

VENN ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

VENN ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mr T Johnson (Chair of Trustees)
Mr C Fenwick
Mr M McAlindon
Mr S Witham (Chief Executive Officer and Accounting Officer)
Mr P Wilson (Vice Chair)
Mrs C Patton (Resigned 22nd Oct 2018)
Mr C Hooper (Resigned 29th Jul 2019)
Mr C Morris (From 28th Oct 2018)
Mr N Catterson (From 28th Oct 2018)
Mr S Clark (From 15th Jul 2019)

Members

Mr T Burnside (Resigned 3rd Jul 2019)
Mr M McAlindon (Resigned 15th Oct 2018)
Mrs B Welbourn
Mr M Dickinson
Mr M Wannan (From 11th Oct 2018)
Mrs P Dubas (From 17th Dec 2018)

Senior management team

Chief Executive Officer and Accounting Officer	Mr S Witham
Deputy CEO and Director of School Improvement	Mr A Ali
Executive Leader	Mrs C Patton

Company registration number 09662303 (England and Wales)

Registered office 172 The Boulevard
Hull
HU3 3EL

Academies operated

Academies operated	Location	Principal
Thorpepark Academy	Kingston Upon Hull	Caroline Knight
Bridgeview Special School	Kingston Upon Hull	Nicola Witham
The Sullivan Centre	Kingston Upon Hull	Claire Goodaire
Whitehouse PRU	Kingston Upon Hull	Nicola Witham
Mountbatten Primary School	Kingston Upon Hull	Lisa Traynor
The Boulevard Centre	Kingston Upon Hull	Claire Goodaire
Griffin Primary School	Kingston Upon Hull	Juliette Garmston
Brooke Primary Academy (1 st Apr 2019)	Doncaster	Emma Levers (Mrs S Hall – Ex Head)
Marshland Primary Academy (1 st Apr 2019)	Doncaster	Karen Coward (Mrs S Hall – Ex Head)

Independent auditor RSM UK Audit LLP
Two Humber Quays
Wellington Street West, Hull
HU1 2BN

Bankers Lloyds Bank plc
25 Gresham Street, London
EC2V 7HN

Solicitors Browne Jacobson LLP
Mowbray House
Castle Meadow Road, Nottingham
NG2 1BJ

VENN ACADEMY TRUST

TRUSTEE'S REPORT

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust opened on 1 September 2015 with four converting Academies, being Thorpepark Academy, Bridgeview Special School, Whitehouse Pupil Referral Unit and The Sullivan Centre (a medical pupil referral unit). During the following year the Trust grew to include a number of additional converter academies, these are governed by Venn Academy Trust. The Boulevard Centre (School Girl Mums) joined the Trust in September 2016. Griffin Primary School and Mountbatten Primary School both joined in June and July 2017 respectively and are both mainstream primary schools. Two additional Doncaster Schools, Brooke Primary and Marshland Primary, joined the Trust in April 2019.

During 2018/2019 the Academy Trust operated nine academies in Doncaster and Hull. There are five mainstream primary academies, one primary special school and three alternative provision settings, including a pupil referral unit. It has a pupil net capacity of: Thorpepark Academy 580, Mountbatten Primary School 300, Griffin Primary School 496, Brooke Primary Academy 427, Marshland Primary Academy 220.

The Alternative Provision PRU's have the following capacity to make provision of: Bridgeview Special School 35, Whitehouse PRU 30, Sullivan Centre 25, Boulevard Centre 40. The total number on roll in January 2019 was Thorpepark Academy 542, Mountbatten Primary School 314, Griffin Primary School 464, Brooke 428, Marshland 179, Bridgeview Special School 44, Sullivan Centre 23, Whitehouse PRU 30, Boulevard Centre 11.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Multi-academy Trust ("the Trust") is known as Venn Academy Trust and the settings are known as Thorpepark Academy, Bridgeview Special School, Whitehouse PRU, The Sullivan Centre, The Boulevard Centre, Griffin Primary School, Mountbatten Primary School, Brooke Primary Academy and Marshland Primary Academy.

The trustees of Venn Academy Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 2.

Members' liability

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

Trustees' indemnities

Subject to the provisions of the Companies Act 2006, every Trustee of the Trust shall be identified out of the assets of the Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or trust in relation to the affairs of the Trust.

A Trustee may benefit from any indemnity insurance purchased at the Academy Trust's expense to cover the liability of Trust which by virtue of any law would otherwise attach to them. This is in respect of any negligence, default or break of trust or duty of which they may be guilty in relation to the Academy Trust (RPA Governors Liability Expense). The insurance provides cover up to £10,000,000 for any one loss and any one-membership period.

VENN ACADEMY TRUST

TRUSTEE'S REPORT (CONTINUED)

Method of recruitment and appointment or election of trustees

The Trust has a total of nine Trustees as shown on page 2. This includes the Chief Executive (Accounting Officer) and the Chairs of the Local Governing Bodies of Thorpepark Academy and Griffin Primary School. New Trustees, up to a maximum of six, are appointed by the Members with additional Trustees co-opted. When new Trustees or Governors are appointed, the Members and Board of Trustees approves at that time an appropriate process and criteria for recruitment based on an analysis of the current skill and capability requirements of the Board or Governing Body, the current needs of each academy and governance good practice at Trust level.

Each academy has retained its own Local Governing Body (LGB), however Bridgeview Special School, Whitehouse PRU, The Boulevard Centre and The Sullivan Centre share one LGB with discreet agenda items that are school specific as necessary.

Policies and procedures adopted for the induction and training of trustees

All Trustees and Governors are provided with copies of the DfE Governors' Handbook on appointment. When new Trustees or Governors are appointed, an analysis of the requirements of their role and their current skills determines their induction process. The induction process is outlined in the Governance Handbook. Effective governance is critical to the success of the Trust and its schools. The Trust also has a formal induction policy for new Trustees and Governors.

Organisational structure

During the period the organisational structure of the Trust consisted of 3 levels: the Trust Members, the Board of Trustees and the Local Governing Bodies. The Local Governing Bodies have committees where required and the Trust has an Audit and Risk committee. It is further supported by the Venn Senior Leadership team. The central services have developed to include a Teaching and Learning Behaviour Leader.

The Board of Trustees of the Trust shall hold a minimum of four meetings in every school period, including the annual general meeting (AGM).

The role of the Trust is:

- To be ultimately accountable and responsible for all decisions regarding the strategic running of the MAT and the individual schools within it;
- To have oversight of the curriculum, standards, progress and outcomes across the trust and the individual schools;
- To have oversight of finances and risk management of the trust and the individual schools.

The role of each LGB is to:

- Ensure clarity of vision, ethos and strategic direction at each school;
- Hold Heads of School to account for the educational performance of the school and its pupils, and the performance management of staff;
- Oversee the financial performance of the school and making sure its money is well spent;
- Advise the Board as required.

The Scheme of Delegation framework sets out the responsibilities of the key roles in relation to each school within the Trust and is reviewed annually.

The Board of Trustees are able to delegate identified functions to any Trustee, committee (including any Local Governing Body), or any other holder of an executive office, to the extent of power or function which they consider desirable to be exercised by them. Any such delegation shall be made subject to any conditions the Trustees may impose, and may be revoked or altered. The Trustees shall appoint Heads of School of the participating academies. The Trustees may delegate such powers and functions as they consider are required to the Chief Executive Officer and the Heads of School for the internal organisation, management and control of the schools (including the implementation of all policies approved by the Trustees) and for the direction of the teaching and curriculum at the schools.

The Board of Trustees are responsible for ensuring that high standards of corporate governance are maintained. It should exercise its powers and functions with a view to fulfilling a largely strategic leadership role in the running of the schools within the Trust.

VENN ACADEMY TRUST

TRUSTEE'S REPORT (CONTINUED)

The Local Governing Body is able to delegate identified functions to a committee; where decisions have been delegated these must be reported back to the next Local Governing Body meeting. It is essential that the Local Governing Body delegate sufficient powers to the Heads of School so that they can manage the school effectively.

The Board/ Local Governing Body delegates general responsibility to incur financial commitments and expenditure in accordance with the approved budget plan and financial regulations.

Arrangements for setting pay and remuneration of key management personnel

Venn Academy Trust has a senior leadership pay scale applicable for the Chief Executive Officer, Deputy Chief Executive and Executive Headteachers. The pay scale was set up to reflect the level of responsibility of the post holders with reference to the School Teachers Pay and Conditions Policy with respect to the Senior Leadership Pay Scale. The pay scale is reviewed and endorsed annually by the Trust Board.

Pay for the CEO is reviewed annually following a performance management review completed by an external reviewer and two-performance management Trustees. A recommendation on the annual pay award is made to the Trust Board based on evidence of performance targets met and guidance from the external reviewer. The annual pay award for executive leaders and the central leadership team results from an annual performance management review of targets met, with a subsequent recommendation to the Trust Board.

