

Company Registration Number: 08228379 (England & Wales)

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

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

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

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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017**

Trustees
R Chadwick, Chair of Governor's and Registered Member¹
J Reilly, Vice Chair and Registered Member
S Devo, Headteacher, ContinU Plus Academy Trust¹
N Parker, Governor
D Kent, Governor (resigned 30 October 2017)¹
T Roberts, Governor
M Loffus, Governor (appointed 8 September 2016, resigned 30 October 2017)
A Sewell, Governor (appointed 8 September 2016)
A Adamo, Governor (appointed 8 September 2016)

¹ Resources and Structures Committee

Company registered number 08228379
Company name ContinU Plus Academy Trust

Principal and registered office
Finepoint
Finepoint Way
Kidderminster
Worcestershire
DY11 7FB

Senior management team
S Devo, Headteacher
M Venross, Assistant Head
K Challen, Assistant Head
L Parrock, Behaviour Lead
J Toyne, Headteacher's PA & Support Lead (resigned 31/08/2017)
L Hines, Business Manager (appointed 13/11/2017)

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

Bankers
Lloyds Bank
25 Gresham Street
London
EC2V 7HN

Solicitors
Thursfields Solicitors
42 Foregate Street
Worcester
WR1 1EF

**CONTINU PLUS ACADEMY TRUST
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2017. 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 16 in Worcestershire. It has a pupil capacity of 90 students aged 11-16 and 10 students aged 16 and above. It had a roll of 67 in the school census on 31 August 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust (incorporated on 25 September 2012 and opened on 1 September 2013) 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 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 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.

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 £3,000,000.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

The ContinU Trust Board appointed Rob Chadwick (Director of the ContinU Trust) and Julie Reilly (Head Teacher of The Bewdley School) to represent the 7 ContinU schools on the board. Nick Parker (from Vestia Housing) has been involved with supporting the ContinU Trust for many years and was appointed by the ContinU Trust to reflect community and business knowledge on the ContinU Plus Academy Board of Trustees. We have a Staff Governor, Tracey Roberts and Robert Chadwick is Chair of Governors of the ContinU Plus Academy Board. We have Anthony Adamo (musician) and Anthony Sewell (police officer) as new Trustees elected over the course of last year. Derrin Kent, a local IT business provider resigned as Trustee this year, as did Matthew Loftus, a long standing friend of the school and educationalist.

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.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an 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 the 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 Structures Committee - this meets at least four 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 reporting, receiving reports from the Internal Auditor and drafting the annual budget including setting staffing levels. It also incorporates the role of an Audit Committee.

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 Chairman and/or Vice Chairman, 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, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

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.

The Senior Leadership Team (SLT) consists of the Headteacher, two Assistant Headteachers, a Behavioural Lead, the Headteacher's PA and the Business Manager. The SLT controls the Academy at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Headteacher is responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts always include a Trustee.

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.

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.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

The Academy Trust works in partnership with other schools within the ContinU Trust 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 a Trustee of both companies 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 will 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 will work directly with these young people, their families and our consortium of schools. We will 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 is 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.

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 individual 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.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

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.

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.

According to National statistics published earlier this year, the average Year 11 pupil in this sector achieving 5 or more GCSEs was 12.3%. The ContinU Plus Academy is thrilled to report that 42% of Year 11 school leavers left with 5 or more GCSE (or equivalent) qualifications. When broken down into subjects, the ContinU Plus Academy outperformed National figures in 77.8% of the subjects offered to pupils. All of these subjects are recognised Nationally as rigorous GCSE/vocational subjects and add value to our pupils' applications for positive destinations. Further headline figures are given below:

- Pupils leaving the ContinU Plus Academy in 2017 achieved an average of 5.31 qualifications each (this is equivalent to 78.9% of the cohort)
- 42.1% of pupils left with 5 recognised GCSE (or equivalent) qualifications
- 72.7% achieved GCSEs in English, maths and science
- 100% of all pupils entered for Entry Level qualifications in English and maths achieved them with 73% (English) and 100% (maths) achieving the Level 3 qualification
- 68.8% of pupils made accelerated progress in English, 81.8% in maths and 76% in science when comparing Key Stage 2 targets with actual level on intake to the Academy (average core 75.7%)
- 77.4% of all pupils across the Academy are making national expected progress.

