Assets Fund. The restricted Fixed Assets Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in our accounting policies.

During the year ended 31 August 2019 Richard Huish Trust received total income of £9,068,369 (2017/18 £4,907,755), £3,283,143 being the Net Book Value of North Town Primary School assets transferred into the Trust on the 1 May 2019. Expenditure incurred for the same period was £6,575,003. The excess of income over expenditure for the year was £2,493,366.

At 31 August 2019 the net book value of fixed assets was £11,932,932, movements in tangible fixed assets are shown at note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to pupils of our Academy schools.

As stated above the land, buildings and other assets relating to North Town Primary School were transferred in year to the Trust with a value of £3,283,143. The accumulated surplus of North Town was transferred to the Trust, shown in unrestricted funds, in year with a value of £39,000.

Our new Free School, Nerrols Primary School, will open to pupils for the first time in September 2019. The restricted asset fund balance of £7,522,000 will be reflected in the financial statements for 2019/20.

The Trust has taken on the deficit in the Local Government Pension Scheme (LGPS) in respect of its non-teaching transferred on conversion. This deficit is incorporated within the Statement of Financial Activity with a more detailed analysis being provided at note 24 to the financial statements.

Key financial policies adopted or reviewed during the year include the Financial Regulations, Anti-Bribery and Corruption and Anti-Fraud, Gifts and Hospitality, Charging and Remissions policies.

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

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**Reserves Policy**

The Trustees have determined that, in the short to medium term, the appropriate level of central reserves should be approximately £250K. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as:

- urgent maintenance beyond that allowed for within a school's agreed annual budget,
- short-term in-year budget deficits being incurred by one or more of our schools (where there is a clear plan for revenue surpluses in future years),
- priority asset purchases by schools where a contribution in part or in full may be required and the school has insufficient retained reserves to meet that requirement,
- a materially significant change in pupil recruitment that requires support either by cushioning the impact on staffing through a falling pupil role where there is clear evidence of growth in future years or,
- supporting a school to manage the impact of pupil growth through the lagged funding model.

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

**Investment Policy**

All investments are made in accordance with the policy of the Trust. The Trust's policy on investments is one of minimum risk, with all investments being held by the Trust's bankers. Investments are made with regard to Charity Commission guidance in relation to investments.

**Principal Risks And Uncertainties**

The Board of Trustees has reviewed the major risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risk and uncertainties are as follows:

- A decrease in pupil numbers or not hitting growth targets
- The impact of the national lagged funding model where our schools see significant future growth
- Failure to meet academic targets including the outcome of any Ofsted inspections
- Failing to meet our loan repayment obligations with the DfE
- Recruiting and retaining teaching and teaching support staff within a highly competitive marketplace
- Availability of quality cover staff for sickness and other absences

Mitigating actions have been identified to address these risks.

Our secondary school, Taunton Academy, has an upward pupil number trajectory fuelled by larger cohorts in its Primary phase feeder schools and significant house building within the catchment area. Competition locally has resulted in this growth being slower than previously envisaged, whilst this is not ideal it has allowed the school to contain the increased costs within its financial forecasts. Should the costs of future increases in pupil numbers not be containable within our financial forecasts we may need to approach the DfE with a request to move from lagged funding to estimated funding until such time that growth returns to a more manageable level or the school is full.

Of our three primary schools North Town are consistently over-subscribed for their reception year and consequently remain at capacity, this is unlikely to change in the future. Our two remaining Primary schools are both located in small village settings and are susceptible to fluctuations in pupil numbers. The impact of these fluctuations are mitigated by having a flexible approach to the delivery of curriculum by teaching year groups together where necessary and appropriate. Further mitigation will be achieved going forward by the opening of

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

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pre-school facilities from September 2019 at both West Buckland and North Curry Primary Schools.

Our Primary phase schools delivered very positive results in 2019. Head teachers of our schools meet regularly to share best practice and plan future staff development needs. The Trust has appointed a school improvement officer who leads the Head teacher meetings and reports to Trust Directors on performance and improvement planning. Taunton Academy continues on its improvement journey and has benefitted from dedicated School Improvement Funding in-year. Further resources are being made available to the school in 2019 to help accelerate progress.

The financial performance of Taunton Academy in 2018/19 has been such that we have mitigated the risk of not meeting future loan repayments, consequently we no longer see this as a risk going forward.

The recruitment and retention of teachers and teaching support staff remains challenging for Taunton Academy although 2018/19 has seen some noticeable successes in this regard. The senior team use their networks effectively to encourage applications from individuals that are known to have the right skills, experience and values to contribute positively to the school. Taunton Academy use specialist recruitment organisations to help with recruitment to key teaching roles. This risk is less of a challenge for our Primary Phase schools.

Our teacher utilisation compares positively to national benchmarks. Whilst this is a good statistic it does mean that teaching levels run lean with very little inefficiency, particularly at Taunton Academy. Consequently when there are periods of teacher absence this can lead to lessons being covered by non-specialist staff or agency cover. Further resources have been made available to the school for 2019 to increase the level of dedicated cover supervision. Taunton Academy use a number of agencies from which they draw cover, this allows them to secure the best possible cover when needed.

**FUNDRAISING**

We welcomed into our Trust North Town Primary School in May 2019 and Nerrols Primary School in September 2019.

We remain in discussion with a number of other schools on the benefits of joining our Trust and remain confident that we will see continued growth in the future.

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**Auditors**

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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

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The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 10/12/2019 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'G Adams', written over a horizontal line.

G Adams  
Chair of Trustees

**RICHARD HUISH TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

The board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Richard Huish Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 5 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 |
|--|-------------------|-------------------|
| J Abbott, Chief Executive Officer            | 5                 | 5                 |
| G Adams, Chair of Trustees (from 30/11/2018) | 5                 | 5                 |
| M Braund                                     | 3                 | 5                 |
| C Christie                                   | 5                 | 5                 |
| D Griffin                                    | 5                 | 5                 |
| L Heath                                      | 4                 | 5                 |
| C Ormrod                                     | 0                 | 5                 |
| V Holbrook                                   | 5                 | 5                 |

The Finance and Audit Committee is a sub-committee of the main board of Trustees. Its purpose is:

- to consider and advise the Board of Directors on all aspects of the Trust's finances, financial policies, controls and strategy in accordance with the Articles of Association, Academies Financial Handbook and the Funding Agreement
- to advise the Board of Directors on the adequacy and effectiveness of the Trust's systems of internal control and its arrangements for risk management, control, governance processes, and value for money.

The Finance and Audit Committee met five times during 2018-19 and particular issues dealt with during included:

- Financial performance (management accounts, forecasts and budgets);
- Due diligence for North Town Primary School;
- The Trust's financial strategy;
- Internal Audit Reports (x2);
- Financial Returns to the ESFA;
- Capital projects, including various property and accommodation issues at Trust schools;
- Health and Safety monitoring;
- Review of RHT Financial Regulations.