Major risks for the Trust

The major risks and uncertainties identified include national changes and possible reductions in funding for alternative provision in respect of the Trust's Pupil Referral Units, uncertainty on national changes to High Needs Funding, post-opening management of academies joining the Trust, future changes to nursery funding, providing facilities to meet demand and the ongoing delays to Euler opening due to site delays.

Related parties and co-operation with other organisations

Venn Academy Trust works with Tidal Teaching School Alliance. Tidal's core belief is the capacity to improve schools ties within schools. Tidal Teaching School Alliance taps into that potential using audits of need and up to date research to train the next generation of teachers through School Direct and the SCITT. Effective practice in schools is achieved by responding to identified needs and supporting the measures necessary to transform those needs into daily practice.

The Trust works in partnership with the Local Authority in Hull to offer school-to-school support for pupils who have behavioural issues, or who are at risk of or have been permanently excluded. Additionally, it provides educational provision for pupils with SEMH who have an EHCP: Pupils who are ill, pregnant, or who are vulnerable access education via Venn's range of settings. The local authority commissions places via the PRUs and through the Whitehouse Outreach service.

Venn is an accredited Team Teach provider working with other schools to provide Team Teach de-escalation training for adults working in schools. In addition, Venn has written Leading 4 Learning, a course aimed at reducing low-level disruption in school classrooms.

Catchment area

The catchment area for Bridgeview Special School, The Sullivan Centre, Whitehouse Pupil Referral Unit and The Boulevard Centre is city wide and also extends into the neighbouring local authorities. The catchment area for Thorpepark Academy, Griffin Primary School, Mountbatten Primary School, Brooke Primary Academy and Marshland Primary Academy are based on the areas around the schools as defined by the Local Authority Primary School Admissions Policy.

OBJECTIVES AND ACTIVITIES

Principal activities

In accordance with our articles of association the charitable company has entered into a Master Funding Agreement approved by the Secretary of State. The Master Funding Agreement specifies, amongst other things, the basis for admitting pupils to the academies, the catchment areas from which pupils are drawn and that the curriculum should be broad and balanced and relevant to the needs of all our learners.

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TRUSTEE'S REPORT (CONTINUED)

The principal object and activity of the charitable company is the operation of Venn Academy Trust to advance, for the public benefit, education for pupils of different abilities between the ages of 3-19.

Venn Academy Trust Vision and aims:

The communities the Trust serves are wide reaching and range from local stakeholders to children and families choosing to join (commissioned places) from further afield. As a proposed sponsor we recognise our strength is based on our leadership model, and with staff who can support effective learning behaviour within settings. We currently aim to work within a 50 mile / 1 hour radius of our central base in Hull.

The Trust proposes to maximise the freedoms that academy status offers developing a curriculum that meets the needs of pupils and being relentless in making sure every child succeeds. The current schools have a proven track record in doing so and a curriculum model which delivers to mainstream and alternative provision. We have high ambitions for our pupils. Additionally the Trust has access to Tidal Teaching School Alliance deploying their SLEs to improve outcomes.

The Trust has a defined approach to teaching and learning developing appropriate learning behaviour to secure progress, the aim is to relentlessly promote outstanding leadership and teaching. The Trust will use data to inform curriculum planning, using research to inform practice ensuring evidence based practice impacts on outcomes.

Dependent on the location and size of these schools we would work in two or three clusters ensuring good and outstanding schools are in each cluster working closely with those who require improvement and intervention.

Currently we have 9 academies and the CAMHs tier 4 provision in our trust. The Trust has an application for a Free School Alternative Provision Hybrid special school at pre-opening phase (Euler). The permanent provision has been confirmed for opening in September 2020. A shorter term temporary solution is under negotiation with the DFE. The Trust is looking to develop 1 regional hub to support the system in Doncaster. The aim is to ensure all schools become or remain outstanding.

Members of the executive leadership team and senior leaders meet regularly to review the progress and standards of each school to share self-evaluation, performance data and work towards developing school improvement. Good practice is disseminated to ensure all leaders are ambitious in communicating the vision of Venn Academy Trust. Any risks that are identified are discussed through the appropriate committees such as the Risk Management Committee, LGB or Board.

Public benefit

The Trustees have complied with their duty under section 4 of the Charities Act 2006 to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

North Yorkshire

The Trust provided school-to-school support to two primary schools in North Yorkshire during the year.

Euler Academy

Euler Academy, proposed by Venn Academy Trust, will be an alternative provision for pupils that find mainstream schooling ineffective. It will support pupils (5-11 years) who require early intervention and present with social, emotional, or mental health issues. The school will be based on Salthouse Road, in East Hull, on the old Whitehouse site, for up to 56 pupils at any one time. The permanent site is due to open in September 2020.

Venn Academy Trust has identified a gap amongst the current primary aged population of children who present with moderate learning difficulties. A wide number of these pupils are presenting with social, emotional, mental health issues projected through challenging behaviour. They have challenging behaviour which could be a result of SEMH issues in their personal circumstances and often attendance issues and are thus disengaged from usual mainstream education. These pupils are a minority of the overall cohort of students in Hull Schools yet their behaviours have a disproportionate impact on the learning and achievement of their peers. Adding to this

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TRUSTEE'S REPORT (CONTINUED)

issue is the fact that the current population of pupils who are being excluded is expanding. A robust and transparent referral system will ensure pupils access the correct support to the Academy.

CPD

Venn supports training across the city and beyond for the following; reducing low level disruption; transgender; eating disorders; Team Teach.

Research

The Trust uses action and evidence based research to lead training and development of staff across the Trust and city. It is currently involved in researching reading with the University of East London and the United Kingdom Literacy Association. Additionally, the trust has developed CPD to promote leading behaviour for learning.

Other schools

The Trust can evidence the impact it has had on schools across the city for learning behaviour and through its outreach facility. The trust works with the local authority and Fair Access Panels to support hard to reach and vulnerable pupils.

STRATEGIC REPORT

Financial review

The Trust's main source of income is from the Education and Skills Funding Agency (ESFA) in the form of GAG (General Annual Grant) payments based on the School Funding Formula. These grants and the associated expenditure are shown in the Restricted Funds in the Statement of Financial Activities.

The Trust also receives grants for capital expenditure and these grants are shown in the Statement of Financial Activities as restricted income in the fixed assets fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the asset.

During 2018-19 academic year the Trust required each academy to contribute 5% of its GAG and other relevant income to the central services operations, with the funding used to provide centralised support services.

During 2018-19 academic year the Trust required each academy to contribute 5% of its GAG and other relevant income to the central services operations, with the funding used to provide centralised support services.

During the period ending 31 August 2019 total income, excluding fixed asset fund income, was £11,165,502 (2018: £9,525,256), and total expenditure, excluding depreciation was £11,658,079 (2018: £9,433,067). The total deficit across the Trust, with expenditure being greater than income, (and excluding amounts on conversion, restricted fixed asset funds and accounting for the pension scheme actuarial re-measurement), was £(492,577) (2018: £92,189).

At 31 August 2019 the net book value of fixed assets was £32,162,641 (2018: £22,757,965).

Financial and risk management objectives and policies

The Trust has cash, bank balances and trade creditors and is not exposed to financial risks from credit as the Trust does not undertake any borrowing as all its operating needs are met from within its cash resources. Therefore the trust is not exposed to interest rate risk. The level of balances currently held is sufficient for the risk of insufficient cash liquidity to be considered minimal. The trust is exposed to price risks and future inflation, but is funded primarily from the government and therefore the credit risk is considered to be minimal.

Reserves policy

The Trust held total fund balance reserves of £28,614,100 as at 31 August 2019 (2018: £23,543,210), comprising of £26,041,114 (2018: £21,747,745) of restricted funds including a pension deficit of £5,867,000 (2018: £2,279,000) and unrestricted funds of £2,572,986 (2018: £1,795,465).

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TRUSTEE'S REPORT (CONTINUED)

Total revenue reserves of the Trust are £2,318,459 (2018: £2,617,538) as at 31 August, and this excludes the fixed asset fund of £32,162,641 (2018: £23,204,673) and the pension reserve deficit of £5,867,000 (2018: £2,279,000). The amount of free funds, being total funds less the amount held in fixed assets and restricted pension funds is £2,318,459 (2018: £2,617,537). This amount is approximately equal to three months' total salary expenditure and the Trustees consider that this is adequate and reasonable to meet the operational and working capital needs of the Trust.

The Trust is carrying a net deficit of £5,867,000 (2018: £2,279,000) on the pension reserve due to future pension liabilities exceeding the current value of assets held. Over time this will be brought back into balance through the payment of monthly pension contributions, based on a percentage of gross salaries, into the East Riding Pension Fund and the South Yorkshire Pension Fund, both of which include elements to address the deficit positions.

The Trust has a Reserves Policy to protect its activities by providing a financial comfort zone of £2.2m to provide for an unpredictable future financial environment and to make sufficient provision for future cash flow requirements and capital procurement. Given the growth of the Trust the management of reserves will be reviewed annually.