The statistics above were achieved with a cohort displaying higher stress levels, lower academic predictions and with shorter stay durations than seen in previous years – the Academy's response to the struggles faced by our pupils continues to improve and demonstrate greater impact.

Our targets for 2017-2018 are

- 85% National Progress
- 85% Yr11 students leave with 5 or more qualifications including English and maths
- 85% Annual overall stress decrease
- 80% Closing the gap
- 35% Behavioural incident reduction
- 100% Sixth Form leavers in positive destination
- 92% Attendance

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Key Performance Indicators

Analysis of the Academies 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

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

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 2017 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 2017, the Academy received total income of £1,827,362 and incurred total expenditure of £2,013,691. The excess of expenditure over income for the year was £186,329.

At 31 August 2017 the net book value of fixed assets was £4,252,586 and movements in tangible fixed assets are shown in note 13 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 2017 were £140,020 (2016: £134,730). The Academy intends to maintain reserves at £100,000.

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.

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.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

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.
- 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 20 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.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

AUDITORS

In so far as the Trustees are aware:

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

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

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 14 December 2017 and signed on the board's behalf by:

**R Chadwick
Chair of Trustees**

A handwritten signature in black ink, appearing to read 'R Chadwick', written in a cursive style.

**CONTINU PLUS ACADEMY TRUST
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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. The Headteacher is 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
R Chadwick	4	5
S Devo	5	5
N Parker	3	5
J Reilly	5	5
D Kent	2	5
T Roberts	5	5
M Loftus	4	5
A Adamo	5	5
A Sewell	3	5

The Resources and Structures Committee is a Committee of the main governing body. Its purpose is to maintain a continuing review of the financial affairs of the Academy. Using this information it is the Committee's duty to make appropriate recommendations' to the Full Governing Body.

The responsibilities of the Resources and Structures Committee include; reviewing and providing a recommendation to the Full Governing Body for the annual budget and the business plan proposed by the Headteacher, the monitoring of staffing structures and the curriculum costs and to oversee the health and safety and premises development plans.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
R Chadwick	4	4
S Devo	4	4
D Kent	4	4
T Roberts	4	4

In line with the Trust's organisational structure the Resources and Structures Committee should meet at least four times a year.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher 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

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GOVERNANCE STATEMENT (continued)

Trust 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 ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in ContinU Plus Academy Trust for the year 1 September 2016 to 31 August 2017 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 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Resources 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 audit function and has decided to appoint Sally Gill, Finance Manager at Haybridge High School, a ContinU Trust school, 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:

- Testing of payroll systems
- Testing of purchase systems
- Testing of bank account reconciliations

On an annual basis, the Internal Auditor reports to the Board of Trustees through the Resources and Structures Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

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GOVERNANCE STATEMENT (continued)

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 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 Internal Auditor 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 14 December 2017 and signed on their behalf, by:


R Chadwick
Chair of Trustees


S Devo
Accounting Officer

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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 trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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 2016.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees (who act as governors of ContinU Plus Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic report, the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and 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 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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:



**R Chadwick
Chair of Trustees**

Date: 14 December 2017

**CONTINU PLUS ACADEMY TRUST
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**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 for the year ended 31 August 2017 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 2016 to 2017 issued by the Education and Skills Funding Agency.

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 Auditor's 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.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2017 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 2016 to 2017 issued by the Education & Skills Funding Agency.

BASIS OF 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 Auditor's 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.

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 Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report for 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' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the Academy 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's or to cease operations, or have no realistic alternative but to do so.

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

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

AUDITOR'S 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 Auditor's 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. The description forms part of our Auditor's report.