Victoria Holbrook left the committee at the end of the year when she resigned as a Trustee on 26.08.19. Attendance at meetings in the year was as follows:

| Trustee     | Meetings attended | Out of a possible |
|-------------|-------------------|-------------------|
| John Abbott | 3                 | 5                 |
| Guy Adams   | 5                 | 5                 |

**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

|                    |   |   |
|--------------------|---|---|
| Catherine Christie | 5 | 5 |
| David Griffin      | 5 | 5 |
| Chris Ormrod       | 2 | 5 |
| Victoria Holbrook  | 3 | 5 |

**Review of value for money**

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

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

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Not allocating time/resources to areas where few improvements can be achieved.
- Making comparisons with similar Academies using data provided by the ESFA and the Government.
- Partaking in ESFA supported benchmarking reviews (ICFP and SRMA reviews)
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.

**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 Richard Huish Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

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

**GOVERNANCE STATEMENT (CONTINUED)**

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**The risk and control framework**

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint Griffin Accountancy as internal auditor.

The internal auditor'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:

- Income and cash receipts
- Purchasing and cash payments
- Payroll
- Regularity
- Compliance with the Academies Financial handbook

The Internal Auditor conducts two reviews each year and reports their finding to the Finance and Audit Committee.

**Review of effectiveness**

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

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

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

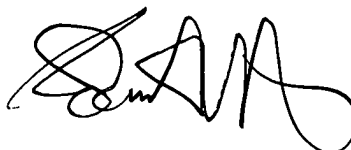
Approved by order of the members of the board of Trustees on and signed on their behalf by:

10/12/2019

G Adams  
Chair of Trustees



J Abbott  
Accounting Officer



**RICHARD HUISH TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

---

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



J Abbott  
Accounting Officer

Date: 10/12/19.



**RICHARD HUISH TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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


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

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

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

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

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

  
G Adams  
Chair of Trustees

Date: 10/12/2019

**RICHARD HUISH TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
RICHARD HUISH TRUST**

---

**Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**RICHARD HUISH TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**Other information**

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

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

We have nothing to report in this regard.

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

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

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

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

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

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

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

**RICHARD HUISH TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**Responsibilities of trustees**

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

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

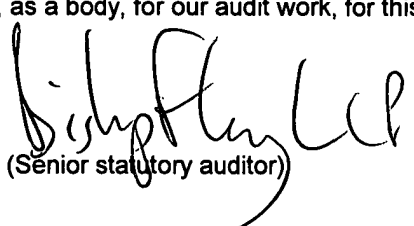
**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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

  
Tim Borton FCA DChA (Senior statutory auditor)  
for and on behalf of

Chartered Accountants  
Statutory Auditors  
2nd Floor Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS

Date:

13 December 2019

**RICHARD HUISH TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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In accordance with the terms of our engagement letter dated 2 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Richard Huish Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Richard Huish Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Richard Huish Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Richard Huish Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Richard Huish Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Richard Huish Trust's funding agreement with the Secretary of State for Education dated 24 March 2015 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

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

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

**RICHARD HUISH TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**Conclusion**

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



Tim Borton FCA DChA (Reporting Accountant)

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

Date:

13 December 2019

**RICHARD HUISH TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

|   | Note | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Restricted<br>fixed asset<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ | Total<br>funds<br>2018<br>£ |
|---|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| <b>Income from:</b>   |      |                                    |                                  |   |                             |                             |
| Donations and capital grants  | 3    | 91,089                             | (1,212,597)                      | 3,845,305                                       | 2,723,797                   | 716,993                     |
| Charitable activities   | 4    | 115,734                            | 6,069,621                        | -   | 6,185,355                   | 4,089,339                   |
| Other trading activities  | 5    | 157,964                            | -                                | -   | 157,964                     | 101,225                     |
| Investments   | 6    | 1,253                              | -                                | -   | 1,253                       | 198                         |
| <b>Total income</b>   |      | <b>366,040</b>                     | <b>4,857,024</b>                 | <b>3,845,305</b>                                | <b>9,068,369</b>            | <b>4,907,755</b>            |
| <b>Expenditure on:</b>  |      |                                    |                                  |   |                             |                             |
| Raising funds   |      | -                                  | -                                | -   | -                           | 25,080                      |
| Charitable activities   |      | 206,751                            | 6,142,925                        | 225,327   | 6,575,003                   | 4,604,265                   |
| <b>Total expenditure</b>  | 7    | <b>206,751</b>                     | <b>6,142,925</b>                 | <b>225,327</b>                                  | <b>6,575,003</b>            | <b>4,629,345</b>            |
| <b>Net income/(expenditure)</b>                                     |      | <b>159,289</b>                     | <b>(1,285,901)</b>               | <b>3,619,978</b>                                | <b>2,493,366</b>            | <b>278,410</b>              |
| Transfers between funds   | 19   | -                                  | (5,242)                          | 5,242   | -                           | -                           |
| <b>Net movement in funds before other recognised gains/(losses)</b> |      | <b>159,289</b>                     | <b>(1,291,143)</b>               | <b>3,625,220</b>                                | <b>2,493,366</b>            | <b>278,410</b>              |
| <b>Other recognised gains/(losses):</b>                             |      |                                    |                                  |   |                             |                             |
| Actuarial losses on defined benefit pension schemes                 | 24   | -                                  | (764,000)                        | -   | (764,000)                   | 571,000                     |
| <b>Net movement in funds</b>  |      | <b>159,289</b>                     | <b>(2,055,143)</b>               | <b>3,625,220</b>                                | <b>1,729,366</b>            | <b>849,410</b>              |
| <b>Reconciliation of funds:</b>                                     |      |                                    |                                  |   |                             |                             |
| Total funds brought forward   |      | (239,609)                          | (3,211,829)                      | 9,040,170                                       | 5,588,732                   | 4,739,322                   |
| Net movement in funds   |      | 159,289                            | (2,055,143)                      | 3,625,220                                       | 1,729,366                   | 849,410                     |
| <b>Total funds carried forward</b>                                  |      | <b>(80,320)</b>                    | <b>(5,266,972)</b>               | <b>12,665,390</b>                               | <b>7,318,098</b>            | <b>5,588,732</b>            |

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 25 to 54 form part of these financial statements.