Investment policy

The Trust has an Investment Policy which is geared towards avoiding risk rather than maximising a financial return. The trust operates an interest bearing current account. The directors have the power to invest monies surplus to the trust's working requirements in a higher interest bearing account operated by an approved institution. The trust does not currently hold any higher interest investment accounts nor does it undertake any external fundraising of any significant value.

Achievements and performance

Set out below are the key performance indicators and achievements met during the period by the Trust:

The following were achieved by August 2019:

1. Although floor standards are no longer used by the DFE, we are able to say that all five mainstream primary academies met the previous government floor standards.
2. In mathematics and writing in four of the mainstream academies were at, or above the average percentage reaching the expected standard. In reading three mainstream academies were below average for the percentage of pupils reaching the expected standard.
3. Three settings had positive inspections during the year. Bridgeview and The Venn Sullivan Centre were judged Outstanding. The inspection of The Venn Boulevard Centre confirmed it to have maintained its Outstanding grade.
4. Four schools are yet to have their first Ofsted full inspections as academies (two are Requires Improvement and new to the Trust, one is Outstanding and one, Good).
5. The role of the School Improvement Team was further consolidated over the year with clear protocols for specialist leaders of education to work across the trust.
6. Finance Director has been consolidated over the year to secure economies of scale and best value reporting across the trust.
7. Governor and Trustee training has helped to develop the skills of both governors and trustees.
8. Trust wide policies are becoming embedded.
9. Inter-school working is well established for moderating work and assessments.
10. Opportunities for trust wide training and development are fully embedded to support outcomes for pupils, particularly in reading.

Bridgeview

All pupils at Bridgeview Special School have Education and Health Care Plans (EHCPs). We can evidence that all of these children make progress in line with their personal targets i.e. in behaviour and learning.

Bridgeview Outcomes over the year

- There were 46 pupils attending the Bridgeview during the academic year.
- Attendance was 91.6% in Bridgeview.

VENN ACADEMY TRUST TRUSTEE'S REPORT (CONTINUED)

- Attendance of pupil premium was a little below non-pupil premium pupils.
- Almost 90% of pupils improved their attendance when compared to their previous school.
- The school's internal assessment and tracking of small steps shows that the vast majority are making good or better progress in reading, writing and mathematics.
- 86% of pupils improved their reading age faster than their chronological age.
- 100% of looked after pupils increase their reading age faster than their chronological age.

SATs:

In Year 2 there was only one pupil and he reached the expected standard in reading, writing and mathematics.

Year 6 - 15 pupils on roll

SATS:

Reading : 0% reached the expected standard

Writing: 0% reached the expected standard

Maths: 0% reached the expected standard

The Whitehouse Pupil Referral Unit

Whitehouse progress is measured by improvements to pupils' attendance, attitudes and basic skills of reading, writing and mathematics as well as how successful pupils are at re-entering a mainstream school. Additionally, as a setting we consider successful assessments for an EHCP to be a positive outcome for pupils.

Whitehouse Outcomes

- There were 45 pupils attending the Whitehouse during the academic year.
- Pupils who had been permanently excluded from their last school and join the roll of the Whitehouse. Pupils who have been allocated places through FAP tend to be dual roll, so they remain on the roll of their last school.
- Attendance was in Whitehouse 90.1%; the attendance of pupil premium pupils was below non-pupil premium pupils.
- 93.1% of pupils improved their attendance over the year compared to their previous setting.
- There was only one Year 2 pupil on the roll. He reached the expected standard in reading, writing and mathematics.
- There were four pupils on the roll who were in Year 6.
- Mathematics – 0% reached expected standard.
- Reading - 0% reached expected standard.
- Writing - 0% reached expected standard.
- There were no differences between the attainment of pupil premium and others.
- 90% of pupils improved their reading age faster than their chronological age.
- 100% of looked after pupils improved their reading age faster than their chronological age.

Sullivan Centre Outcomes

- There were 25 pupils attending the Sullivan Centre during the academic year. Of these, nine have EHCPs, and are likely to remain at the Sullivan Centre until they leave Year 11.

Attendance

Average attendance was 72.3%. An above average proportion of pupils are identified as persistent absentees. For some of these pupils their absence relates to their medical needs, including attendance at CAMHs appointments. For example, one pupil was sectioned under the mental health act and had an extended period of time in a medical facility.

Exam entries 2018-19 – Three pupils

- **English Language** – 100% achieved grades to 3-5.
 - **English Literature** – 33% achieved grade 2 and 67% achieved grade 3.
 - **Maths** – 100% achieved grade 3.
 - **Religious Studies** – 2 out of 3 sat the exam (due to anxiety one pupil didn't attend)
 - **Art** - 1 student sat Art and achieved a Grade 6.
 - **Preparation for working life** – 100% achieved grades D to C.
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VENN ACADEMY TRUST

TRUSTEE'S REPORT (CONTINUED)

Destination of leavers

Of the three students who left at the end of the summer term all went onto further education.

The Venn Boulevard Centre

Formerly provision for school girl mothers, 29 students attended the Boulevard Centre in the 2018-19 academic year. Ten students joined during the year and 19 students completed the whole year there. There were six students' with babies/children accommodated in the Nursery.

Attendance

Average attendance was 72.42%. This was affected by maternity related issues and sickness absence. Approximately a fifth of the students have responsibility for the care of their children during the day and will have to remain at home if their child becomes unwell. 12 students were funded through the pupil premium.

Exam entries 2018-19 – 14 Year 11 pupils

- **English Language** – 8% Grade 1, 38% Grade 2, 31% Grade 3 and 8% Grade 5.
- **English Literature** – 67% Grade 3 and 33% Grade 4.
- **Maths** – 73% Grade 1-4, 3 students did not sit on of the papers. 50% of students who had previously taken the GCSE improved their result, 33% of students stayed the same.
- **Art & Design** – 100% of students achieved grades 3-8, 75% of students achieved Grade 4 or above. The Highest grade was an 8 – equivalent to A*.
- **Award in Child Development** – 100% pass; Grade C-B achieved.
- **Preparation for Working Life** – 91% of students achieved Grade G-C.
- **Religious Studies** – 11 % Grade 1, 44% Grade 2, 11% Grade 3.
- **NCFE CACHE Level 2 Certificate in Supporting Teaching and Learning** – 100% Pass Rate.

Destination of leavers - Of the 14 students who left at the end of the summer term: All went on to further education or apprenticeships.

Griffin context

Griffin Primary School had 464 pupils on roll based on the January School Census, which is considerably higher than the England average. The main electoral ward served by the school is Marfleet and the level of deprivation in the school is considerably higher than the LA average. 93.8% of households are categorised within 10% of the most deprived households nationally.

The largest ethnic groups are: White - British (97.1%), White - any other White background (1.7%), Mixed - White & Black African (0.6%), Mixed - White & Asian (0.3%), Ethnicity not known (0.3%). This school has 4 out of 17 possible ethnic groups. The average number of groups for this phase of education is 9. The school was in the top 20% of all schools for the number of pupils (464).

The school was in the top 20% of all schools for the proportion of FSM (47.9%). The percentage of FSM in year 4 (62%) and year 5 (66%) was higher than all other year groups. The percentage of FSM in year 1 (37%) and year 3 (39%) was lower than all other year groups. There were four children looked after in the school.

Mountbatten context

Mountbatten Primary School had 314 pupils on roll based on the January School Census, which is considerably higher than the England average. The main electoral ward served by the school is Longhill And Bilton Grange and the level of deprivation in the school is considerably higher than the LA average. 98.1% of households are categorised within 10% of the most deprived households nationally.

The percentage of pupils eligible for Pupil Premium Funding (Disadvantaged) is 47.1% which is above both the LA and England averages.

The number of pupils at the school with English as an additional language is below both LA and England averages.

The school's Minority Ethnic profile is below both LA and England averages.

The school's level of Pupil Stability is above both the LA and England averages.

The total incidence of Special Educational Needs is broadly in line with both the LA and England averages.

VENN ACADEMY TRUST

TRUSTEE'S REPORT (CONTINUED)

Thorpepark context

Thorpepark Academy had 542 pupils on roll based on the January School Census, which is considerably higher than the England average. The main electoral ward served by the school is Orchard Park and Greenwood and the level of deprivation in the school is considerably higher than the LA average. 96.7% of households are categorised within 10% of the most deprived households nationally.

The largest ethnic groups are: White - British (82.8%), White - Romany or Gypsy (1.1%), White - any other White background (10.4%), Mixed any other mixed background (2.7%), Black or Black British - African (1.1%). This school has 8 out of 17 possible ethnic groups. The average number of groups for this phase of education is 9.

The school was in the top 20% of all schools for the number of pupils (542). The number of pupils in year 1 (80) was higher than all other year groups. The number of pupils in year 6 (47) was lower than all other year groups. The school was in the top 20% of all schools for the proportion of FSM (58%). The percentage of FSM in year 4 (72%) and year 6 (77%) was higher than all other year groups. There were five children looked after in the school.