Bishop Fleming LLP

John Talbot FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date: *15 December 2017*

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

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO CONTINU PLUS
ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 21 September 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, 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 2016 to 31 August 2017 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 the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than ContinU Plus Academy Trust and the 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 2016, 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 2016 to 2017. 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 2016 to 31 August 2017 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 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy'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 AUDITORS' ASSURANCE REPORT ON REGULARITY TO CONTINU PLUS
ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming LLP

John Talbot FCA (Reporting Accountant)

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

Date: *15 December 2017*

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

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME AND ENDOWMENTS						
FROM:						
Donations and capital grants	2	80	-	-	80	60,895
Charitable activities	5	1,991	1,824,617	-	1,826,608	1,703,648
Other trading activities	3	490	-	-	490	770
Investment	4	184	-	-	184	316
TOTAL INCOME AND ENDOWMENTS		2,745	1,824,617	-	1,827,362	1,765,629
EXPENDITURE ON:						
Charitable activities		2,745	1,907,172	103,774	2,013,691	1,769,981
TOTAL EXPENDITURE	6	2,745	1,907,172	103,774	2,013,691	1,769,981
NET EXPENDITURE BEFORE TRANSFERS						
Transfers between Funds	16	-	(82,555)	(103,774)	(186,329)	(4,352)
		-	(58,862)	58,862	-	-
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		-	(141,417)	(44,912)	(186,329)	(4,352)
Actuarial gains/(losses) on defined benefit pension schemes	20	-	161,000	-	161,000	(339,000)
NET MOVEMENT IN FUNDS		-	19,583	(44,912)	(25,329)	(343,352)
RECONCILIATION OF FUNDS:						
Total funds brought forward		-	(510,842)	4,297,498	3,786,656	4,130,008
TOTAL FUNDS CARRIED FORWARD		-	(491,259)	4,252,586	3,761,327	3,786,656

The notes on pages 22 to 41 form part of these financial statements.

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

**BALANCE SHEET
AS AT 31 AUGUST 2017**

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	13		4,252,586		4,297,498
CURRENT ASSETS					
Debtors	14	42,348		81,956	
Cash at bank and in hand		277,754		261,029	
			<u>320,102</u>	<u>342,985</u>	
CREDITORS: amounts falling due within one year	15	(169,361)		(171,827)	
NET CURRENT ASSETS			<u>150,741</u>		<u>171,158</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,403,327</u>		<u>4,468,656</u>
Defined benefit pension scheme liability	20		(642,000)		(682,000)
NET ASSETS			<u><u>3,761,327</u></u>		<u><u>3,786,656</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	16	150,741		171,158	
Fixed asset funds	16	4,252,586		4,297,498	
Restricted funds excluding pension liability		4,403,327		4,468,656	
Pension reserve		(642,000)		(682,000)	
Total restricted funds			<u>3,761,327</u>		<u>3,786,656</u>
TOTAL FUNDS			<u><u>3,761,327</u></u>		<u><u>3,786,656</u></u>

The financial statements on pages 19 to 41 were approved by the Trustees, and authorised for issue, on 14 December 2017 and are signed on their behalf, by:

R Chadwick
Chair of Trustees



The notes on pages 22 to 41 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 2017**

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	18	<u>70,874</u>	<u>78,076</u>
Cash flows from investing activities:			
Interest received		184	316
Proceeds from the sale of tangible fixed assets		16,675	26,000
Purchase of tangible fixed assets		(75,537)	(76,797)
Capital grants from DfE/ESFA		4,529	64,931
Net cash (used in)/provided by investing activities		<u>(54,149)</u>	<u>14,450</u>
Change in cash and cash equivalents in the year		16,725	92,526
Cash and cash equivalents brought forward		<u>261,029</u>	<u>168,503</u>
Cash and cash equivalents carried forward	19	<u><u>277,754</u></u>	<u><u>261,029</u></u>

The notes on pages 22 to 41 form part of these financial statements.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

ContinU Plus Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 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 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 and include grants from the Department for Education.

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

1.3 INCOME

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

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. 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 is classified by activity.