**RICHARD HUISH TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:09320523**

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

|   | Note | 2019<br>£               | 2018<br>£               |
|---|------|-------------------------|-------------------------|
| <b>Fixed assets</b>                                     |      |                         |                         |
| Tangible assets   | 14   | 12,076,394              | 8,967,400               |
|   |      | <u>12,076,394</u>       | <u>8,967,400</u>        |
| <b>Current assets</b>                                   |      |                         |                         |
| Debtors   | 15   | 661,127                 | 552,154                 |
| Cash at bank and in hand                                |      | 1,176,506               | 427,319                 |
|   |      | <u>1,837,633</u>        | <u>979,473</u>          |
| Creditors: amounts falling due within one year          | 16   | (752,929)               | (711,141)               |
| <b>Net current assets</b>                               |      | <u>1,084,704</u>        | <u>268,332</u>          |
| <b>Total assets less current liabilities</b>            |      | <u>13,161,098</u>       | <u>9,235,732</u>        |
| Creditors: amounts falling due after more than one year | 17   | (150,000)               | (300,000)               |
| <b>Net assets excluding pension liability</b>           |      | <u>13,011,098</u>       | <u>8,935,732</u>        |
| Defined benefit pension scheme liability                | 24   | (5,693,000)             | (3,347,000)             |
| <b>Total net assets</b>                                 |      | <u><u>7,318,098</u></u> | <u><u>5,588,732</u></u> |
| <b>Funds of the Academy Trust</b>                       |      |                         |                         |
| <b>Restricted funds:</b>                                |      |                         |                         |
| Fixed asset funds                                       | 19   | 12,665,390              | 9,040,170               |
| Restricted income funds                                 | 19   | 426,028                 | 135,171                 |
|   |      | <u>13,091,418</u>       | <u>9,175,341</u>        |
| Restricted funds excluding pension liability            | 19   | 13,091,418              | 9,175,341               |
| Pension reserve   | 19   | (5,693,000)             | (3,347,000)             |
| <b>Total restricted funds</b>                           | 19   | <u>7,398,418</u>        | <u>5,828,341</u>        |
| <b>Unrestricted income funds</b>                        | 19   | <u>(80,320)</u>         | <u>(239,609)</u>        |
| <b>Total funds</b>                                      |      | <u><u>7,318,098</u></u> | <u><u>5,588,732</u></u> |



**RICHARD HUISH TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:09320523**

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

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The financial statements on pages 21 to 54 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:



G Adams  
Chair of Trustees

10/12/2019

The notes on pages 25 to 54 form part of these financial statements.

**RICHARD HUISH TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

|   | <b>Note</b> | <b>2019<br/>£</b> | <b>2018<br/>£</b> |
|---|-------------|-------------------|-------------------|
| <b>Cash flows from operating activities</b>             |             |                   |                   |
| Net cash provided by operating activities               | 21          | 3,904,657         | 1,104,436         |
| <b>Cash flows from investing activities</b>             | 22          | (3,155,470)       | (954,467)         |
| <b>Change in cash and cash equivalents in the year</b>  |             | <b>749,187</b>    | <b>149,969</b>    |
| Cash and cash equivalents at the beginning of the year  |             | 427,319           | 277,350           |
| <b>Cash and cash equivalents at the end of the year</b> | 23          | <b>1,176,506</b>  | <b>427,319</b>    |

The notes on pages 25 to 54 form part of these financial statements

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

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**1. Accounting policies**

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

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Richard Huish Trust meets the definition of a public benefit entity under FRS 102.

**1.2 GOING CONCERN**

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

**1.3 INCOME**

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

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

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

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

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

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

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

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

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**1. Accounting policies (continued)**

**1.3 INCOME (continued)**

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

**1.4 INTEREST RECEIVABLE**

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

**1.5 EXPENDITURE**

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

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.6 TANGIBLE FIXED ASSETS**

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

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

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

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

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**1. Accounting policies (continued)**

**1.6 TANGIBLE FIXED ASSETS (continued)**

|                              |                                |
|------------------------------|--------------------------------|
| Long term leasehold property | - 40 years straight line       |
| Furniture and fixtures       | - 41 - 94 months straight line |
| Motor Vehicles               | - 30 months straight line      |
| Computer equipment           | - 29 - 48 months straight line |

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

**1.7 DEBTORS**

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

**1.8 CASH AT BANK AND IN HAND**

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

**1.9 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.

**1.10 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 bases are as follows:

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. 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 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

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

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**1. Accounting policies (continued)**

**1.11 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 Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**1.12 PENSIONS**

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy 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.

**1.13 OPERATING LEASES**

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

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

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**1. Accounting policies (continued)**

**1.14 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 the funders where the asset acquired or created is held for a specific purpose.

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

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

**2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

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

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

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

|                        | <b>Unrestricted<br/>funds<br/>2019<br/>£</b> | <b>Restricted<br/>funds<br/>2019<br/>£</b> | <b>Total<br/>funds<br/>2019<br/>£</b> | <b>Total<br/>funds<br/>2018<br/>£</b> |
|------------------------|--|--|---------------------------------------|---------------------------------------|
| Transfer on conversion | -  | -  | -                                     | 556,132                               |
| Donations              | 91,089                                       | 2,070,546                                  | <b>2,161,635</b>                      | 115,526                               |
| Capital Grants         | -  | 562,162                                    | <b>562,162</b>                        | 45,335                                |
| <b>Subtotal</b>        | <b>91,089</b>                                | <b>2,632,708</b>                           | <b>2,723,797</b>                      | <b>160,861</b>                        |
| <b>Total 2019</b>      | <b>91,089</b>                                | <b>2,632,708</b>                           | <b>2,723,797</b>                      | <b>716,993</b>                        |
| <b>Total 2018</b>      | <b>177,002</b>                               | <b>539,991</b>                             | <b>716,993</b>                        |                                       |



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

**4. Funding for the Academy Trust's educational operations**

|                                  | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ | Total<br>funds<br>2018<br>£ |
|----------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| <b>DfE/ESFA grants</b>           |                                    |                                  |                             |                             |
| General Annual Grant             | -                                  | 5,107,107                        | 5,107,107                   | 3,464,472                   |
| Start up Grants                  | -                                  | 148,592                          | 148,592                     | 67,225                      |
| Other DfE/EFSA grants            | -                                  | 430,232                          | 430,232                     | 374,756                     |
|                                  | -                                  | 5,685,931                        | 5,685,931                   | 3,906,453                   |
| <b>Other Government grants</b>   |                                    |                                  |                             |                             |
| High Needs                       | -                                  | 22,450                           | 22,450                      | -                           |
| Other government grants: capital | -                                  | 34,136                           | 34,136                      | 70,585                      |
|                                  | -                                  | 56,586                           | 56,586                      | 70,585                      |
| <b>Other funding</b>             |                                    |                                  |                             |                             |
| Internal catering income         | 67,676                             | -                                | 67,676                      | 48,284                      |
| Sales to students                | 27                                 | -                                | 27                          | 9,512                       |
| Other                            | 48,031                             | 212,038                          | 260,069                     | 54,505                      |
| Nursery income funded            | -                                  | 115,066                          | 115,066                     | -                           |
|                                  | 115,734                            | 327,104                          | 442,838                     | 112,301                     |
| <b>Total 2019</b>                | 115,734                            | 6,069,621                        | 6,185,355                   | 4,089,339                   |
| <b>Total 2018</b>                | 81,949                             | 4,007,390                        | 4,089,339                   |                             |

**5. Income from other trading activities**

|                         | Unrestricted<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ | Total<br>funds<br>2018<br>£ |
|-------------------------|------------------------------------|-----------------------------|-----------------------------|
| Lettings                | 154,737                            | 154,737                     | 101,225                     |
| Educational consultancy | 3,227                              | 3,227                       | -                           |
| <b>Total 2019</b>       | 157,964                            | 157,964                     | 101,225                     |

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

**5. Income from other trading activities (continued)**

All prior year income related to unrestricted funds.