Brooke Primary Academy Context

Brooke Primary Academy had 428 pupils on roll based on the January School Census, which is considerably higher than the England average. The main electoral ward served by the school is Thorne and Moorends. Moorends is identified as being in the 10% most deprived in the country.

The largest ethnic groups are: White - British (90.0%), White - Traveller of Irish heritage (1.2%), White - any other White background (6.0%), Mixed - White & Black Caribbean (0.9%), Asian or Asian British - any other Asian background (0.9%). This school has 7 out of 17 possible ethnic groups. The average number of groups for this phase of education is 9.

The school was in the top 20% of all schools for the number of pupils (428). The number of pupils in year 1 (46) was lower than all other year groups.

There was nothing significant to report for this group.

The percentage of FSM in year 6 (41%) was higher than all other year groups. The percentage of FSM in year 1 (15%) was lower than all other year groups. There were two children looked after in the school.

Marshland Primary Academy

Marshland Primary Academy had 179 pupils on roll based on the January School Census, which is considerably higher than the England average. The main electoral ward served by the school is Thorne and Moorends. Moorends is identified as being in the 10% most deprived in the country.

The largest ethnic groups are: White - British (86.4%), White - Irish (0.8%), White - Romany or Gypsy (0.8%), White - any other White background (9.8%), Mixed - White & Asian (0.8%), Mixed - any other mixed background (0.8%), Any other ethnic group (0.8%). This school has 6 out of 17 possible ethnic groups. The average number of groups for this phase of education is 9. There was a larger than average increase in the percentage of girls between 2017 and 2018 than most primary schools nationally.

The percentage of girls in year 5 (72%) was higher than all other year groups. The percentage of girls in year 2 (33%) and year 4 (29%) was lower than all other year groups. The school was in the top 20% of all schools for the proportion of FSM (63.8%). The percentage of FSM across all years was variable: year 1 (36%), year 2 (52%), year 3 (81%), year 4 (86%), year 5 (96%), year 6 (52%). There were no children looked after in the school.

Outcomes 2018-2019

Early Years Foundation Stage

School	No on roll	% reaching a good level of development
Brooke	41	66
Griffin	59	76.5
Marshland	17	71
Mountbatten	30	74.2
Thorpepark	64	71.9
National		71.8

VENN ACADEMY TRUST TRUSTEE'S REPORT (CONTINUED)

Year 1 Phonic Check and Year 2 Re-Check

School	Year 1 No on Roll	% achieving	Year 2 No on Roll	% achieving
Brooke	52	73	49	88
Griffin	62	82.3	57	91.4
Marshland	24	75	15	80
Mountbatten	56	80	40	88
Thorpepark	61	77.2	74	93.7
National		82		91

Year 2 Reading

School	No on Roll	% achieving expected	% greater depth	% expected and above
Brooke	49	57	14	71
Griffin	57	57	12	68.4
Marshland	15	20	47	67
Mountbatten	40	45	25	70
Thorpepark	74	53.2	18.2	71.4
National		75	25	75

Year 2 Writing

School	No on Roll	% achieving expected	% greater depth	% expected and above
Brooke	49	57	12	69
Griffin	57	60	6.7	66.7
Marshland	15	40	20	60
Mountbatten	40	55	13	68
Thorpepark	74	62.3	6.5	68.8
National		69	15	

Year 2 Mathematics

School	No on Roll	% achieving expected	% greater depth	% expected and above
Brooke	49	59	14	73
Griffin	57	65	6.7	71.7
Marshland	15	34	33	67
Mountbatten	40	47	23	70
Thorpepark	74	68.8	11.7	80.5
National		76	21.7	76

Key Stage 2 Outcomes

Reading Test

School	No on Roll	% achieving expected and above	% greater depth
Brooke	60	70	20
Griffin	53	60	23
Marshland	24	54	4
Mountbatten *	42	NA	NA
Thorpepark	59	83	37
National		73	27

VENN ACADEMY TRUST TRUSTEE'S REPORT (CONTINUED)

Mathematics

School	No on Roll	% achieving expected and above	% greater depth
Brooke	60	83	22
Griffin	53	79	25
Marshland	24	79	13
Mountbatten *	42	NA	NA
Thorpepark	59	81	7
National		79	27

English Grammar, Punctuation and Spelling

School	No on Roll	% achieving expected and above	% greater depth
Brooke	60	87	33
Griffin	53	79	42
Marshland	24	83	29
Mountbatten *	42	NA	NA
Thorpepark	59	81	20
National		78	36

Key stage 2 progress cores (range from -7.0 to +7.0 with 0.0 as the average progress).

	Reading	Writing	Mathematics
Brooke	-2.38	-2.52	-0.92
Griffin	-2.74	-1.3	-0.26
Marshland	-4.57	-1.62	-1.23
Mountbatten *	NA	+0.30	NA
Thorpepark	+3.08	+0.05	-0.34
National	0	0	0

(* Key stage 2 results for 2019 at Mountbatten Primary are subject to an STA investigation)

Plans for Future Periods

Expansion:

The strategic intention is to build a Multi-Academy Trust of no more than 15 academies over five years, with a geographical boundary within a 50 mile / 1 hour radius of our central base in Hull. These academies will all be good and outstanding, or on a journey from their starting point to outstanding. Venn will have a mix of sponsored and non sponsored primary schools and free schools consisting of Special, Alternative Provision, Free School and Mainstream provision. The schools will choose to join the Trust and will work together to support and deliver high quality learning experiences for pupils.

Resource, capacity and expertise

The Trust has continued to consolidate the work of the school improvement team. The addition of a Director of teaching, learning and assessment has increased capacity as has the work of individual SLEs working within and beyond the trust. During this year the Director of School Improvement has provided quality assurance and robust accountability, supporting Academy Heads.

VENN ACADEMY TRUST TRUSTEE'S REPORT (CONTINUED)

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the Academy to publish information on facility time arrangements for trade union officials at the Academy.

Numbers of employees who were relevant Union officials during the period	FTE employee number
None	Nil

Percentage of time	Number of employees
0%-100%	Nil

Total cost of facility time	£7,370
Total pay bill	£9,139,997
Percentage of total bill spent on facility time	0.08%

Time spent on paid trade union activities as a percentage of total paid facility time	Nil
---------------------------------------------------------------------------------------	-----

Note: The facilities time for Trade Union Representatives is purchased for Venn as a whole through a pooled budget arrangement. Venn is not currently the employer of any Trade Union Representative.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed. The Academy has a Risk Register, which records and summarises the main large-scale, offensive and systematic risks to the Trust with safeguarding being the underlying principle of assessment.

Risk Management:

Venn Academy Trust view risk management as an integral part of good corporate governance in order to continue to:

- Manage the maintenance of high educational standards in terms of outcomes, policy and practice.
- Demonstrate best value.
- Protect the assets and reputation of the Trust and it's academies.

The Trust considers that key risks are most likely to arise in the following areas:

- Preserving and improving the delivery of high quality education to pupils attending the Trust's Academies.
- Safeguarding pupils, employees and all other persons to whom the Trust has a duty of care.
- Maintaining effective control of public funds.
- Protecting property including buildings, equipment, vehicles and all other assets and resources.
- Compliance with statutory obligations.
- Maintaining the positive reputation of the Trust.

In order to effectively manage these risks the Trust's Board of Trustees, audit committee and Local Governing Bodies are accountable for overseeing the implementation of the Risk Management Policy and ensuring that management:

- Establishes clear roles, responsibilities and reporting lines for risk management.
- Provides a framework for recording and reviewing potential risks and associated actions.
- Reinforces the importance of effective risk management by offering training, good practice, and other support.

The Accounting Officer is responsible for embedding the risk management culture across the Trust that encourages the identification and management of risk.

Risks identified are recorded in the Trust's Risk Register classified as Safeguarding, Strategic, Pupil Demand, Physical, Governance and Leadership, Staffing and Financial, and are graded as high, medium or low. These risks are reviewed during the period and the directors have assessed the major risks and uncertainties to which the Trust is exposed.

VENN ACADEMY TRUST TRUSTEE'S REPORT (CONTINUED)

The Academy's principal risks and uncertainties concern the future funding of education and the change to the national funding formula and funding for High Needs and the impact this will have on the Trust's finances. Four of the Trust's Academies are primarily funded through High Needs block funding and as yet the government have not decided on the future of such funding from 2018/19. However, the Academies are well placed to adapt to changes in funding and demand for places generally exceeds supply.

Employee Consultation and disabled persons

Venn Academy Trust is an Equal Opportunities employer and is mindful of its obligations under the Equalities Act 2010. The Trust works alongside external agencies as necessary to enable support for disabled persons. The Trust also has specialists for Special Education Needs (SEN), Designated Special Provision (DSP) and Autistic Learners. The Trust provides resources for work place assessments and makes reasonable adjustments where able.

