

**CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

**CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	R Chadwick (resigned 12 December 2018) J Reilly E Quinn (resigned 12 December 2018) D Seddon (appointed 5 September 2019) T Gulliver (appointed 5 September 2019) M Loftus (appointed 12 December 2018) N Parker (appointed 5 September 2019)
Trustees	A Adamo R Chadwick, Chair until 12 December 2018 ¹ S Devo, Headteacher and Accounting Officer ² A Dobson ¹ J Doherty J Reilly, Chair from 12 December 2018 ¹ T Roberts ² N Parker, Vice Chair from 12 December 2018 ¹ A Sewell

¹ Resources and Structures Committee (all functions)

² Resources and Structures Committee (excepting internal audit functions)

Company registered number	08228379
Company name	ContinU Plus Academy Trust
Principal and registered office	Finepoint Finepoint Way Kidderminster Worcestershire DY11 7FB
Company secretary	P Engleheart
Accounting Officer	S Devo
Senior management team	S Devo, Headteacher M Venross, Assistant Head L Parrock, Behaviour Lead E Griffin, Business Manager
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 16 Queen Square Bristol BS1 4NT
Bankers	Lloyds Bank 25 Gresham Street London EC2V 7HN

**CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Solicitors

Thursfields Solicitors
42 Foregate Street
Worcester
WR1 1EF

Browne Jacobson LLP
Victoria Square House
Victoria Square
Birmingham
B2 4BU

**CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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 an academy for pupils aged 11 to 18 in Worcestershire. It has a pupil capacity of 100 and had a roll of 79 in the school census on 3 June 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy 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.

The Trustees of ContinU Plus Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as ContinU Plus Academy Trust.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy'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, 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. The limit of this indemnity is £3,000,000.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

Julie Reilly (retired Headteacher of The Bewdley School) is an original member and governor, and chair of the board of trustees/governing body. Nick Parker (from Vestia Housing) is also an original governor, has been involved with supporting employability in young people, and brings community and business knowledge to the board. The staff governor is Tracey Roberts (elected by staff). One parent governor (James Doherty) was elected in 2018 and there is currently a further parent governor vacancy. Andy Dobson (Principal of Kidderminster College of FE) was recruited and appointed in 2018.

The term of office for any Trustee is 4 years. Subject to remaining eligible any Trustee may be reappointed. The Trustees who served during all or any part of the reporting period are listed on page 1.

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

Policies and Procedures Adopted for the Induction and Training of Trustees

The Academy continues to procure Governor Support Services provided by Worcestershire County Council, the Local Authority. Additional training is provided as required, based on individual or collective need. External advice and support is commissioned where necessary.

Newly appointed Governors are inducted by the clerk to Governors and are issued with an "induction pack" which includes details of meetings; committee structures; and the memorandum and articles of association. Governors were also offered a bespoke training session on effective governance provided by the Diocese of Gloucestershire's solicitors. Other training courses are available to Governors and these are also arranged through the clerk to Governors.

Organisational Structure

The Board of Trustees normally meets six times a year. The Board establishes and overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the Committees through minutes of their meetings. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

There is one subcommittee as follows:

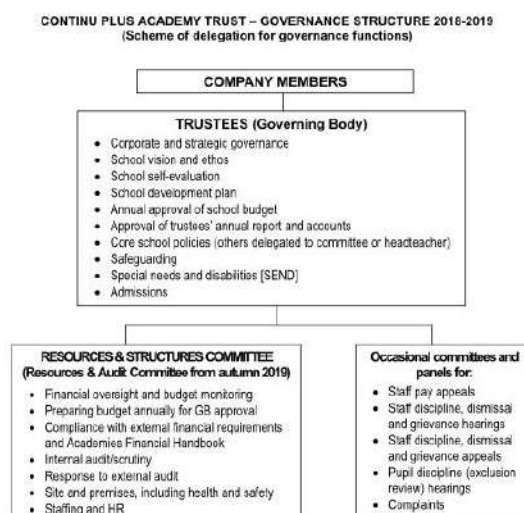
Resources and Audit Committee (name changed in 2019 from Resources and Structures) - this normally meets six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and drafting the annual budget including staffing levels. It is also responsible for the Trust's internal scrutiny programme and for commissioning and receiving internal audit reports, and incorporates the role of an Audit Committee as defined in the Academies Financial Handbook.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chair and or Vice Chair, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

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

Further details of governance within the Trust are included in the Governance Statement on pages 11-13.