**6. Investment income**

|               | Unrestricted<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ | Total<br>funds<br>2018<br>£ |
|---------------|------------------------------------|-----------------------------|-----------------------------|
| Bank interest | 1,253                              | 1,253                       | 198                         |

All prior year income related to unrestricted funds.

**7. Expenditure**

|  | Staff Costs<br>2019<br>£ | Premises<br>2019<br>£ | Other<br>2019<br>£ | Total<br>2019<br>£ | Total<br>2018<br>£ |
|--|--------------------------|-----------------------|--------------------|--------------------|--------------------|
| Expenditure on fundraising trading activities: |                          |                       |                    |                    |                    |
| Direct costs                                   | -                        | -                     | -                  | -                  | 25,080             |
| Education:                                     |                          |                       |                    |                    |                    |
| Direct costs                                   | 4,320,061                | -                     | 503,685            | 4,823,746          | 3,281,532          |
| Support costs                                  | 521,281                  | -                     | 1,144,826          | 1,666,107          | 1,322,733          |
| Nursery:                                       |                          |                       |                    |                    |                    |
| Direct costs                                   | 85,150                   | -                     | -                  | 85,150             | -                  |
| <b>Total 2019</b>                              | <b>4,926,492</b>         | <b>-</b>              | <b>1,648,511</b>   | <b>6,575,003</b>   | <b>4,629,345</b>   |
| <b>Total 2018</b>                              | <b>3,299,446</b>         | <b>230,739</b>        | <b>1,099,160</b>   | <b>4,629,345</b>   |                    |

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

**8. Analysis of expenditure by activities**

|                   | Activities<br>undertaken<br>directly<br>2019<br>£ | Support<br>costs<br>2019<br>£ | Total<br>funds<br>2019<br>£ | Total<br>funds<br>2018<br>£ |
|-------------------|---|-------------------------------|-----------------------------|-----------------------------|
| Education         | 4,823,746   | 1,666,107                     | 6,489,853                   | 4,604,265                   |
| Nursery           | 85,150  | -                             | 85,150                      | -                           |
| <b>Total 2019</b> | <b>4,908,896</b>                                  | <b>1,666,107</b>              | <b>6,575,003</b>            | <b>4,604,265</b>            |
| <b>Total 2018</b> | <b>3,281,532</b>                                  | <b>1,322,733</b>              | <b>4,604,265</b>            |                             |

**Analysis of direct costs**

|                      | Education<br>2019<br>£ | Nursery<br>2019<br>£ | Total<br>funds<br>2019<br>£ | Total<br>funds<br>2018<br>£ |
|----------------------|------------------------|----------------------|-----------------------------|-----------------------------|
| Pension income       | 101,000                | -                    | 101,000                     | 69,000                      |
| Staff costs          | 4,215,039              | 85,150               | 4,300,189                   | 2,871,328                   |
| Educational supplies | 210,487                | -                    | 210,487                     | 132,759                     |
| Examination fees     | 47,005                 | -                    | 47,005                      | 41,246                      |
| Staff development    | 20,252                 | -                    | 20,252                      | 11,520                      |
| Other costs          | 36,537                 | -                    | 36,537                      | 34,942                      |
| Supply teachers      | 105,022                | -                    | 105,022                     | 57,256                      |
| Technology costs     | 88,404                 | -                    | 88,404                      | 63,481                      |
| <b>Total 2019</b>    | <b>4,823,746</b>       | <b>85,150</b>        | <b>4,908,896</b>            | <b>3,281,532</b>            |
| <b>Total 2018</b>    | <b>3,281,532</b>       | <b>-</b>             | <b>3,281,532</b>            |                             |

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

**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

|                                       | <b>Education<br/>2019<br/>£</b> | <b>Total<br/>funds<br/>2019<br/>£</b> | <b>Total<br/>funds<br/>2018<br/>£</b> |
|---------------------------------------|---------------------------------|---------------------------------------|---------------------------------------|
| Pension income                        | -                               | -                                     | 17,000                                |
| Staff costs                           | 521,281                         | <b>521,281</b>                        | 370,862                               |
| Depreciation                          | 225,327                         | <b>225,327</b>                        | 243,712                               |
| Other costs                           | 20,052                          | <b>20,052</b>                         | 1,692                                 |
| Recruitment and support               | 16,093                          | <b>16,093</b>                         | 8,376                                 |
| Maintenance of premises and equipment | 94,888                          | <b>94,888</b>                         | 91,928                                |
| Cleaning                              | 41,885                          | <b>41,885</b>                         | 34,583                                |
| Rent and rates                        | 165,180                         | <b>165,180</b>                        | 98,113                                |
| Insurance                             | 20,527                          | <b>20,527</b>                         | 21,520                                |
| Security and transport                | 10,615                          | <b>10,615</b>                         | 6,933                                 |
| Catering                              | 152,851                         | <b>152,851</b>                        | 97,078                                |
| Office overheads                      | 254,967                         | <b>254,967</b>                        | 248,872                               |
| Legal and professional                | 122,882                         | <b>122,882</b>                        | 63,617                                |
| Bank interest and charges             | 3,113                           | <b>3,113</b>                          | 1,441                                 |
| Governance costs                      | 16,446                          | <b>16,446</b>                         | 17,006                                |
| <b>Total 2019</b>                     | <b>1,666,107</b>                | <b>1,666,107</b>                      | <b>1,322,733</b>                      |

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

Net income/(expenditure) for the year includes:

|                                       | <b>2019<br/>£</b> | <b>2018<br/>£</b> |
|---------------------------------------|-------------------|-------------------|
| Operating lease rentals               | <b>8,398</b>      | 5,328             |
| Depreciation of tangible fixed assets | <b>225,327</b>    | 243,711           |
| Internal audit                        | <b>2,000</b>      | 2,276             |
| Fees paid to auditors for:            |                   |                   |
| - audit                               | <b>8,525</b>      | 14,560            |

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

**10. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

|                           | 2019<br>£               | 2018<br>£               |
|---------------------------|-------------------------|-------------------------|
| Wages and salaries        | 3,637,978               | 2,510,185               |
| Social security costs     | 319,005                 | 203,309                 |
| Pension costs             | 864,487                 | 514,013                 |
|                           | <u>4,821,470</u>        | <u>3,227,507</u>        |
| Agency staff costs        | 105,022                 | 57,256                  |
| Staff restructuring costs | -                       | 14,683                  |
|                           | <u><u>4,926,492</u></u> | <u><u>3,299,446</u></u> |

Staff restructuring costs comprise:

|                    | 2019<br>£ | 2018<br>£     |
|--------------------|-----------|---------------|
| Severance payments | -         | 14,683        |
|                    | <u>-</u>  | <u>14,683</u> |

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

Included in staff restructuring costs is one non-statutory/non-contractual severance payment of £Nil (2018: £7,431).