Expenditure on raising funds includes all expenditure incurred by the Academy 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's educational operations, including support costs and those costs relating to the governance of the Academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 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 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

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives 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.

1.7 OPERATING LEASES

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

1.8 TAXATION

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.9 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.

1.10 CASH AT BANK AND IN HAND

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

1.11 LIABILITIES AND PROVISIONS

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

1.12 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

1.13 PENSIONS

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

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

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

1.14 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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 2017. 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations of fixed assets	-	-	-	-	60,895
Voluntary donations	80	-	-	80	-
	80	-	-	80	60,895
<i>Total 2016</i>	200	-	60,695	60,895	

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Trip income	490	-	490	770
<i>Total 2016</i>	770	-	770	

4. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	184	-	184	316
<i>Total 2016</i>	316	-	316	

CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
Capital grants	-	4,529	4,529	4,236
General Annual Grant	-	935,804	935,804	946,517
Start up Grants	-	31,000	31,000	72,500
Pupil Premium	-	11,298	11,298	9,350
Other DfE/ESFA grants	-	9,261	9,261	8,754
	-	991,892	991,892	1,041,357
Other Government grants				
Other Government grants non capital	-	264,816	264,816	116,832
	-	264,816	264,816	116,832
Other funding				
Sales to students	1,991	-	1,991	365
WHP and AWPU funding	-	567,909	567,909	545,094
	1,991	567,909	569,900	545,459
	1,991	1,824,617	1,826,608	1,703,648
Total 2016	365	1,703,283	1,703,648	

6. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Activities:					
Direct costs	1,123,490	83,541	219,790	1,426,821	1,276,038
Support costs	218,825	77,927	290,118	586,870	493,943
	1,342,315	161,468	509,908	2,013,691	1,769,981
Total 2016	1,140,702	151,940	477,339	1,769,981	

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

7. DIRECT COSTS

	Total 2017 £	Total 2016 £
Pension finance costs	10,360	7,900
Educational supplies	149,105	151,656
Staff training costs	10,887	12,559
Other costs	28,496	16,141
Supply teachers	27,319	71,733
Technology costs	709	4,408
Loss on disposal of fixed assets	4,102	7,007
Wages and salaries	827,211	721,395
National insurance	69,671	51,832
Pension cost	199,289	127,154
Depreciation	99,672	104,253
	<u>1,426,821</u>	<u>1,276,038</u>
<i>Total 2016</i>	<u>1,276,038</u>	

8. SUPPORT COSTS

	Total 2017 £	Total 2016 £
Pension finance costs	3,640	2,100
Other costs	395	760
Supply support staff	18,307	41,770
Recruitment and support	20,019	19,307
Maintenance of premises and equipment	22,025	13,033
Cleaning	23,278	21,176
Rent and rates	9,191	11,047
Energy costs	21,517	22,314
Insurance	10,830	9,189
Security and transport	42,886	21,153
Catering	63,422	53,359
Technology costs	20,889	24,144
Office overheads	20,836	16,371
Legal and professional	98,917	101,166
Bank interest and charges	25	28
Governance	10,175	10,208
Wages and salaries	148,295	103,872
National insurance	8,944	4,567
Pension cost	43,279	18,379
	<u>586,870</u>	<u>493,943</u>
<i>Total 2016</i>	<u>493,943</u>	

CONTINU PLUS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	99,672	104,253
Auditors' remuneration - audit	8,475	8,475
Auditors' remuneration - other services	1,200	1,550
Operating lease rentals	868	-
	<u>100,115</u>	<u>114,278</u>

10. STAFF COSTS

Staff costs were as follows:

	2017	2016
	£	£
Wages and salaries	975,506	825,267
Social security costs	78,615	56,399
Operating costs of defined benefit pension schemes	242,568	145,533
	<u>1,296,689</u>	<u>1,027,199</u>
Supply staff costs	45,626	113,503
	<u>1,342,315</u>	<u>1,140,702</u>

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

	2017	2016
Management	5	5
Teachers	9	6
Support staff	36	31
	<u>50</u>	<u>42</u>

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

	2017	2016
In the band £60,001 - £70,000	1	1

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) received by key management personnel for their services to the Academy Trust was £249,420 (2016: £213,716).