The basic structure is shown below:



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

The Academy has a leadership structure which consists of the Trustees, The Senior Leadership Team and Team Leaders. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

During the year ended 31 August 2019, the Senior Leadership Team (SLT) consisted of -

S Devo, Headteacher
M Venross, Assistant Head
L Parrock, Behaviour Lead
E Griffin, Business Manager

The Headteacher is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the Senior Leadership Team; comprising of the key management personnel of the Academy, in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year in respect of their role as a Trustee.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

Connected Organisations, including Related Party Relationships

The Academy Trust works in partnership with Local Authorities and commissioning schools and other private sector organisations to further the aims of the Trust.

As a result 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.

ContinU Trust is deemed to be a related party due to R Chadwick being Company Secretary for the ContinU Trust. R Chadwick resigned as Chair of Trustees during the year.

There are no related parties which either control or significantly influence the decisions and operations of ContinU Plus Academy and all transactions are undertaken at arm's length in the normal course of activities, so are not disclosed in these financial statements. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The ContinU Plus Academy is committed to working with young people who are excluded, or at risk of exclusion, from our consortium of schools and to proactively target post 16 destinations. We support young people with multiple barriers to education and work; with health, behavioural, education and psychological problems and young people from dysfunctional families who often lead chaotic lifestyles. We work directly with these young people, their families and our consortium of schools. We engage support from our existing and comprehensive network of partners in education, training, health, benefits and judicial system to support our students in becoming active citizens, exercising choices in their lives and taking a full part in society.

The ContinU Plus Academy Trust offer a curriculum that combines the development of personal and social skills with employability skills that are linked to the motivational/vocational interests of young people. This allows young people to learn the skills required to manage their work, their lives and their relationships.

Young people are empowered by this curriculum approach and develop a sense of ownership of their learning. This is highly motivating and is further enhanced by the sense of achievement when students gain accreditation for learning in the activities in which they are involved.

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

Learning provision is personalised around the needs of individual students and they will be supported to choose a learning programme which matches their motivation, interest and personal learning style.

Objectives, Strategies and Activities

The ContinU Plus Academy (CPA) is an alternative provision free school. Our academy was opened in 2013 and benefits from being housed in a purpose-built site. We have capacity for 90 students aged 11 to 16 and 10 students aged 16 and above.

The ContinU Plus Academy is passionate about working with some of the most disadvantaged and disenfranchised young people and young adults in our school communities. We support them to take control of their lives, develop the range of academic, vocational and life skills required in today's complex world and to make the most of the opportunities available to them.

Every CPA student will experience:

- An aspirational and targeted approach to their learning, demanding the best out of each student.
- Access to high quality teaching delivered in small groups with qualified, skilled professionals providing accelerated literacy and numeracy to narrow the gaps.
- Use of a purpose built building designed with our young people in mind.
- Outdoor Education Programme and a Commitment to Learning Outside the Classroom.
- One to one support when needed, targeting the core reasons for lack of engagement in the past.
- An Individual Pupil Passport that shows clearly individuals targets, support plans and progress.
- An assigned Learning Coach and qualified form teacher to provide coaching and to build self esteem, care, respect and individual attention.

Ofsted commented in their last inspection

"We have established a strong and cohesive academy community, in which students, staff and parents strive to meet the shared vision and learn together."

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's aims and objectives and in planning its future activities.

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

STRATEGIC REPORT

Achievements and Performance

The Secretary of State for Education gave his approval to open the ContinU Plus Academy in September on 13th August 2013.

The Academy had its first Ofsted on 29th and 30th April 2015 and was graded GOOD.

Based in Kidderminster, The CPA provides high quality education for pupils between the ages of 11-18, to re-engage some of the most vulnerable and disillusioned learners across Wyre Forest, Hagley and Dudley.

The ContinU Plus Academy (CPA) is an Alternative Provision Free School. We are the brainchild of the ContinU Trust, a charitable company established by the seven secondary schools of the Wyre Forest, Hagley area, and Kidderminster college with partner members from the Universities of Birmingham and Wolverhampton, Barnado's and Worcestershire County Council.

Our Academy was opened in September 2013 and benefits from being housed in a purpose built site. We have the capacity for 90 pupils aged 11-16 and 10 students aged 16 and above, who for a wide variety of reasons have disengaged or experienced difficulties in mainstream education.

We have a highly trained, compassionate and committed group of staff and governors who work in unison to positively impact on our students' self-esteem, academic potential and post 16 destinations.

The CPA is not one size fits all school and our students reap the rewards of innovative and bespoke curriculum by using Outdoor Education, delivering highly engaging and relevant lessons. We offer vocational, therapeutic and academic pathways according to need.