**c. Staff numbers**

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

|                            | 2019<br>No.       | 2018<br>No.       |
|----------------------------|-------------------|-------------------|
| Teachers                   | 68                | 48                |
| Administration and Support | 89                | 50                |
| Management                 | 7                 | 5                 |
| Nursery                    | 5                 | -                 |
|                            | <u><u>169</u></u> | <u><u>103</u></u> |

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

**10. Staff costs (continued)**

**c. Staff numbers (continued)**

The average headcount expressed as full-time equivalents was:

|                            | 2019<br>No. | 2018<br>No. |
|----------------------------|-------------|-------------|
| Teachers                   | 54          | 39          |
| Administration and support | 48          | 29          |
| Management                 | 6           | 5           |
| Nursery                    | 3           | -           |
|                            | <u>111</u>  | <u>73</u>   |

**d. Higher paid staff**

The number of employees whose employee benefits (excluding employer's national Insurance contributions and employer pension costs) exceeded £60,000 was:

|                                | 2019<br>No. | 2018<br>No. |
|--------------------------------|-------------|-------------|
| In the band £60,001 - £70,000  | 1           | 2           |
| In the band £70,001 - £80,000  | 2           | -           |
| In the band £80,001 - £90,000  | -           | 1           |
| In the band £90,001 - £100,000 | 1           | -           |
|                                | <u>1</u>    | <u>-</u>    |

**e. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team which comprises the CEO and CFO of the Trust. Both the CEO and CFO are employed by the Trust's Sponsor, Richard Huish College and their time spent dealing with Trust affairs is recharged by that entity. The amounts recharged in the year total £62,625 (2018: £58,032)

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the Key Management Personnel other than in their role as Trustee, their remuneration as set out in note 12 has not been included in the total benefits received by Key Management Personnel above.

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

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**11. Central services**

The Academy Trust recharge for central services using a top slice method from each of the schools. The percentages charge are between 2%-4.5%. Richard Huish College as sponsor provides payroll, financial support, leadership advice and IT services to the Trust and recharges for these services. The recharges from each school pay towards the services provided by the College.

In the prior year no central services were charged by the Academy Trust to its Academies during the year.

The actual amounts charged during the year were as follows:

|                                   | 2019<br>£      | 2018<br>£ |
|-----------------------------------|----------------|-----------|
| Taunton Academy                   | 137,136        | -         |
| West Buckland Primary School      | 7,740          | -         |
| North Town Academy                | -              | -         |
| North Curry C of E Primary School | 11,928         | -         |
| <b>Total</b>                      | <b>156,804</b> | <b>-</b>  |

**12. Trustees' remuneration and expenses**

The CEO only receives remuneration in respect of services provided undertaking the role of CEO under contract of employment, and not in respect of their services as a Trustee. Other Trustees did not receive any payments, from the Academy Trust in respect of their role as trustees. As noted in Note 27, the costs of the CEO are re-charged from the Trust's sponsor, Richard Huish College.

During the year ended 31 August 2019, no Trustees received any reimbursement of expenses (2018: £Nil).

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

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

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

**14. Tangible fixed assets**

|                          | Long-term<br>leasehold<br>property<br>£ | Furniture<br>and fixtures<br>£ | Computer<br>equipment<br>£ | Motor<br>vehicles<br>£ | Total<br>£ |
|--------------------------|---|--------------------------------|----------------------------|------------------------|------------|
| <b>Cost or valuation</b> |   |                                |                            |                        |            |
| At 1 September 2018      | 9,322,000                               | 60,629                         | 619,118                    | 9,995                  | 10,011,742 |
| Additions                | 3,114,068                               | 111,992                        | 108,261                    | -                      | 3,334,321  |
| At 31 August 2019        | 12,436,068                              | 172,621                        | 727,379                    | 9,995                  | 13,346,063 |
| <b>Depreciation</b>      |   |                                |                            |                        |            |
| At 1 September 2018      | 386,477                                 | 43,706                         | 604,164                    | 9,995                  | 1,044,342  |
| Charge for the year      | 198,704                                 | 13,094                         | 13,529                     | -                      | 225,327    |
| At 31 August 2019        | 585,181                                 | 56,800                         | 617,693                    | 9,995                  | 1,269,669  |
| <b>Net book value</b>    |   |                                |                            |                        |            |
| At 31 August 2019        | 11,850,887                              | 115,821                        | 109,686                    | -                      | 12,076,394 |
| At 31 August 2018        | 8,935,523                               | 16,923                         | 14,954                     | -                      | 8,967,400  |

**15. Debtors**

|                                | 2019<br>£ | 2018<br>£ |
|--------------------------------|-----------|-----------|
| <b>Due within one year</b>     |           |           |
| Trade debtors                  | 34,625    | 152,071   |
| VAT recoverable                | 100,587   | 83,060    |
| Other debtors                  | -         | 147,620   |
| Prepayments and accrued income | 525,915   | 169,403   |
|                                | 661,127   | 552,154   |



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

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

|  | 2019<br>£      | 2018<br>£      |
|--|----------------|----------------|
| ESFA loan                              | 150,000        | 150,000        |
| Trade creditors                        | 211,821        | 286,946        |
| Other taxation and social security     | 87,394         | 65,713         |
| Other creditors                        | 90,842         | 63,483         |
| Accruals and deferred income           | 212,872        | 144,999        |
|  | <u>752,929</u> | <u>711,141</u> |
|  | 2019<br>£      | 2018<br>£      |
| Deferred income at 1 September 2018    | 56,697         | -              |
| Resources deferred during the year     | 133,690        | 56,697         |
| Amounts released from previous periods | (56,697)       | -              |
| Deferred income at 31 August 2019      | <u>133,690</u> | <u>56,697</u>  |

**17. Creditors: Amounts falling due after more than one year**

|            | 2019<br>£      | 2018<br>£      |
|------------|----------------|----------------|
| ESFA loans | <u>150,000</u> | <u>300,000</u> |

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**18. Financial instruments**

|  | 2019<br>£        | 2018<br>£        |
|--|------------------|------------------|
| <b>Financial assets</b>  |                  |                  |
| Financial assets measured at fair value through income and expenditure | 1,176,506        | 427,319          |
| Financial assets that are debt instruments measured at amortised cost  | 441,674          | 394,201          |
|  | <u>1,618,180</u> | <u>821,520</u>   |
|  | 2019<br>£        | 2018<br>£        |
| <b>Financial liabilities</b>   |                  |                  |
| Financial liabilities measured at amortised cost                       | <u>(681,845)</u> | <u>(826,637)</u> |