Auditor

A resolution proposing that RSM UK Audit LLP be reappointed as auditor of the charitable company will be put to the members.

Statement as to disclosure of information to auditor

The trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The trustees' report is approved by order of the board of trustees and the strategic report (included therein) is approved by the board of trustees in their capacity as the directors at a meeting on 9th December 2019 and signed on its behalf by:



Mr T Johnson
Chair of Trustees

VENN ACADEMY TRUST

GOVERNANCE STATEMENT

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Venn 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 Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Venn 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. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr T Johnson (Chair of Trustees)	5	5
Mr C Fenwick	5	5
Mr M McAlindon	5	5
Mr S Witham (Chief Executive Officer and Accounting Officer)	4	5
Mr P Wilson (Vice Chair)	5	5
Mr C Hooper	1	5
Mr C Morris (From 28 th Oct 2018)	3	4
Mr N Catterson (From 28 th Oct 2018)	2	4
Mr S Clark (From 3 rd July 2019)	0	0

Governance reviews

A review of Governance has taken place with the following recommendations implemented:

- The membership of the Governing body has been strengthened to ensure that the Trust has the ability to accommodate the needs of Academies in the Trust that require additional support.
- The Trust is developing its annual skills audit of governors to ensure we continue to identify and address any skills gaps.
- An assessment of the structure of the Trusts' Governance structures has resulted in changing weaker academies to become "supported". The financial aspects of these Academies is managed via a separate finance committee. This allows the academies to concentrate its resources on teaching and learning.
- Further developments have seen the Trust create a pay committee to facilitate and consolidate the decisions in this area across the Trust.
- The committees across the Trust have been reviewed and the Terms of References have been amended where necessary to allow a more focussed approach to Trust governance going forward.
- The Trust has actively recruited onto the Board and reviewed the make-up and skills of the various sub-committees to improve Trust Governance going forward.

Audit sub-committee

The audit committee is a sub-committee of the Trust Board and met three times during the period. The purpose of the Audit Committee is to receive reports from the external and internal auditors of the Trust and provide assurance to the Trust that adequate controls are in place to safeguard the Trust's assets and ensure regularity and propriety in transactions across the schools. The committee receives and reviews the Risk Register

VENN ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Mr S Clark (Chair)	3	3
Mr S Witham (Chief Executive Officer and Accounting Officer)	3	3
Mr M McAlindon	3	3
Mr C Hooper	2	3
Mr P Wilson	1	1

Review of value for money

As Accounting Officer the CEO 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 available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- We have made a number of key appointments across the trust including a Director of teaching and learning, School Improvement, executive support to the central team, Trust Accountant as well as a HR Business Partner.
- The Trust has reviewed the staffing structures to develop a Venn Senior Leadership team, putting in place Heads of School supported by Executive Leaders.
- Senior Leadership has continued to work with the Venn School Improvement Team to add robust accountability.
- The Trust has embedded fully the Guided Reading Project to improve outcomes for pupils
- We have developed Leading 4 Learning professional training to support practitioners to reduce low level disruption. This is also an income stream for the trust.
- We have reviewed all academies to ensure best value in terms of efficiencies
- We have brought additional academies into the Trust ensuring our ongoing sustainability as a MAT
- We have invested in our building infrastructure, improving existing buildings (to reduce ongoing maintenance costs) and expanding our footprint to generate additional capacity and income
- Through the Audit Committee we have reviewed the master policy schedule, the risk register, the preferred supplier list and the disaster recovery plans.
- The Trust has conducted a review of early years and of our IT landscape to support best value
- We have commissioned safeguarding and pupil premium reviews
- The Trust has offered secondments to Venn staff to share best practice across the organisation
- We have developed the Venn senior leadership team and CPD to impact positively on teaching and learning
- We have shared professional development across the Trust to aid more efficient CPD.

The purpose of the system of internal control

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

Capacity to handle risk

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

VENN ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- regular reviews by the finance and general purposes committees 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 Hull City Council Internal Audit department (who subcontract the service) 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 and review of the main financial systems and procedures to include:
 - purchase and procurement systems.
 - payroll systems.
 - bank reconciliations.
- reviewing compliance with information on the Trust's website.
- review of the implementation of the teachers performance appraisal process.

On an annual basis, the auditor reports to the Board of Trustees, through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. All audit reports are fed into an internal review and reporting mechanism to ensure regular feedback is provided to the committee on a rolling programme of work. The committee also select specific areas to be the subject of a "deep dive" report at each committee meeting. This provides for robust challenge and improvements around key risk areas. The majority of high-risk recommendations are actioned shortly after a report is completed. At the year-end there are no material control issues outstanding.

Review of effectiveness

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

- the work of the internal auditor.
- the work of the external auditor.
- the work of the audit committee.
- 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 is provided with a regular update of the results of audit reports and the rolling programme of improvement work. Progress to resolve the issues are reviewed on a regular basis by the accounting officer and the audit committee.

Approved by order of the board of trustees on 9th December 2019 and signed on its behalf by:



Mr T Johnson
Chair of Trustees



Mr S Witham
Chief Executive Principal and Accounting Officer

VENN ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Venn 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 received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy Trust's 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 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.



Mr S Witham
Accounting Officer

9th December 2019

VENN ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of Venn Academy Trust for the purposes of company law, are responsible for preparing the Trustees' Report (including the strategic 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 Venn Academy Trust 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 in 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; and
- 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 that 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 9th December ²⁰¹⁹~~2018~~ and signed on its behalf by:



Mr T Johnson
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENN ACADEMY TRUST

Opinion

We have audited the financial statements of Venn Academy Trust (the "charitable company") for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies: Accounts Direction 2018 to 2019 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 charitable company'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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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 other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report which includes the Directors Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VENN ACADEMY TRUST (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors Report and the Strategic Report included within the Trustees Report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 20, the Trustees (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

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 <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Lewis (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP
Chartered Accountants
Two Humber Quays
Wellington Street West
Hull
HU1 2BN

Date - 11/12/2019

VENN ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Funds £	Total 2019 £	Total 2018 £
Income and endowments						
Donations and capital grants	3	-	4,442	129,759	134,201	524,606
Donations - transfer from local authority on conversion	26	264,676	(1,679,000)	9,010,000	7,595,676	-
Charitable activities:						
- Funding for educational operations	4	-	10,648,215	-	10,648,215	8,895,189
Other trading activities	5	511,376	-	-	511,376	610,431
Investments	6	1,469	-	-	1,469	1,596
Total		777,521	8,973,657	9,139,759	18,890,937	10,031,822
Expenditure on:						
Charitable activities:						
- Educational operations	7	-	11,658,079	730,968	12,389,047	10,092,439
Total	8	-	11,658,079	730,968	12,389,047	10,092,439
Net income/(expenditure)		777,521	(2,684,422)	8,408,791	6,501,890	(60,617)
Transfers between funds	18	-	(549,177)	549,177	-	-
Other recognised gains/(losses)						
Re-measurement of defined benefit obligations	24	-	(1,431,000)	-	(1,431,000)	1,185,000
Net movement in funds		777,521	(4,664,599)	8,957,968	5,070,890	1,124,383
Reconciliation of funds						
Total funds brought forward		1,795,465	(1,456,928)	23,204,673	23,543,210	22,418,827
Total funds carried forward		2,572,986	(6,121,527)	32,162,641	28,614,100	23,543,210

VENN ACADEMY TRUST**BALANCE SHEET****AS AT 31 AUGUST 2019**

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	13		32,162,641		22,757,965
Current assets					
Debtors	14	480,456		599,699	
Cash at bank and in hand		2,861,536		3,124,367	
		3,341,992		3,724,066	
Current liabilities					
Creditors: amounts falling due within one year	15	(1,023,533)		(659,821)	
Net current assets			2,318,459		3,064,245
Net assets excluding pension liability			34,481,100		25,822,210
Defined benefit pension scheme liability	24		(5,867,000)		(2,279,000)
Net assets			28,614,100		25,543,210
Funds of the Academy Trust:					
Restricted funds	18				
- Restricted fixed asset funds			32,162,641		23,204,673
- Restricted income funds			(254,527)		822,072
- Pension reserve			(5,867,000)		(2,279,000)
Total restricted funds			26,041,114		21,747,745
Unrestricted income funds	18		2,572,986		1,795,465
Total funds			28,614,100		23,543,210

The financial statements on pages ~~24~~²³ to ~~49~~⁴⁸ were approved by the board of trustees and authorised for issue on 9th December 2019 and are signed on their behalf by:

Mr T Johnson
Chair of Trustees



VENN ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019		2018	
		£	£	£	£
Cash flows from operating activities					
Net cash provided by operating activities	22		466,909		303,997
Cash funds transferred on conversion	26		246,676		-
			<u>731,585</u>		<u>303,997</u>
Cash flows from investing activities					
Interest from investments		1,469		1,596	
Capital grants from DfE and ESFA		129,759		506,566	
Purchase of tangible fixed assets		(1,125,644)		(336,872)	
			<u>(994,416)</u>		<u>171,290</u>
Net cash (used in)/ provided by investing activities			(994,416)		171,290
Net (decrease)/ increase in cash and cash equivalents in the reporting period			(262,831)		475,287
Cash and cash equivalents at beginning of the year			3,124,367		2,649,080
Cash and cash equivalents at end of the year			<u>2,861,536</u>		<u>3,124,367</u>

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

General information

Venn Academy Trust is a charitable company. The address of its principal place of business is given on page 2 and the nature of its operations are set out in the trustees' report.