Here at CPA we are committed to challenging our students and developing their resilience, their empathy with others and their social and cultural awareness.

"Magic happens here – I've never been better" – Kyle year 8

Results for the academic year 2018-19

CPA pupils left with an average of 7.9 qualifications each (6.4 previous year)

72% of Year 11 pupils gained 5 or more Level 1 qualifications or better

56% of Year 11 pupils gained GCSE grades in English, Maths and Science

64% of Year 11 pupils made accelerated progress over the length of their stay

62% of school leavers reduced their overall stress during their time at CPA

Whole school attendance was 82%

GCSE Results 2018-19

	2019	2018	2017	National comparator 2014-16
Pass rate	94	97	92	56.8
Average qualifications	7.9	6.4	5.3	Data not available
5 level 1 or more qualifications	80	77	43	Data not available
GCSE EMS	71 (56% cohort)	88 (62% cohort)	73 (53% cohort)	

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

Key Performance Indicators

Our targets from last Year and our Targets for the Year to come

2018-19 TARGET	ACHIEVED
80% NATIONAL PROGRESS	76%
85% 5 LEVEL 1 QUALIFICATIONS	80%
85% OVERALL STRESS DECREASE	62%
35% INCIDENT REDUCTION	N/A
90% ATTENDANCE	82%

Current school data at 1/11/ 2019

	Academic Year 2018-19	Data as at 11/11/19
On roll	99	75
Year 7-	8	0
Year 8-	8	9
Year 9-	23	12
Year 10-	27	25
Year 11-	29	23
Year 12-	4	5
Year 13-	0	1
Attendance	76%	81%
Eligible for FSM	51	51
"At risk" families- multi agency involvement	5	0
LAC	6	2
Behavioural Incidents	444	215
Racist behaviour	11	2
Bullying	14	4
Injuries	5	0
Pupils attending after school clubs	6	6 prospective
Attendance at parents day	21, 100% parents seen	N/A
SDQ	15	14.5
Number of permanently contracted staff	39	32/11 WHP
Number of temporary staff	1	6
Staff attendance	94%	97%
EHCP	3	3-2 in progress

Analysis of the Academy's financial performance was undertaken by examination of the following:

- The work of the Responsible Officer
- The work of the External Auditor
- The financial, management and governance process

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

Going Concern

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

FINANCIAL REVIEW

Financial Review

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

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2019, the Academy received total income of £1,937,524 and incurred total expenditure of £2,101,576. The excess of expenditure over income for the year was £164,052, but overall free reserves have increased from £168,697 to £215,159.

At 31 August 2019 the net book value of fixed assets was £4,091,940 and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Key financial policies reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. The Trustees have determined that the appropriate level of free reserves should be £100,000; maintaining a sum equivalent to one month's payroll.

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.

The Academy's free reserves as at 31st August 2019 were £215,159 (2018: £168,697). The Academy intends to maintain reserves at £200,000. The Trustees have earmarked expenditure out of the surplus reserves to purchase two vehicles post year end.

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.

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

Principal Risks And Uncertainties

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

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

Finance - the Academy has considerable reliance on continued Government funding through the Education and Skills Funding Agency. In the last year 100% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

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

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

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

In order to resolve national recruitment and retention issues within the education sector the Academy will:

- Support graduates to gain QTS status.
- Ensure that salaries reflect additional teaching responsibilities of learning coaches.
- Consider additional payments in order to retain quality staff.

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 21 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

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.

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

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.

Approved by order of the members of the board of Trustees on 18 December 2019 and signed on their behalf by:

**J Reilly
Chair of Trustees**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 5 times during the year. Although the Board has met less than 6 times in the financial year, regular management accounts have been produced throughout the year which have been reviewed and discussed by the Chair of Trustees and Headteacher. This has ensured there has been an effective oversight of the funds.

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

Trustee	Meetings attended	Out of a possible
A Adamo	2	5
R Chadwick, Chair until 12 December 2018	2	2
S Devo, Headteacher and Accounting Officer	5	5
A Dobson	3	5
J Doherty	1	5
J Reilly, Chair from 12 December 2018	5	5
T Roberts	5	5
N Parker, Vice Chair from 12 December 2018	4	4
A Sewell	0	5

The Resources and Audit (formerly Resources and Structures) Committee is a sub-committee of the main board of Trustees. Its purpose is to maintain a continuing review of the financial affairs of the Academy and to also act as its internal audit committee. The responsibilities of the committee include; reviewing and recommending to the full governing body the annual budget and business plan proposed by the Headteacher, monitoring of staffing structures and curriculum costs, overseeing health and safety and premises development plans, overseeing and reporting on the Trust's internal audit/scrutiny programme.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
R Chadwick (resigned 12/12/18)	1	1
J Reilly (appointed 12/12/18)	3	3
S Devo	4	4
T Roberts	4	4

The Trust's organisational structure in 2018/19 provided for the Committee to meet 4 times a year, but from September 2019 this has been increased to 6 to meet budget monitoring and internal requirements.