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

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

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

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**19. Statement of funds**

|                                     | Balance at 1<br>September<br>2018<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2019<br>£ |
|-------------------------------------|--|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| <b>Unrestricted<br/>funds</b>       |  |                  |                    |                          |                         |                                      |
| Unrestricted<br>Funds               | (239,609)                              | 366,040          | (206,751)          | -                        | -                       | (80,320)                             |
| <b>Restricted<br/>general funds</b> |  |                  |                    |                          |                         |                                      |
| General Annual<br>Grant (GAG)       | 27,443                                 | 5,048,083        | (4,691,108)        | -                        | -                       | 384,418                              |
| High Needs                          | -                                      | 55,937           | (55,937)           | -                        | -                       | -                                    |
| Pupil Premium                       | -                                      | 305,691          | (305,691)          | -                        | -                       | -                                    |
| PE & Sport                          | -                                      | 42,364           | (37,122)           | (5,242)                  | -                       | -                                    |
| UIFSM                               | -                                      | 84,905           | (84,905)           | -                        | -                       | -                                    |
| MDIF                                | 23,865                                 | 5,000            | (28,865)           | -                        | -                       | -                                    |
| Other restricted                    | -                                      | 207,687          | (207,687)          | -                        | -                       | -                                    |
| Other DfE/ESFA                      | 78,697                                 | 170,892          | (249,589)          | -                        | -                       | -                                    |
| Trips                               | 1,030                                  | 3,873            | -                  | -                        | -                       | 4,903                                |
| Start up grant                      | -                                      | 148,592          | (111,885)          | -                        | -                       | 36,707                               |
| Donations                           | 4,136                                  | -                | (4,136)            | -                        | -                       | -                                    |
| Pension reserve                     | (3,347,000)                            | (1,216,000)      | (366,000)          | -                        | (764,000)               | (5,693,000)                          |
|                                     | <u>(3,211,829)</u>                     | <u>4,857,024</u> | <u>(6,142,925)</u> | <u>(5,242)</u>           | <u>(764,000)</u>        | <u>(5,266,972)</u>                   |

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

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

|  | Balance at 1<br>September<br>2018<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2019<br>£ |
|--|--|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| <b>Restricted fixed<br/>asset funds</b>        |  |                  |                    |                          |                         |                                      |
| Class II<br>Restricted<br>Funds - all<br>funds | -                                      | 2,721,154        | -                  | -                        | -                       | 2,721,154                            |
| Fixed Assets<br>transferred on<br>conversion   | 8,967,279                              | -                | (223,510)          | -                        | -                       | 8,743,769                            |
| Fixed assets<br>purchased<br>from GAG          | 5,260                                  | 82,139           | (131)              | -                        | -                       | 87,268                               |
| Devolved<br>Formula<br>Capital                 | 45,335                                 | 269,062          | (1,130)            | -                        | -                       | 313,267                              |
| Other  | 22,296                                 | 772,950          | (556)              | 5,242                    | -                       | 799,932                              |
|  | <u>9,040,170</u>                       | <u>3,845,305</u> | <u>(225,327)</u>   | <u>5,242</u>             | <u>-</u>                | <u>12,665,390</u>                    |
| <b>Total Restricted<br/>funds</b>              | <u>5,828,341</u>                       | <u>8,702,329</u> | <u>(6,368,252)</u> | <u>-</u>                 | <u>(764,000)</u>        | <u>7,398,418</u>                     |
| <b>Total funds</b>                             | <u>5,588,732</u>                       | <u>9,068,369</u> | <u>(6,575,003)</u> | <u>-</u>                 | <u>(764,000)</u>        | <u>7,318,098</u>                     |

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

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

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

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

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

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

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

**UFSM** - This funding was received in order to ensure children that meet the criteria have access to free school meals.

**MDIF** - Multi-Academy Trust Development and Improvement Fund (MDIF) aims to provide additional funding to trusts in order to improve schools and increase social mobility.

**Other restricted** - This represents other funding received by the Trust for use on specified purposes.

**Other DfE/ESFA** - This represents other smaller funding pools received for the DfE/ESFA for the use on specified purposes.

**Trips** - This represents funding for the Academy to be spent on providing trips for the school.

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

**Donations** - This fund represents donations that have been received by the Academy for use on specified purposes.

**Pension Reserve** - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

**RESTRICTED FIXED ASSET FUNDS**

**Fixed assets transferred on conversion** – This represents the buildings and equipment donated to the School from the Local Authority on conversion to an Academy.

**Fixed assets purchased from GAG** - This represents fixed assets which were purchased from GAG funding. The balance at the year end represents the NBV of asset and any unspent grant amount.

**Devolved formula capital** - This represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

**Other** - These funds are received for direct expenditure on fixed asset projects.

**OTHER INFORMATION**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. Statement of funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2019 were allocated as follows:

|  | 2019<br>£        | 2018<br>£        |
|--|------------------|------------------|
| Taunton Academy                                    | 9,431            | (339,719)        |
| West Buckland Primary School                       | 40,298           | 44,671           |
| North Curry C of E Primary School                  | 106,916          | 88,576           |
| Central Services                                   | 100,303          | 102,034          |
| North Town Academy                                 | 88,759           | -                |
| Total before fixed asset funds and pension reserve | 345,707          | (104,438)        |
| Restricted fixed asset fund                        | 12,665,390       | 9,040,170        |
| Pension reserve                                    | (5,693,000)      | (3,347,000)      |
| <b>Total</b>                                       | <b>7,318,097</b> | <b>5,588,732</b> |

**Total cost analysis by academy**

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

|                                   | Teaching and educational support staff costs<br>£ | Other support staff costs<br>£ | Educational supplies<br>£ | Other costs excluding depreciation<br>£ | Total 2019<br>£  | Total 2018<br>£  |
|-----------------------------------|---|--------------------------------|---------------------------|---|------------------|------------------|
| Taunton Academy                   | 2,633,232   | 234,058                        | 175,304                   | 721,858                                 | 3,764,452        | 3,705,254        |
| West Buckland Primary School      | 342,263   | 44,248                         | 18,376                    | 85,205                                  | 490,092          | 156,000          |
| North Curry C of E Primary School | 525,645   | 56,363                         | 22,399                    | 96,442                                  | 700,849          | 219,977          |
| Central Services                  | -   | 366,000                        | -                         | 158,235                                 | 524,235          | 304,403          |
| North Town Academy                | 587,827   | 109,773                        | 49,301                    | 123,147                                 | 870,048          | -                |
| <b>Academy Trust</b>              | <b>4,088,967</b>                                  | <b>810,442</b>                 | <b>265,380</b>            | <b>1,184,887</b>                        | <b>6,349,676</b> | <b>4,385,634</b> |