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.

Basis of preparation

The financial statements of the Academy Trust 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 financial statements 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. The Academy Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Academy Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

Going concern

The Board of Trustees has a reasonable expectation that the Academy Trust has the resources to adequately operate for the foreseeable future and maintain solvency. Cash flow forecasting to August 2022 currently suggests that our minimum cash balance over the period would be c.£2.1m. When we build in a sensitivity for a 2% negative impact on both income and expenditure the minimum cash balance drops to £0.4m. As such the Trust is well placed to manage significant deviations to our income and expenditure. For this reason, it continues to adopt the going concern basis in preparing financial statements. The Trust currently manages its solvency through a combination of a robust budget setting process and a regular review of the budget against actual income and expenditure for each setting. In addition, the Trust and the individual academies operate with a healthy liquid cash balance and manage income and payments closely to ensure any potential risks to this are identified early. Schools or academies that join Venn Academy Trust will be required to undergo due diligence to ensure they do not diminish the Academy Trust as a going concern and add to the strengthening of Venn Academy Trust to maintain sustainability in the future.

Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Brooke and Marshland Primary Schools to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations — transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 26.

Income

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

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies (continued)

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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. 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.

Donations

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

Other income

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

Donated goods, facilities and services

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

Expenditure

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies (continued)

Expenditure on raising funds

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

Charitable activities

These are costs incurred on the Academy Trust's educational operations to further its charitable aims for the benefit of the beneficiaries, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

Tangible fixed assets and depreciation

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. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the statement of financial activities as incurred.

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 that require 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, so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Long leasehold land	Term of lease
Leasehold buildings	Between 30 - 51 years
Freehold buildings	2% straight line
Leasehold Improvements	2% straight line
Computer equipment	33.33% straight line
Fixtures, fittings and equipment	20% straight line
Motor vehicles	25% straight line

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

No depreciation is provided in respect of freehold land.

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.

Liabilities

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

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies (continued)

Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Financial instruments

The Academy Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Academy Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

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

Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and two Local Government Pension Schemes ('LGPS'), which are multi-employer defined benefit schemes.

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies (continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is a multi-employer scheme but 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 are recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The LGPS are funded schemes 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 reporting date. The amounts charged to net income 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.

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

2 Critical accounting estimates and areas of judgement

Accounting 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.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and accounting policies above for the useful economic lives for each class of assets.

Defined benefit pension scheme

The company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 24 for the disclosures relating to the defined benefit pension scheme.

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

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Capital grants	-	129,759	129,759	506,566
Other donations	-	4,442	4,442	18,040
	<u>-</u>	<u>134,201</u>	<u>134,201</u>	<u>524,606</u>

The income from donations and capital grants was £134,201 (2018: £524,606) of which £4,442 was restricted (2018: £18,040) and £129,759 was restricted fixed assets (2018: £506,566).

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
DfE / ESFA grants				
General annual grant (GAG)	-	6,873,823	6,873,823	5,738,533
Start up grants	-	50,000	50,000	30,000
Other DfE / ESFA grants	-	1,309,551	1,309,551	1,055,545
	<u>-</u>	<u>8,233,374</u>	<u>8,233,374</u>	<u>6,824,078</u>
Other government grants				
Local authority grants	-	2,414,841	2,414,841	2,071,111
	<u>-</u>	<u>2,414,841</u>	<u>2,414,841</u>	<u>2,071,111</u>
Other incoming resources	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>10,648,215</u>	<u>10,648,215</u>	<u>8,895,189</u>

The income from funding for educational operations was £10,648,215 (2018: £8,895,189) of which £- was unrestricted (2018: £-) and £10,648,215 was restricted (2018: £8,895,189).

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Other income	511,376	-	511,376	610,431
	<u>511,376</u>	<u>-</u>	<u>511,376</u>	<u>610,431</u>

The income from other trading activities was £511,376 (2018: £610,431) of which £511,376 was unrestricted (2018: £610,431).

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Interest from short term deposits	1,469	-	1,469	1,596
	<u>1,469</u>	<u>-</u>	<u>1,469</u>	<u>1,596</u>

The income from funding for investment income was £1,469 (2018: £1,596) of which £1,469 was unrestricted (2018: £1,596).

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

7 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2019 £	Total 2018 £
Academy's educational operations					
- Direct costs	7,416,169	-	656,987	8,073,156	6,395,183
- Allocated support costs	1,723,828	1,263,842	1,328,221	4,315,891	3,697,256
Total costs	<u>9,139,997</u>	<u>1,263,842</u>	<u>1,985,208</u>	<u>12,389,047</u>	<u>10,092,439</u>

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	37,382	26,660
Depreciation of tangible fixed assets	730,968	659,372
Net interest on defined benefit pension liability	87,000	79,000
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	19,600	17,000
- Other services	6,000	6,000
Fees payable to Hull CC for internal audit services	<u>9,000</u>	<u>8,850</u>

8 Charitable activities

	2019 £	2018 £
All from restricted funds:		
Direct costs - educational operations	8,073,156	6,395,183
Support costs - educational operations	4,315,891	3,697,256
	<u>12,389,047</u>	<u>10,092,439</u>

The expenditure on educational operations was £12,389,047 (2018: £10,092,439) of which £- was unrestricted (2018: £-), £11,658,079 was restricted (2018: £9,433,067) and £730,968 was restricted fixed assets (2018: £659,372).

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

8 Charitable activities (Continued)

	2019 £	2018 £
Analysis of support costs		
Support staff costs	1,723,828	1,511,792
Depreciation and amortisation	730,968	659,372
Technology costs	147,060	147,065
Premises costs	532,874	476,219
Other support costs	873,914	700,793
Governance costs	307,247	202,015
	<u>4,315,891</u>	<u>3,697,256</u>

9 Staff

Staff costs

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	6,786,007	5,349,531
Social security costs	555,777	424,300
Operating costs of defined benefit pension schemes	1,506,920	1,314,113
	<u>8,848,704</u>	<u>7,087,944</u>
Total staff costs		
Supply staff costs	144,714	118,103
Staff restructuring costs	40,738	24,507
Staff development and other staff costs	105,841	84,830
	<u>9,139,997</u>	<u>7,315,384</u>
Staff Restructuring		
Redundancy payments	-	-
Severance payments	40,738	24,507
Other restructuring costs	-	-
	<u>40,738</u>	<u>24,507</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £40,738 (2018: £24,507). Individually, the payments were: £16,644 made on 31st Dec 2018, £6,186 made on 31st Dec 2018 and £17,908 made on 31st Aug 2019.

Staff numbers

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

	2019 Number	2018 Number
Teachers	86	73
Administration and support	244	198
Management	11	8
	<u>341</u>	<u>279</u>

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

9 Staff (Continued)

Higher paid staff

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

	2019 Number	2018 Number
£60,001 - £70,000	2	-
£70,001 - £80,000	-	1
£80,001 - £90,000	-	-
£90,001 - £100,000	1	-
£100,001 - £110,000	1	1

Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £307,318 (2018: £265,528).

10 Central services

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

- Chief Executive Officer;
- Financial Management;
- Audit Services - internal and external;
- Provision of Insurance;
- Local Authority pooled budget charges;
- Local Authority SSA charges for HR, Payroll and other central services;
- Legal and consultancy costs re Academy Conversions.

The Academy Trust charges for the services provided was a flat 5% of GAG and LA income received, excluding targeted grants.

The amounts charged during the year were as follows:

	2019 £	2018 £
Thorpepark Academy	117,000	105,330
Bridgeview Special School	47,000	50,331
The Sullivan Centre	27,000	25,470
Whitehouse PRU	38,000	40,845
Mountbatten Primary School	63,250	60,589
The Boulevard Centre	23,100	25,847
Griffin Primary School	94,000	91,809
Brooke Primary Academy	31,022	-
Marshland Primary Academy	15,363	-
	<u>455,734</u>	<u>400,221</u>

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

11 Trustees' remuneration and expenses

During the period no non-staff trustees were paid remuneration or received other benefits from an employment with the Academy Trust. The principal and other staff trustees only received remuneration in respect of services they provided undertaking the roles of principal and staff members under their contracts of employment and not in respect of their services as trustees. Other trustees were not paid any remuneration nor received any other benefits from employment by the Academy Trust.

Mr S Witham, the CEO, received remuneration of £106,548 (2018: £100,589) during the year and pension contributions paid by the Academy Trust in the period of £17,556 (2018: £16,577).