GOVERNANCE STATEMENT (CONTINUED)

REVIEW OF VALUE FOR MONEY

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

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

- Robust financial governance and budget management.
- Value for money purchasing in particular in respect of bringing student transport in house to ensure delivery of a flexible service that works effectively for students and staff.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources to improve the outcomes of individual students.
- Deploying staff effectively.

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 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 ContinU Plus Academy 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 is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 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)

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Resources and Structures 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 assurance function and has decided to appoint Bishop Fleming LLP to carry out internal assurance work.

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

- Testing of income monitoring and recording
- Testing of sales invoices and ledger systems
- Testing of bank account transactions and reconciliations

On an annual basis, reports are presented to the board of Trustees through the Resources and Audit Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

As accounting officer, the Headteacher 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 assurance;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Internal Assurance Reports provided by Bishop Fleming LLP 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 18 December 2019 and signed on their behalf by:

J Reilly
Chair of Trustees

S Devo
Accounting Officer

**CONTINU PLUS ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

S Devo
Accounting Officer
Date:

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

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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 on 18 December 2019 and signed on its behalf by:

J Reilly
Chair of Trustees

**CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CONTINU PLUS ACADEMY TRUST**

OPINION

We have audited the financial statements of ContinU Plus Academy Trust (the 'academy') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CONTINU PLUS ACADEMY TRUST (CONTINUED)**

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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CONTINU PLUS ACADEMY TRUST (CONTINUED)**

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. This description forms part of our Auditors' Report.

USE OF OUR REPORT

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

John Talbot FCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

N.B. The date of signing should be entered in 'ACCOUNTS COMPLETION' section
Date:

**CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CONTINU PLUS ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 4 October 2019 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 ContinU Plus Academy 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 ContinU Plus Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to ContinU Plus Academy 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 ContinU Plus Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF CONTINU PLUS ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of ContinU Plus Academy Trust's funding agreement with the Secretary of State for Education dated 13 August 2013 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

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.

**CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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.

John Talbot FCA (Reporting Accountant)

Bishop Fleming LLP
16 Queen Square
Bristol
BS1 4NT

Date:

CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:						
Charitable activities	3	-	1,927,096	10,256	1,937,352	1,862,842
Other trading activities	4	-	-	-	-	606
Investments	5	172	-	-	172	150
TOTAL INCOME		172	1,927,096	10,256	1,937,524	1,863,598
EXPENDITURE ON:						
Charitable activities	6	-	1,994,700	106,876	2,101,576	2,029,774
TOTAL EXPENDITURE		-	1,994,700	106,876	2,101,576	2,029,774
NET INCOME/(EXPENDITURE)		172	(67,604)	(96,620)	(164,052)	(166,176)
Transfers between funds	16	-	(25,106)	25,106	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		172	(92,710)	(71,514)	(164,052)	(166,176)
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	21	-	(406,000)	-	(406,000)	140,000
NET MOVEMENT IN FUNDS		172	(498,710)	(71,514)	(570,052)	(26,176)
RECONCILIATION OF FUNDS:						
Total funds brought forward		-	(428,303)	4,163,454	3,735,151	3,761,327
Net movement in funds		172	(498,710)	(71,514)	(570,052)	(26,176)
TOTAL FUNDS CARRIED FORWARD	16	172	(927,013)	4,091,940	3,165,099	3,735,151

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

The notes on pages 25 to 47 form part of these financial statements.

CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08228379

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	12	4,091,940	4,163,454
		4,091,940	4,163,454
CURRENT ASSETS			
Debtors	13	43,483	27,296
Cash at bank and in hand		330,679	291,323
		374,162	318,619
Creditors: amounts falling due within one year	14	(159,003)	(149,922)
NET CURRENT ASSETS		215,159	168,697
TOTAL ASSETS LESS CURRENT LIABILITIES		4,307,099	4,332,151
Defined benefit pension scheme liability	21	(1,142,000)	(597,000)
TOTAL NET ASSETS		3,165,099	3,735,151
FUNDS OF THE ACADEMY			
Restricted funds:			
Fixed asset funds	16	4,091,940	4,163,454
Restricted income funds	16	214,987	168,697
		4,306,927	4,332,151
Restricted funds excluding pension asset	16	4,306,927	4,332,151
Pension reserve	16	(1,142,000)	(597,000)
Total restricted funds	16	3,164,927	3,735,151
Unrestricted income funds	16	172	-
TOTAL FUNDS		3,165,099	3,735,151

The financial statements on pages 22 to 47 were approved by the Trustees, and authorised for issue on 18 December 2019 and are signed on their behalf, by:

J Reilly
Chair of Trustees

The notes on pages 25 to 47 form part of these financial statements.

CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	18	64,290	19,271
CASH FLOWS FROM INVESTING ACTIVITIES	19	(24,934)	(5,702)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		39,356	13,569
Cash and cash equivalents at the beginning of the year		291,323	277,754
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	20	330,679	291,323

The notes on pages 25 to 47 form part of these financial statements

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy, 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.

ContinU Plus Academy 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 to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 INCOME

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

• **Grants**

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

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

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

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

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 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:

Depreciation is provided on the following bases:

Freehold property	- 50 years straight line basis / land is not depreciated
Motor vehicles	- 5 years straight line basis
Office equipment	- 3 - 5 years straight line basis
Computer equipment	- 3 years straight line basis

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.

1.6 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.

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

1. ACCOUNTING POLICIES (continued)

1.7 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.

1.8 LIABILITIES

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

1.9 FINANCIAL INSTRUMENTS

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

Financial assets - trade debtors, other debtors and cash at bank and in hand are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 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**

1. ACCOUNTING POLICIES (continued)

1.11 PENSIONS

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

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

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

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

1.12 AGENCY ARRANGEMENTS

The Academy acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy does not have control over the charitable application of the funds. The Academy can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in note 27.

1.13 FUND ACCOUNTING

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

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

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

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

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

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

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy 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.

CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DFE/ESFA GRANTS				
Capital grants	-	10,256	10,256	7,498
General Annual Grant	-	958,496	958,496	917,985
Other DfE/ESFA grants	-	71,809	71,809	23,427
	-	1,040,561	1,040,561	948,910
Other Government grants				
Other Government grants non capital	-	422,680	422,680	414,100
	-	422,680	422,680	414,100
Other funding				
Sales to students	-	-	-	358
WHP and AWPU funding	-	474,111	474,111	499,474
	-	1,937,352	1,937,352	1,862,842
TOTAL 2018	358	1,862,484	1,862,842	

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Trip income	-	-	606

All prior year amounts relate to unrestricted funds.

5. INVESTMENT INCOME

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	172	172	150

CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

5. INVESTMENT INCOME (CONTINUED)

All prior year amounts relate to unrestricted funds.

6. EXPENDITURE

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
EDUCATION:					
Direct costs	1,302,940	83,541	155,957	1,542,438	1,517,134
Allocated support costs	236,608	85,195	237,335	559,138	512,640
	<u>1,539,548</u>	<u>168,736</u>	<u>393,292</u>	<u>2,101,576</u>	<u>2,029,774</u>
TOTAL 2018	<u>1,414,383</u>	<u>160,321</u>	<u>455,070</u>	<u>2,029,774</u>	

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Education	<u>1,542,438</u>	<u>559,138</u>	<u>2,101,576</u>	<u>2,029,774</u>
TOTAL 2018	<u>1,517,134</u>	<u>512,640</u>	<u>2,029,774</u>	

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

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of direct costs

	Total funds 2019 £	Total funds 2018 £
Pension finance cost	14,630	12,640
Staff costs	1,279,068	1,222,271
Depreciation	106,876	102,482
Educational supplies	81,711	124,357
Staff training costs	7,692	8,593
Other costs	28,589	32,302
Supply teachers	23,872	14,489
	<u>1,542,438</u>	<u>1,517,134</u>

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

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Pension finance cost	4,370	3,360
Staff costs	213,582	165,593
Governance	14,240	11,413
Other costs	-	525
Supply support staff	23,026	12,030
Recruitment and support	8,605	8,063
Maintenance of premises and equipment	21,064	20,416
Cleaning	23,452	23,353
Rent and rates	8,473	8,591
Energy costs	6,607	23,038
Insurance	10,342	11,858
Security and transport	32,206	36,072
Catering	64,247	64,610
Technology costs	19,227	24,403
Office overheads	21,401	17,209
Legal and professional	88,271	82,076
Bank interest and charges	25	30
	559,138	512,640