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

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

|                                     | Balance at<br>1 September<br>2017<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2018<br>£ |
|-------------------------------------|--|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| <b>Unrestricted<br/>funds</b>       |  |                  |                    |                          |                         |                                      |
| Unrestricted<br>Funds               | (343,925)                              | 319,322          | (136,309)          | (78,697)                 | -                       | (239,609)                            |
| <b>Restricted<br/>general funds</b> |  |                  |                    |                          |                         |                                      |
| General Annual<br>Grant (GAG)       | -                                      | 3,404,448        | (3,377,005)        | -                        | -                       | 27,443                               |
| High Needs                          | -                                      | 24,279           | (24,279)           | -                        | -                       | -                                    |
| Pupil Premium                       | -                                      | 220,094          | (220,094)          | -                        | -                       | -                                    |
| PE & Sport                          | -                                      | 11,403           | (11,403)           | -                        | -                       | -                                    |
| UIFSM                               | -                                      | 14,203           | (14,203)           | -                        | -                       | -                                    |
| MDIF                                | -                                      | 49,740           | (25,875)           | -                        | -                       | 23,865                               |
| Other restricted                    | -                                      | 228,809          | (228,809)          | -                        | -                       | -                                    |
| Other DfE/ESFA                      | -                                      | 77,249           | (77,249)           | 78,697                   | -                       | 78,697                               |
| Trips                               | -                                      | 23,437           | (22,407)           | -                        | -                       | 1,030                                |
| Start up grant                      | -                                      | 50,000           | (50,000)           | -                        | -                       | -                                    |
| Donations                           | 4,136                                  | -                | -                  | -                        | -                       | 4,136                                |
| Pension reserve                     | (3,132,000)                            | (588,000)        | (198,000)          | -                        | 571,000                 | (3,347,000)                          |
|                                     | <u>(3,127,864)</u>                     | <u>3,515,662</u> | <u>(4,249,324)</u> | <u>78,697</u>            | <u>571,000</u>          | <u>(3,211,829)</u>                   |

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

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

|  | Balance at<br>1 September<br>2017<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2018<br>£ |
|--|--|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| <b>Restricted fixed asset funds</b>    |  |                  |                    |                          |                         |                                      |
| Fixed Assets transferred on conversion | 8,182,804                              | 1,027,436        | (242,961)          | -                        | -                       | 8,967,279                            |
| Fixed assets purchased from GAG        | 5,407                                  | -                | (147)              | -                        | -                       | 5,260                                |
| Devolved Formula Capital               | -                                      | 45,335           | -                  | -                        | -                       | 45,335                               |
| Other                                  | 22,900                                 | -                | (604)              | -                        | -                       | 22,296                               |
|  | <u>8,211,111</u>                       | <u>1,072,771</u> | <u>(243,712)</u>   | <u>-</u>                 | <u>-</u>                | <u>9,040,170</u>                     |
| <b>Total Restricted funds</b>          | <u>5,083,247</u>                       | <u>4,588,433</u> | <u>(4,493,036)</u> | <u>78,697</u>            | <u>571,000</u>          | <u>5,828,341</u>                     |
| <b>Total funds</b>                     | <u>4,739,322</u>                       | <u>4,907,755</u> | <u>(4,629,345)</u> | <u>-</u>                 | <u>571,000</u>          | <u>5,588,732</u>                     |

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

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

|  | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Restricted<br>fixed asset<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets                  | -                                  | -                                | 12,076,394                                      | <b>12,076,394</b>           |
| Current assets                         | 822,609                            | 426,028                          | 588,996   | <b>1,837,633</b>            |
| Creditors due within one year          | (752,929)                          | -                                | -   | <b>(752,929)</b>            |
| Creditors due in more than one year    | (150,000)                          | -                                | -   | <b>(150,000)</b>            |
| Provisions for liabilities and charges | -                                  | (5,693,000)                      | -   | <b>(5,693,000)</b>          |
| <b>Total</b>                           | <u>(80,320)</u>                    | <u>(5,266,972)</u>               | <u>12,665,390</u>                               | <u><b>7,318,098</b></u>     |



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**20. Analysis of net assets between funds (continued)**

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

|  | Unrestricted<br>funds<br>2018<br>£ | Restricted<br>funds<br>2018<br>£ | Restricted<br>fixed asset<br>funds<br>2018<br>£ | Total<br>funds<br>2018<br>£ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets                  | -                                  | -                                | 8,967,400                                       | 8,967,400                   |
| Current assets                         | 210,391                            | 696,311                          | 72,770  | 979,472                     |
| Creditors due within one year          | (150,000)                          | (561,140)                        | -   | (711,140)                   |
| Creditors due in more than one year    | (300,000)                          | -                                | -   | (300,000)                   |
| Provisions for liabilities and charges | -                                  | (3,347,000)                      | -   | (3,347,000)                 |
| <b>Total</b>                           | <b>(239,609)</b>                   | <b>(3,211,829)</b>               | <b>9,040,170</b>                                | <b>5,588,732</b>            |

**21. Reconciliation of net income to net cash flow from operating activities**

|  | 2019<br>£        | 2018<br>£ |
|--|------------------|-----------|
| Net income for the year (as per Statement of financial activities) | <b>2,493,366</b> | 278,410   |
| <b>Adjustments for:</b>  |                  |           |
| Depreciation   | <b>225,327</b>   | 243,711   |
| Capital grants from DfE and other capital income                   | <b>(34,136)</b>  | (45,335)  |
| Interest received  | <b>(1,253)</b>   | (198)     |
| Defined benefit pension scheme obligation inherited                | <b>1,216,000</b> | 588,000   |
| Defined benefit pension scheme cost less contributions payable     | <b>267,000</b>   | 112,000   |
| Defined benefit pension scheme finance cost                        | <b>99,000</b>    | 86,000    |
| (Increase)/Decrease in debtors                                     | <b>(252,435)</b> | (421,938) |
| (Decrease)/increase in creditors                                   | <b>(108,212)</b> | 263,786   |
| <b>Net cash provided by operating activities</b>                   | <b>3,904,657</b> | 1,104,436 |

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**22. Cash flows from investing activities**

|  | 2019<br>£          | 2018<br>£        |
|--|--------------------|------------------|
| Interest received                            | 1,253              | 198              |
| Assets on conversion                         | (3,190,859)        | (1,000,000)      |
| Capital grants from DfE Group                | 34,136             | 45,335           |
| <b>Net cash used in investing activities</b> | <b>(3,155,470)</b> | <b>(954,467)</b> |

**23. Analysis of cash and cash equivalents**

|  | 2019<br>£        | 2018<br>£      |
|--|------------------|----------------|
| Cash at bank and in hand               | 1,176,506        | 427,319        |
| <b>Total cash and cash equivalents</b> | <b>1,176,506</b> | <b>427,319</b> |

**24. Pension commitments**

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

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

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

**Teachers' Pension Scheme**

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

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

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

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**24. Pension commitments (continued)**

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was prepared by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £390,035 (2018 - £281,860).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £272,000 (2018 - £148,000), of which employer's contributions totalled £214,000 (2018 - £117,000) and employees' contributions totalled £ 58,000 (2018 - £31,000). The agreed contribution rates for future years are 20.9% for employers and 5.5%-12.5% for employees.