Mrs C Patton, Executive Head, resigned as a trustee on 22nd Oct 2018 and received remuneration of £9,804 (2018: £73,550) up to that date and pension contributions paid by the Academy Trust in the same period of £1,618 (2018: £12,127).

Related party transactions involving the Trustees are set out in note 25.

During the year ended 31 August 2019, no expenses were reimbursed to Trustees or Directors.

12 Trustees' remuneration and expenses

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2019 was £34,572. During the current year, the cost of this insurance cannot be calculated as it is combined in the risk protection insurance which is calculated on a cost per pupil basis.

13 Tangible fixed assets

	Land and Buildings	Computer equipment	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2018	23,037,730	490,383	640,863	36,895	24,205,871
Transfer on conversion	9,010,000	-	-	-	9,010,000
Additions	807,558	140,717	172,749	4,620	1,125,644
At 31 August 2019	32,855,288	631,100	813,612	41,515	34,341,515
Depreciation					
At 1 September 2018	842,334	341,853	236,047	27,672	1,447,906
Charge for the year	464,819	117,497	139,274	9,378	730,968
At 31 August 2019	1,307,153	459,350	375,321	37,050	2,178,874
Carrying amount					
At 31 August 2019	31,548,135	171,750	438,291	4,465	32,162,641
At 31 August 2018	22,195,396	148,530	404,816	9,223	22,757,965

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

13 Tangible fixed assets (Continued)

Included within land and buildings of £31,548,135 is long leasehold land and buildings of £25,718,018 and freehold land and buildings of £5,830,117.

Where the land and buildings at Venn Academy Trust are operated from is owned by the local authority, the occupancy is made available to use under the terms of supplemental agreements. The substance of these arrangements is such that Venn Academy Trust is able to obtain future economic benefit from use of the assets. The land and buildings are therefore recognised in the balance sheet at fair value at the time of conversion.

Included within land and buildings are the following items stated at revalued amounts:

Description	Effective date	Value of land	Value of buildings	Carrying value if held under the cost model
		£	£	£
Thorpepark Academy	1 September 2015	115,000	3,625,000	nil
Bridgeview and Whitehouse	1 September 2015	740,000	5,000,000	nil
Boulevard Centre and Sullivan Centre	1 September 2016	240,000	1,680,000	nil
Griffin Primary School	1 June 2016	1,845,000	4,120,000	nil
Mountbatten Primary School	1 July 2017	1,480,000	2,885,000	nil
Brooke Primary Academy	1 April 2019	1,600,000	3,930,000	nil
Marshland Primary Academy	1 April 2019	600,000	2,880,000	nil

Each of the above items have been independently valued by FHP Property Specialists using the depreciated replacement cost method.

14 Debtors	2019	2018
	£	£
Trade debtors	9,737	137,715
Other debtors	110,861	114,016
Prepayments and accrued income	359,858	347,968
	<u>480,456</u>	<u>599,699</u>

15 Creditors: amounts falling due within one year	2019	2018
	£	£
Trade creditors	431,629	300,711
Other Taxation and Social Security	169,268	103,994
Other creditors	150,385	104,595
Accruals and deferred income (see note 16)	272,251	150,521
	<u>1,023,533</u>	<u>659,821</u>

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

16 Deferred income	2019	2018
	£	£
Deferred income is included within:		
Creditors due within one year	145,544	92,185
	<u> </u>	<u> </u>
Deferred income at 1 September 2018	92,185	-
Released from previous year	(92,185)	-
Amounts deferred in the year	145,544	92,185
	<u> </u>	<u> </u>
Deferred income at 31 August 2019	145,544	92,185

Deferred income held at 31 August 2019 included Universal Free School Meals £102,099, ESFA Grants £19,253, and Nursery funds received in advance £24,192.

17 Financial instruments	2019	2018
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	284,593	439,265
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	774,352	494,522
	<u> </u>	<u> </u>

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant	412,395	6,873,823	(6,991,568)	(549,177)	(254,527)
Start up grants	30,000	50,000	(80,000)	-	-
Other DfE / ESFA grants	158,236	1,309,551	(1,467,787)	-	-
Other government grants	71,254	2,414,841	(2,486,095)	-	-
Other restricted funds	150,187	4,442	(154,629)	-	-
Pension reserve	(2,279,000)	(1,679,000)	(478,000)	(1,431,000)	(5,867,000)
	<u>(1,456,928)</u>	<u>8,973,657</u>	<u>(11,658,079)</u>	<u>(1,980,177)</u>	<u>(6,121,527)</u>
Restricted fixed asset funds					
Transferred on conversion	22,263,767	9,010,000	(730,968)	-	30,542,799
DfE / ESFA capital grants	619,338	129,759	-	-	749,097
Capital expenditure from GAG	321,568	-	-	549,177	870,745
	<u>23,204,673</u>	<u>9,139,759</u>	<u>(730,968)</u>	<u>549,177</u>	<u>32,162,641</u>
Total restricted funds	<u>21,747,745</u>	<u>18,113,416</u>	<u>(12,389,047)</u>	<u>(1,431,000)</u>	<u>26,041,114</u>
Unrestricted funds					
General funds	<u>1,795,465</u>	<u>777,521</u>	<u>-</u>	<u>-</u>	<u>2,572,986</u>
Total funds	<u>23,543,210</u>	<u>18,890,937</u>	<u>(12,389,047)</u>	<u>(1,431,000)</u>	<u>28,614,100</u>

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Funds (continued)

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

(i) GAG balance carried forward is to be used for recurrent expenditure in the forthcoming period. Under the trust's Funding Agreement with the Secretary of State the Academy Trust was not subject to a limit GAG which could be carried forward at 31 August 2019.

(ii) Restricted Fixed Asset Funds relate to income received from the DfE, other government grants, transfers from GAG income and income from sponsors of individual academies prior to merger with the trust. The funds balance includes donated capital, being school buildings, fixtures and fittings, motor vehicles and computer hardware assets. The depreciation relating to the assets procured is charged against these funds over the life of the assets.

(iii) Unrestricted Funds relate to funds generated from individual schools integrating with the Academy Trust and from self-generated income by the Academy Trust's academies.

(iv) The Pension Reserve is in deficit to the value of £5,867,000 at the year end which is in excess of the unrestricted funds. The trustees will continue to monitor this situation closely.

A total of £549,177 (2018: £277,014) has been transferred from Restricted General Fund to Restricted Fixed Asset Funds in respect of capital expenditure incurred in excess of capital grants received.

The academy trust is carrying a net surplus of £2,318,459 on its restricted and unrestricted funds (excluding pensions reserves). However, some academies have seen their reserves in the period reduce and one academy (Mountbatten) has a net deficit fund balance at the end of the accounting period. Most reserve reductions were due to one-off building works designed to reduce maintenance costs and increase income going forward. There are robust plans in place at Mountbatten designed to return the Academy to a surplus position. Staffing reductions, revised income policies and tighter budgetary controls have all been implemented and will improve the financial position in the coming academic year.

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Funds (Continued)

Funds prior year

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant	937,307	5,738,533	(5,986,431)	(277,014)	412,395
Start up grants	-	30,000	-	-	30,000
Other DfE / ESFA grants	11,430	1,055,545	(908,739)	-	158,236
Other government grants	-	2,071,111	(1,999,857)	-	71,254
Other restricted funds	150,187	18,040	(18,040)	-	150,187
Pension reserve	(2,944,000)	-	(520,000)	1,185,000	(2,279,000)
	<u>(1,845,076)</u>	<u>8,913,229</u>	<u>(9,433,067)</u>	<u>907,986</u>	<u>(1,456,928)</u>
Restricted fixed asset funds					
Transferred on conversion	22,923,139	-	(659,372)	-	22,263,767
DfE / ESFA capital grants	112,772	506,566	-	-	619,338
Capital expenditure from GAG	44,554	-	-	277,014	321,568
	<u>23,080,465</u>	<u>506,566</u>	<u>(659,372)</u>	<u>277,014</u>	<u>23,204,673</u>
Total restricted funds	<u>21,235,389</u>	<u>9,419,795</u>	<u>(10,092,439)</u>	<u>1,185,000</u>	<u>21,747,745</u>
Unrestricted funds					
General funds	1,183,438	612,027	-	-	1,795,465
	<u>1,183,438</u>	<u>612,027</u>	<u>-</u>	<u>-</u>	<u>1,795,465</u>
Total funds	<u>22,418,827</u>	<u>10,031,822</u>	<u>(10,092,439)</u>	<u>1,185,000</u>	<u>23,543,210</u>

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Funds (Continued)