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 11 has not been included in the total benefits received by key management personnel above. Note 11 is the Trustee remuneration disclosure note.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

11. 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 £60,000 - £70,000 (2016: £60,000 - £65,000) and Employer's pension contributions £10,000 - £15,000 (2016: £5,000 - £10,000) and T Roberts: Remuneration £35,000 - £40,000 (2016: £35,000 - £40,000) and Employer's pension contributions £5,000 - £10,000 (2016: £5,000 - £10,000).

During the year ended 31 August 2017, no Trustees received any benefits in kind (2016: £Nil).
During the year, reimbursement of expenses totalling £NIL were reimbursed to Trustees (2016: £263).

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2017 was £1,450 (2016: £1,403).

13. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
COST					
At 1 September 2016	4,437,037	13,808	34,578	10,875	4,496,298
Additions	-	37,448	35,590	2,499	75,537
Disposals	-	(23,283)	-	-	(23,283)
At 31 August 2017	4,437,037	27,973	70,168	13,374	4,548,552
DEPRECIATION					
At 1 September 2016	164,654	3,090	20,181	10,875	198,800
Charge for the year	83,541	8,100	7,337	694	99,672
On disposals	-	(2,506)	-	-	(2,506)
At 31 August 2017	248,195	8,684	27,518	11,569	295,966
NET BOOK VALUE					
At 31 August 2017	4,188,842	19,289	42,650	1,805	4,252,586
At 31 August 2016	4,272,383	10,718	14,397	-	4,297,498

Included in freehold land and buildings at the year end is land costing £260,000 (2016: £260,000).

CONTINU PLUS ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

14. DEBTORS

	2017	2016
	£	£
Trade debtors	22,242	10,438
Other debtors	300	-
Prepayments and accrued income	13,135	26,669
VAT recoverable	6,671	18,849
Grants receivable	-	26,000
	<u>42,348</u>	<u>81,956</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	54,113	76,091
Other taxation and social security	20,771	18,195
Other creditors	16,682	14,923
Accruals and deferred income	77,795	62,618
	<u>169,361</u>	<u>171,827</u>

	2017	2016
	£	£
DEFERRED INCOME		
Deferred income at 1 September 2016	37,434	38,322
Resources deferred during the year	36,790	37,434
Amounts released from previous years	(37,434)	(38,322)
Deferred income at 31 August 2017	<u>36,790</u>	<u>37,434</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, rates relief, LGPS fund deficit and devolved capital.

**CONTINU PLUS ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

16. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
UNRESTRICTED FUNDS						
General Funds	-	2,745	(2,745)	-	-	-
RESTRICTED FUNDS						
General Annual Grant (GAG)	134,730	935,804	(876,181)	(54,333)	-	140,020
Pupil Premium (PP)	-	11,298	(11,298)	-	-	-
Start Up Grant (SUG)	36,428	31,000	(56,707)	-	-	10,721
Other DfE/ESFA grants	-	9,261	(9,261)	-	-	-
Capital grants	-	4,529	-	(4,529)	-	-
Other grants	-	264,816	(264,816)	-	-	-
Other income	-	567,909	(567,909)	-	-	-
Pension reserve	(682,000)	-	(121,000)	-	161,000	(642,000)
	(510,842)	1,824,617	(1,907,172)	(58,862)	161,000	(491,259)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets purchased from GAG and other restricted funds	-	-	(19,095)	125,578	-	106,483
DfE/ESFA capital grants	3,976,803	-	(83,465)	(66,716)	-	3,826,622
Fixed assets donated by ESFA	320,695	-	(1,214)	-	-	319,481
	4,297,498	-	(103,774)	58,862	-	4,252,586
Total restricted funds	3,786,656	1,824,617	(2,010,946)	-	161,000	3,761,327
Total of funds	3,786,656	1,827,362	(2,013,691)	-	161,000	3,761,327