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**24. Pension commitments (continued)**

**Principal actuarial assumptions**

|  | <b>2019</b> | <b>2018</b> |
|--|-------------|-------------|
|  | <b>%</b>    | <b>%</b>    |
| Rate of increase in salaries                       | <b>4.20</b> | <b>3.80</b> |
| Rate of increase for pensions in payment/inflation | <b>2.20</b> | <b>2.30</b> |
| Discount rate for scheme liabilities               | <b>1.85</b> | <b>2.65</b> |
| Inflation assumption (CPI)                         | <b>2.20</b> | <b>2.30</b> |

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

|                             | <b>2019</b>  | <b>2018</b>  |
|-----------------------------|--------------|--------------|
|                             | <b>Years</b> | <b>Years</b> |
| <i>Retiring today</i>       |              |              |
| Males                       | <b>22.9</b>  | <b>24.0</b>  |
| Females                     | <b>24.0</b>  | <b>25.2</b>  |
| <i>Retiring in 20 years</i> |              |              |
| Males                       | <b>24.6</b>  | <b>26.3</b>  |
| Females                     | <b>25.8</b>  | <b>27.5</b>  |

**Sensitivity analysis**

|  | <b>2019</b>      | <b>2018</b>      |
|--|------------------|------------------|
|  | <b>£000</b>      | <b>£000</b>      |
| Discount rate +0.1%                    | <b>(215,000)</b> | <b>(123,000)</b> |
| Discount rate -0.1%                    | <b>221,000</b>   | <b>126,000</b>   |
| Mortality assumption - 1 year increase | <b>340,000</b>   | <b>189,000</b>   |
| Mortality assumption - 1 year decrease | <b>(328,000)</b> | <b>(182,000)</b> |
| CPI rate +0.1%                         | <b>204,000</b>   | <b>119,000</b>   |
| CPI rate -0.1%                         | <b>(199,000)</b> | <b>(116,000)</b> |

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**24. Pension commitments (continued)**

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

|                                     | At 31<br>August 2019<br>£ | At 31 August<br>2018<br>£ |
|-------------------------------------|---------------------------|---------------------------|
| Equities                            | 2,480,000                 | 1,411,000                 |
| Gilts                               | 208,000                   | 105,000                   |
| Corporate bonds                     | 320,000                   | 177,000                   |
| Property                            | 284,000                   | 174,000                   |
| Cash and other liquid assets        | 208,000                   | 93,000                    |
| <b>Total market value of assets</b> | <b>3,500,000</b>          | <b>1,960,000</b>          |

The actual return on scheme assets was £201,000 (2018 - £68,000).

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

|   | 2019<br>£          | 2018<br>£        |
|---|--------------------|------------------|
| Current service cost  | (190,000)          | (229,000)        |
| Past service cost   | (96,000)           | -                |
| Interest income   | 67,000             | 42,000           |
| Interest cost   | (166,000)          | (128,000)        |
| Transferred in on existing academies joining the trust                  | (1,216,000)        | (588,000)        |
| Administrative expenses   | (2,000)            | -                |
| <b>Total amount recognised in the Statement of financial activities</b> | <b>(1,603,000)</b> | <b>(903,000)</b> |

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

|  | 2019<br>£        | 2018<br>£        |
|--|------------------|------------------|
| <b>At 1 September</b>                                  | <b>5,307,000</b> | <b>4,628,000</b> |
| Conversion of academy trusts                           | -                | 913,000          |
| Transferred in on existing academies joining the trust | 2,377,000        | -                |
| Current Service Cost                                   | 383,000          | 229,000          |
| Interest cost  | 166,000          | 128,000          |
| Employee contributions                                 | 58,000           | 31,000           |
| Actuarial losses/(gains)                               | 898,000          | (546,000)        |
| Benefits paid  | (92,000)         | (76,000)         |
| Past service costs                                     | 96,000           | -                |
| <b>At 31 August</b>                                    | <b>9,193,000</b> | <b>5,307,000</b> |

**RICHARD HUISH TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
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**24. Pension commitments (continued)**

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

|  | 2019<br>£        | 2018<br>£        |
|--|------------------|------------------|
| <b>At 1 September</b>                                  | <b>1,960,000</b> | <b>1,496,000</b> |
| Transferred in on existing academies joining the trust | 1,161,000        | 325,000          |
| Admin expenses   | (2,000)          | -                |
| Interest income  | 67,000           | 42,000           |
| Actuarial gains  | 134,000          | 25,000           |
| Employer contributions                                 | 214,000          | 117,000          |
| Employee contributions                                 | 58,000           | 31,000           |
| Benefits paid  | (92,000)         | (76,000)         |
| <b>At 31 August</b>                                    | <b>3,500,000</b> | <b>1,960,000</b> |

**25. Operating lease commitments**

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

|                       | Academy<br>Trust<br>2019<br>£ | Academy<br>Trust<br>2018<br>£ |
|-----------------------|-------------------------------|-------------------------------|
| Within 1 year         | 16,976                        | 900                           |
| Between 1 and 5 years | 9,892                         | 665                           |
|                       | <b>26,868</b>                 | <b>1,565</b>                  |

**26. Members' liability**

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

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

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**27. Related party transactions**

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

During the year the Trust undertook transactions with Richard Huish College (The Trust's sponsor). These expenses included leadership and back office services, cleaning and caretaking, IT services and other costs. In the year the Trust were invoiced £336,358 (2018: £277,692) for these services. At the year end the Trust owed the College £60,549 (2018: £86,484).

In entering into these transactions the Trust has complied with the requirements of the Academies Financial Handbook 2018. Purchases were provided 'at no more than cost'. Richard Huish College has provided a statement of assurance confirming this.

**28. Post balance sheet events**

A new free school, a free school namely Nerrols Primary School and Nursery, opened and joined the MAT on 2 September 2019.

**29. General Information**

Richard Huish Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Richard Huish College, South Road, Taunton, Somerset, TA1 3DZ.

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

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

**North Town Academy Trust**

|                                       | <b>Value<br/>reported by<br/>transferring<br/>trust<br/>£</b> | <b>Fair value<br/>adjustments<br/>£</b> | <b>Transfer in<br/>recognised<br/>£</b> |
|---------------------------------------|---|---|---|
| <b>Tangible fixed assets</b>          |   |   |   |
| Long-term leasehold property          | 3,256,265   | 2,505                                   | <b>3,258,770</b>                        |
| Furniture and equipment               | 17,258  | -                                       | <b>17,258</b>                           |
| Computer equipment                    | 7,115   | -                                       | <b>7,115</b>                            |
| <b>Current assets</b>                 |   |   |   |
| Debtors due within one year           | 91,045  | (448)                                   | <b>90,597</b>                           |
| Cash at bank and in hand              | 60,028  | -                                       | <b>60,028</b>                           |
| <b>Liabilities</b>                    |   |   |   |
| Creditors due within one year         | (111,625)   | -                                       | <b>(111,625)</b>                        |
| <b>Pensions</b>                       |   |   |   |
| Pensions - pension scheme assets      | 1,161,000   | -                                       | <b>1,161,000</b>                        |
| Pensions - pension scheme liabilities | (2,570,000)   | 193,000                                 | <b>(2,377,000)</b>                      |
| <b>Net assets</b>                     | <b>1,911,086</b>  | <b>195,057</b>                          | <b>2,106,143</b>                        |