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned by the charity	106,874	102,482
Auditors' remuneration - audit	9,300	8,730
Auditors' remuneration - other services	4,940	1,200
Operating lease rentals	846	846

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

9. STAFF COSTS

a. STAFF COSTS

Staff costs during the year were as follows:

	2019	2018
	£	£
Wages and salaries	1,129,788	1,073,585
Social security costs	84,733	78,775
Pension costs	278,129	235,504
	1,492,650	1,387,864
Supply staff costs	46,898	26,519
	1,539,548	1,414,383

b. STAFF NUMBERS

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

	2019	2018
	No.	No.
Management	5	5
Teachers	10	13
Support staff	33	34
	48	52

The average headcount expressed as full-time equivalents was:

	2019	2018
	No.	No.
Management	5	5
Teachers	10	9
Support staff	25	27
	40	41

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

9. STAFF COSTS (CONTINUED)

c. HIGHER PAID STAFF

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

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

d. 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 as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £220,696 (2018: £272,985).

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 10 has not been included in the total benefits received by Key Management Personnel above.

10. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy in respect of their role as Trustees. The value of Trustees' remuneration and other benefits in the year was as follows: S Devo: Remuneration £70,000 - £80,000 (2018: £70,000 - £80,000) and employer's pension contribution £10,000 - £15,000 (2018: £10,000 - £15,000) and T Roberts: Remuneration £40,000 - £45,000 (2018: £35,000 - £40,000) and employer's pension contributions £5,000 - £10,000 (2018: £5,000 - £10,000).

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018 - £NIL).

11. TRUSTEES' AND OFFICERS' INSURANCE

The Academy 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.

CONTINU PLUS ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

12. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Office equipment £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 September 2018	4,437,037	70,168	13,374	41,323	4,561,902
Additions	-	-	13,610	21,750	35,360
At 31 August 2019	4,437,037	70,168	26,984	63,073	4,597,262
DEPRECIATION					
At 1 September 2018	331,736	38,696	12,402	15,614	398,448
Charge for the year	83,541	10,217	1,589	11,527	106,874
At 31 August 2019	415,277	48,913	13,991	27,141	505,322
NET BOOK VALUE					
At 31 August 2019	4,021,760	21,255	12,993	35,932	4,091,940
At 31 August 2018	4,105,301	31,472	972	25,709	4,163,454

Included in freehold land and buildings at the year end is land costing £260,000 (2018: £260,000).

13. DEBTORS

	2019 £	2018 £
DUE WITHIN ONE YEAR		
Trade debtors	5,599	3,518
Prepayments and accrued income	26,226	17,318
VAT recoverable	11,658	6,460
	43,483	27,296

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

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	73,830	33,984
Other taxation and social security	23,227	22,575
Other creditors	18,118	19,118
Accruals and deferred income	43,828	74,245
	<u>159,003</u>	<u>149,922</u>
	2019 £	2018 £
DEFERRED INCOME		
Deferred income at 1 September 2018	31,084	37,434
Resources deferred during the year	31,070	31,084
Amounts released from previous periods	(31,084)	(37,434)
	<u>31,070</u>	<u>31,084</u>

Income has been deferred based on the year to which it relates. At the balance sheet date the Academy was holding funds received in advance for WHP salaries, LGPS fund deficit and rates relief.

15. FINANCIAL INSTRUMENTS

	2019 £	2018 £
FINANCIAL ASSETS		
Financial assets measured at fair value through income and expenditure	330,679	291,323
Financial assets measured at amortised cost	5,599	3,518
	<u>336,278</u>	<u>294,841</u>
	2019 £	2018 £
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	159,003	149,922

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

Financial assets measured at amortised cost comprise trade debtors.

Financial liabilities measured at amortised cost comprise trade creditors, other taxation and social security, other creditors and accruals and deferred income.