STATEMENT OF FUNDS - PRIOR YEAR

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
UNRESTRICTED FUNDS						
General Funds	-	1,651	(1,651)	-	-	-
	-	1,651	(1,651)	-	-	-

**CONTINU PLUS ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

16. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

General Annual Grant (GAG)	1,714	955,271	(888,971)	66,716	-	134,730
Pupil Premium (PP)	-	9,350	(9,350)	-	-	-
Start Up Grant (SUG)	17,515	72,500	(53,587)	-	-	36,428
Other DfE/ESFA grants	-	4,236	(4,236)	-	-	-
Other income	-	661,926	(661,926)	-	-	-
Pension reserve	(304,000)	-	(39,000)	-	(339,000)	(682,000)
	<u>(284,771)</u>	<u>1,703,283</u>	<u>(1,657,070)</u>	<u>66,716</u>	<u>(339,000)</u>	<u>(510,842)</u>

RESTRICTED FIXED ASSET FUNDS

Fixed assets purchased from GAG and other restricted funds	63,946	-	(7,007)	(56,939)	-	-
DfE/ESFA capital grants	4,090,833	-	(104,253)	(9,777)	-	3,976,803
Fixed assets donated by ESFA	260,000	60,695	-	-	-	320,695
	<u>4,414,779</u>	<u>60,695</u>	<u>(111,260)</u>	<u>(66,716)</u>	<u>-</u>	<u>4,297,498</u>
Total restricted funds	<u>4,130,008</u>	<u>1,763,978</u>	<u>(1,768,330)</u>	<u>-</u>	<u>(339,000)</u>	<u>3,786,656</u>
Total of funds	<u>4,130,008</u>	<u>1,765,629</u>	<u>(1,769,981)</u>	<u>-</u>	<u>(339,000)</u>	<u>3,786,656</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.

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

Start Up Grant (SUG) - 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.

**CONTINU PLUS ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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16. STATEMENT OF FUNDS (continued)

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.

Transfers between funds:

The transfer between funds in the year relates to tangible fixed assets purchased using restricted GAG funding.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	4,252,586	4,252,586
Current assets	-	320,102	-	320,102
Creditors due within one year	-	(169,361)	-	(169,361)
Pension scheme liability	-	(642,000)	-	(642,000)
	-	(491,259)	4,252,586	3,761,327

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	4,297,498	4,297,498
Current assets	-	342,980	-	342,980
Creditors due within one year	-	(171,822)	-	(171,822)
Pension scheme liability	-	(682,000)	-	(682,000)
	-	(510,842)	4,297,498	3,786,656

**CONTINU PLUS ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

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

	2017 £	2016 £
Net expenditure for the year (as per Statement of Financial Activities)	(186,329)	(4,352)
Adjustment for:		
Depreciation charges	99,672	104,253
Interest receivable	(184)	(316)
Loss on the sale of fixed assets	4,102	7,007
Decrease/(increase) in debtors	39,608	(24,972)
(Decrease)/increase in creditors	(2,466)	22,387
Capital grants from DfE and other capital income	(4,529)	(64,931)
Defined benefit pension scheme cost less contributions payable	107,000	29,000
Defined benefit pension scheme finance cost	14,000	10,000
Net cash provided by operating activities	70,874	78,076

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	277,754	261,029
	277,754	261,029

20. PENSION COMMITMENTS

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

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

Contributions amounting to £16,503 were payable to the schemes at 31 August 2017 (2016: 14,739) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

**CONTINU PLUS ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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20. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £60,490 (2016: £51,564).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £99,000 (2016: £92,000), of which employer's contributions totalled £69,000 (2016: £65,000) and employees' contributions totalled £30,000 (2016: £27,000). The agreed contribution rates for future years are 13.3% for employers and 5.9% 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:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.20 %
Rate of increase in salaries	3.70 %	3.40 %
Rate of increase for pensions in payment / inflation	2.20 %	2.00 %
Inflation assumption (CPI)	2.20 %	1.90 %