CONTINU PLUS ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

16. STATEMENT OF FUNDS

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
UNRESTRICTED FUNDS						
General Funds	-	172	-	-	-	172
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	168,697	968,715	(897,319)	(25,106)	-	214,987
Pupil Premium	-	15,350	(15,350)	-	-	-
High Needs	-	48,000	(48,000)	-	-	-
Other Grants	-	895,031	(895,031)	-	-	-
Pension reserve	(597,000)	-	(139,000)	-	(406,000)	(1,142,000)
	<u>(428,303)</u>	<u>1,927,096</u>	<u>(1,994,700)</u>	<u>(25,106)</u>	<u>(406,000)</u>	<u>(927,013)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets purchases from GAG and other restricted funds	95,438	10,256	(16,547)	25,106	-	114,253
DfE/ESFA capital grants	3,749,749	-	(87,108)	-	-	3,662,641
Fixed assets donated by ESFA	318,267	-	(3,221)	-	-	315,046
	<u>4,163,454</u>	<u>10,256</u>	<u>(106,876)</u>	<u>25,106</u>	<u>-</u>	<u>4,091,940</u>
TOTAL RESTRICTED FUNDS	<u>3,735,151</u>	<u>1,937,352</u>	<u>(2,101,576)</u>	<u>-</u>	<u>(406,000)</u>	<u>3,164,927</u>
TOTAL FUNDS	<u><u>3,735,151</u></u>	<u><u>1,937,524</u></u>	<u><u>(2,101,576)</u></u>	<u><u>-</u></u>	<u><u>(406,000)</u></u>	<u><u>3,165,099</u></u>

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

Restricted Funds:

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.

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

16. STATEMENT OF FUNDS (CONTINUED)

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.

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

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

Other DfE/ESFA grants - Income which has been received for specific purposes.

Capital grants - These funds are received for direct expenditure on fixed asset projects.

Other grants and income - Income which has been received for specific purposes, as set out by the donor.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme.

Fixed Asset Funds:

Fixed assets purchased from GAG and other restricted funds - This represents capital assets that have been purchased out of restricted GAG funding. The balance at the year end represents the NBV of assets.

DfE/ESFA capital grants - These funds are received for direct expenditure on fixed asset projects. The balance at the year end represents the NBV of assets and any unspent grant amounts.

Fixed assets donated by the ESFA - This represents assets received directly from the ESFA, restricted for use in the charitable objectives of the Academy. The balance at the year end represents the NBV of assets.

OTHER INFORMATION

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

CONTINU PLUS ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

16. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
UNRESTRICTED FUNDS						
General Funds	-	1,114	(1,114)	-	-	-
RESTRICTED FUNDS						
General Annual Grant (GAG)	140,020	917,985	(883,456)	(5,852)	-	168,697
Pupil Premium	-	14,804	(14,804)	-	-	-
Start Up Grant	10,721	-	(10,721)	-	-	-
Other DfE/ESFA grants	-	8,623	(8,623)	-	-	-
Capital grants	-	7,498	-	(7,498)	-	-
Other grants	-	414,100	(414,100)	-	-	-
Other income	-	499,474	(499,474)	-	-	-
Pension reserve	(642,000)	-	(95,000)	-	140,000	(597,000)
	(491,259)	1,862,484	(1,926,178)	(13,350)	140,000	(428,303)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets purchased from GAG and other restricted funds	106,483	-	(16,897)	5,852	-	95,438
DfE/ESFA capital grants	3,826,622	-	(84,371)	7,498	-	3,749,749
Fixed assets donated by ESFA	319,481	-	(1,214)	-	-	318,267
	4,252,586	-	(102,482)	13,350	-	4,163,454
TOTAL RESTRICTED FUNDS	3,761,327	1,862,484	(2,028,660)	-	140,000	3,735,151
TOTAL FUNDS	3,761,327	1,863,598	(2,029,774)	-	140,000	3,735,151

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

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	4,091,940	4,091,940
Current assets	172	354,490	19,500	374,162
Creditors due within one year	-	(139,503)	(19,500)	(159,003)
Provisions for liabilities and charges	-	(1,142,000)	-	(1,142,000)
TOTAL	172	(927,013)	4,091,940	3,165,099

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	4,163,454	4,163,454
Current assets	318,619	-	318,619
Creditors due within one year	(149,922)	-	(149,922)
Provisions for liabilities and charges	(597,000)	-	(597,000)
TOTAL	(428,303)	4,163,454	3,735,151

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

18. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net expenditure for the year (as per Statement of Financial Activities)	(164,052)	(166,176)
ADJUSTMENTS FOR:		
Depreciation	106,874	102,482
Capital grants from DfE and other capital income	(10,256)	(7,498)
Interest receivable	(172)	(150)
Defined benefit pension scheme cost less contributions payable	86,000	79,000
Defined benefit pension scheme finance cost	19,000	16,000
Past service cost	34,000	-
(Increase)/decrease in debtors	(16,185)	15,052
Increase/(decrease) in creditors	9,081	(19,439)
NET CASH PROVIDED BY OPERATING ACTIVITIES	64,290	19,271

19. CASH FLOWS FROM INVESTING ACTIVITIES

	2019 £	2018 £
Interest received	172	150
Purchase of tangible fixed assets	(35,362)	(13,350)
Capital grants from DfE Group	10,256	7,498
NET CASH USED IN INVESTING ACTIVITIES	(24,934)	(5,702)

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash in hand	330,679	291,323
	330,679	291,323

21. PENSION COMMITMENTS

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

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

21. PENSION COMMITMENTS (CONTINUED)

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

Contributions amounting to £18,118 were payable to the schemes at 31 August 2019 (2018 - £18,939) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 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 next valuation of the Teachers' Pension Scheme, 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 £72,211 (2018 - £74,767).

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

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

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

21. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £100,000 (2018 - £116,000), of which employer's contributions totalled £70,000 (2018 - £87,000) and employees' contributions totalled £ 30,000 (2018 - £29,000). The agreed contribution rates for future years are 17.8% per cent for employers and 5.5% - 12.5% per cent for employees.

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

Principal actuarial assumptions

	2019	2018
	%	%
Discount rate for scheme liabilities	1.80	2.90
Rate of increase in salaries	3.50	3.70
Rate of increase for pensions in payment / deferment	2.10	2.30
Inflation assumption (CPI)	2.00	2.20

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

	2019	2018
	Years	Years
<i>RETIRING TODAY</i>		
Males	22.8	22.7
Females	25.8	25.7
<i>RETIRING IN 20 YEARS</i>		
Males	25.1	24.9
Females	28.2	28

Sensitivity analysis

	2019	2018
	£000	£000
Discount rate +1.0% p.a	1,087,000	566,000
Mortality assumption - 1 year increase	1,172,000	620,000
CPI rate +1.0% p.a	1,193,000	634,000
Pay growth +1.0% p.a	1,147,000	605,000

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

21. PENSION COMMITMENTS (CONTINUED)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	480,000	431,000
Bonds	51,000	45,000
Property	41,000	26,000
Cash	20,000	12,000
Other	52,000	20,000
Other bonds	34,000	26,000
Total market value of assets	678,000	560,000

The actual return on scheme assets was £26,000 (2018 - £31,000).

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

	2019 £	2018 £
Current service cost	(156,000)	(166,000)
Past service costs	(34,000)	-
Interest income	18,000	10,000
Interest cost	(35,000)	(26,000)
Total	(207,000)	(182,000)

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

	2019 £	2018 £
Opening defined benefit obligation	1,161,000	1,070,000
Current service cost	156,000	166,000
Interest cost	35,000	26,000
Employee contributions	30,000	29,000
Actuarial gains/(losses)	411,000	(121,000)
Benefits paid	(7,000)	(9,000)
Past service costs	34,000	-
Closing defined benefit obligation	1,820,000	1,161,000

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

21. PENSION COMMITMENTS (CONTINUED)

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

	2019 £	2018 £
Opening fair value of scheme assets	564,000	428,000
Return on plan assets (excluding net interest on the net defined pension liability)	18,000	12,000
Actuarial gains	5,000	19,000
Employer contributions	70,000	87,000
Employee contributions	30,000	29,000
Benefits paid	(7,000)	(9,000)
Administration expenses	(2,000)	(2,000)
AT 31 AUGUST	678,000	564,000

22. OPERATING LEASE COMMITMENTS

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

	2019 £	2018 £
Not later than 1 year	846	846
Later than 1 year and not later than 5 years	-	846
	846	1,692

23. 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.

24. GENERAL INFORMATION

ContinU Plus Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Finepoint, Finepoint Way, Kidderminster, Worcestershire, DY11 7FB.

25. RELATED PARTY TRANSACTIONS

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

The following related party transactions took place in the year:

ContinU Trust, deemed to be a related party due to R Chadwick being a Trustee in the Company as well as a Person of Significant Control in the Trust until his resignation on 12 December 2018. During the year ContinU Plus Academy received income of £244,902 (2018: £244,029) from ContinU Trust as a contribution to the payroll cost for WHP (Wyre Forest & Hagley Project) staff. ContinU Plus Academy also made purchases of £3,250 (2018: £13,450) from the ContinU Trust.

26. GUARANTEES, LETTERS OF COMFORT AND INDEMNITIES

The ESFA have a mortgage charge over the land created on 30 September 2013.

27. AGENCY ARRANGEMENTS

The Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2019 the Trust brought forward funds of £NIL, received £1,658 and disbursed £800 from the fund. No balance is included in other creditors relating to undistributed funds that is to be carried forward for distribution in the following accounting period.