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

20. PENSION COMMITMENTS (continued)

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

	2017	2016
Retiring today		
Males	22.6 years	23.5 years
Females	25.6 years	25.9 years
Retiring in 20 years		
Males	24.8 years	25.8 years
Females	27.9 years	28.2 years

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	365,000	306,000
Property	16,000	16,000
Cash	6,000	8,000
Other	15,000	15,000
Other bonds	22,000	23,000
Total market value of assets	<u>424,000</u>	<u>368,000</u>

The actual return on scheme assets was £63,000 (2016: £54,000).

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

	2017 £	2016 £
Current service cost	(176,000)	(94,000)
Interest income	9,000	11,000
Interest cost	(23,000)	(21,000)
Total	<u>(190,000)</u>	<u>(104,000)</u>

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20. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening defined benefit obligation	1,050,000	530,000
Current service cost	176,000	94,000
Interest cost	23,000	21,000
Employee contributions	30,000	27,000
Actuarial (gains)/losses	(179,000)	382,000
Benefits paid	(30,000)	(4,000)
	<u>1,070,000</u>	<u>1,050,000</u>

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

	2017 £	2016 £
Opening fair value of scheme assets	368,000	226,000
Return on plan assets (excluding net interest on the net defined pension liability)	9,000	11,000
Actuarial gains/(losses)	(18,000)	43,000
Employer contributions	69,000	65,000
Employee contributions	30,000	27,000
Benefits paid	(30,000)	(4,000)
	<u>428,000</u>	<u>368,000</u>

21. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
AMOUNTS PAYABLE:		
Within 1 year	347	-
Between 1 and 5 years	521	-
	<u>868</u>	<u>-</u>
Total	<u>868</u>	<u>-</u>

**CONTINU PLUS ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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22. 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. The following related party transactions took place in the year:

ContinU Trust, deemed to be a related party due to J E Reilly and R Chadwick being Trustees in both the Company and the Trust. During the year ContinU Plus Academy received income of £274,728 (2016: £280,538) from ContinU Trust as a contribution to the payroll cost for WHP (Wyre Forest & Hagley Project) staff. ContinU Plus Academy also made purchases of £6,062 (2016: £6,700) from the ContinU Trust. At 31 August 2017 £13,200 (2016: creditor £32,480) was owed to ContinU Plus Academy from ContinU Trust.

The Development Manager Limited, deemed to be a related party due to D Kent being a Trustee of ContinU Plus Academy and director of The Development Manager Limited. During the year purchases of £2,700 (2016: £2,500) were made from the Company and at 31 August 2017 £NIL (2016: £3,000) was owed to The Development Manager Limited.

Severn Academies Educational Trust (SAET), deemed to be a related party due to R Chadwick being a Trustee of both companies. During the year, ContinU Plus Academy made purchases from SAET totalling £135,594. At the year end there was a creditor owing to SAET of £7,776. During the year, ContinU Plus Academy made sales to SAET totalling £128,852. At the year end there was a credit balance included in trade debtors for £2,546 relating to an overpayment.

During the year M Loftus, a Trustee of ContinU Plus Academy, also provided services as an outdoor education leader. Payments of £3,400 were paid to M Loftus for these services. At the year end £NIL was owing to M Loftus. A signed at cost certificate has been obtained in respect of this transaction, and the Academies Financial Handbook has been complied with.

23. FINANCIAL INSTRUMENTS

	2017 £	2016 £
Financial assets measured at fair value through income and expenditure	277,754	261,029
Financial assets measured at amortised cost	42,348	81,956
	<u>320,102</u>	<u>342,985</u>
Financial liabilities measured at amortised cost	<u>169,361</u>	<u>171,827</u>

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, other debtors, accrued income and tax recoverable.

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

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24. 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.

25. 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.

26. GUARANTEES, LETTERS OF COMFORT AND INDEMNITIES

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