Total funds analysis by academy

	Total 2019 £	Total 2018 £
Fund balances at 31 August were allocated as follows:		
Thorpepark Academy	348,791	483,772
Bridgeview Special School	630,139	528,484
Sullivan Centre	412,877	471,642
Whitehouse	269,075	261,436
Mountbatten Primary School	(32,642)	3,638
Boulevard Centre	35,436	80,369
Griffin Primary School	277,774	563,316
Brooke Primary Academy	141,877	-
Marshland Primary Academy	62,199	-
Central services	172,933	224,881
Total before fixed assets fund and pension reserve	2,318,459	2,617,537
Restricted fixed asset fund	32,162,641	23,204,673
Pension reserve	(5,867,000)	(2,279,000)
Total funds	28,614,100	23,543,210

Total cost analysis by academy

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

	Teaching and support staff educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Thorpepark	1,693,240	322,260	190,675	542,641	2,748,816	2,427,886
Bridgeview	662,717	72,901	104,879	418,857	1,259,354	1,207,679
Sullivan Centre	350,178	11,372	18,131	359,208	738,889	454,253
Whitehouse	620,659	73,818	3,984	151,665	850,126	814,350
Mountbatten	1,023,957	166,495	114,580	371,835	1,676,867	1,432,606
Boulevard Centre	365,230	102,210	59,388	198,304	725,132	541,966
Griffin	1,557,413	184,918	89,742	579,004	2,411,077	2,161,276
Brooke	545,439	89,112	40,346	120,245	795,142	-
Marshland	277,058	32,531	16,997	76,189	402,775	-
Central services	320,384	276,985	18,265	363,084	978,718	593,728
	7,416,275	1,332,602	656,987	3,181,032	12,586,896	9,633,744

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Analysis of net assets between funds

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	32,162,641	32,162,641
Current assets	3,596,519	(254,527)	-	3,341,992
Creditors falling due within one year	(1,023,533)	-	-	(1,023,533)
Defined benefit pension scheme liability	-	(5,867,000)	-	(5,867,000)
Total net assets	2,572,986	(6,121,527)	32,162,641	28,614,100

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	22,757,965	22,757,965
Current assets	2,455,286	822,072	446,708	3,724,066
Creditors falling due within one year	(659,821)	-	-	(659,821)
Defined benefit pension scheme liability	-	(2,279,000)	-	(2,279,000)
Total net assets	1,795,465	(1,456,928)	23,204,673	23,543,210

20 Capital Commitments

	2019 £	2018 £
Contracted for, but not provided in the financial statements	-	446,708

21 Commitments under operating leases

At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts due within one year	44,907	22,717
Amounts due between one and five years	68,435	32,908
	<u>113,342</u>	<u>55,625</u>

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

22 Reconciliation of net income to net cash flow from operating activities

	2019	2018
	£	£
Net income for the reporting period (as per the statement of financial activities)	6,501,890	(60,617)
Adjusted for:		
Net surplus on conversion to academy	(7,595,676)	-
Capital grants from DfE/ESFA and other capital income	(129,759)	(506,566)
Interest receivable	(1,469)	(1,596)
Defined benefit pension scheme cost less contributions payable	391,000	441,000
Defined benefit pension scheme finance cost	87,000	79,000
Depreciation of tangible fixed assets	730,968	659,372
Movements in working capital:		
Decrease/ (increase) in debtors	119,243	(334,919)
Increase in creditors	363,712	28,323
Net cash provided by operating activities	466,909	303,997

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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

24 Pension and similar obligations

The Academy Trust's employees belong to three principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and two Local Government Pension Schemes (LGPS) for non-teaching staff which are arranged by East Riding and South Yorkshire. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £150,385 were payable to the schemes at 31 August 2019 and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 2014.

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. The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan so it is accounted for as a defined contribution plan.

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

24 Pension and similar obligations (Continued)

Valuation of the Teacher's Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. 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 was carried out as at 31 March 2016 and in accordance with The Public Service Pensions (Valuation and Employer Cost Cap) Directions 2014 except it has been prepared following the Government's decision to pause the operation of the cost control mechanisms at the time when legal challenges were still pending.

The valuation report was published in April 2019. The key results of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI.

As a result of the valuation, new employer contributions rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019-20 academic year.

The employer's pension costs paid to the TPS in the period amounted to £527,920 (2018: £427,113).

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17.3% for employers and 5.5% to 12.5% for employees (this applies to both schemes).

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

The current valuation does not reflect the expected increase in benefits and therefore liability as a result of Guaranteed Minimum Pension ('GMP') equalisation between men and women which is required as a result of the removal of the Additional State Pension. Methodologies for a long-term solution are still being investigated by the Government as set out in the published (January 2018) outcome of the Government Consultation 'Indexation and Equalisation of GMP in Public Sector Pensions Schemes' and therefore the expected impact cannot be reliably estimated and consequently no provision/ liability has been recognised.

During the year Brooke and Marshland Primary Schools transferred into the Academy Trust. An obligation in respect of employees who transferred with Brooke and Marshland Primary Schools to the Academy Trust was recognised in the SOFA as part of the gain on transfer of assets detailed in note 26.

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

24 Pension and similar obligations (Continued)

Total contributions made	East Riding £	South Yorkshire £	2019 Total £	2018 £
Employer's contributions	549,000	39,000	588,000	446,000
Employees' contributions	155,000	14,000	169,000	123,000
Total contributions	704,000	53,000	757,000	569,000

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2016 updated to 31 August 2019 by a qualified independent actuary. Salary increase assumptions are bespoke to each scheme based on forecast academy salary increases.

	East Riding %	South Yorkshire %	2018 %
Rate of increases in salaries	2.3	2.5	2.5
Rate of increase for pensions - payment/inflation	2.1	2.1	2.1
Discount rate for scheme liabilities	2.0	2.0	2.9

Scheme liabilities would have been affected by changes in assumptions as follows:

The assumed life expectations on retirement age 65 are:

	East Riding Years	South Yorkshire Years	2018 Years
Retiring today			
- Males	20.8	23.1	21.7
- Females	23.3	25.9	24.2
Retiring in 20 years			
- Males	22.0	25.3	23.7
- Females	24.9	28.3	26.4

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

	East Riding Fair value £	South Yorkshire Fair value £	2019 Total Fair value £	2018 Total Fair value £
Equities	2,647,000	345,000	2,992,000	2,084,000
Bonds	559,000	143,000	702,000	376,000
Property	410,000	57,000	467,000	347,000
Other assets	112,000	115,000	227,000	87,000
Total fair value of assets	3,728,000	660,000	4,388,000	2,894,000

The actual return on scheme assets was £178,000 (2018: £165,000).

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

24 Pension and similar obligations (Continued)

Amount recognised in the statement of financial activities

	East Riding £	South Yorkshire £	2019 Total £	2018 £
Past service cost	23,000	22,000	45,000	-
Current service cost	848,000	86,000	934,000	887,000
Net interest cost	70,000	17,000	87,000	79,000
Total operating charge	941,000	125,000	1,066,000	966,000

Changes in the present value of defined benefit obligations

	East Riding £	South Yorkshire £	2019 £
At 1 September 2018	5,173,000	-	5,173,000
Obligations acquired on conversion	-	2,251,000	2,251,000
Past service cost	23,000	22,000	45,000
Current service cost	848,000	86,000	934,000
Interest cost	164,000	23,000	187,000
Employee contributions	155,000	14,000	169,000
Actuarial gain	1,427,000	82,000	1,509,000
Benefits paid	(13,000)	-	(13,000)
At 31 August 2019	<u>7,777,000</u>	<u>2,478,000</u>	<u>10,255,000</u>

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

	East Riding £	South Yorkshire £	2019 £
At 1 September 2018	2,894,000	-	2,894,000
Assets acquired on conversion	-	572,000	572,000
Interest income	94,000	6,000	100,000
Return on plan assets (excluding net interest on the net defined pension liability)	49,000	29,000	78,000
Employer contributions	549,000	39,000	588,000
Employee contributions	155,000	14,000	169,000
Benefits paid	(13,000)	-	(13,000)
At 31 August 2019	<u>3,728,000</u>	<u>660,000</u>	<u>4,388,000</u>

VENN ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

25 Related party transactions

Mrs N Witham spouse of Mr S Witham, a trustee, is employed by the academy trust as a Head of School. The appointment was made in open competition and the trustee was not involved in the decision making process regarding appointment. The teaching post is paid within the normal pay scale for the role and the individual receives no special treatment as a result of their relationship to a trustee.

Trustees' remuneration and expenses are disclosed in note 11.

26 Conversion to an academy

The following Schools converted to Academy Trust status under the Academies Act 2010 on the dates set out

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

Academy	Location	Date of conversion		
Brooke Primary Academy	Thorne, Doncaster	1 Apr 2019		
Marshland Primary School	Thorne, Doncaster	1 Apr 2019		

Net assets transferred	Brooke	Marshland	2019 £
Leasehold land and buildings	5,530,000	3,480,000	9,010,000
Cash	172,731	91,945	264,676
LGPS pension deficit	(1,332,000)	(347,000)	(1,679,000)
	4,370,731	3,224,945	7,595,676

Funds Surplus/(deficit) transferred:	Unrestricted	Restricted funds:		Total 2019
	Funds	General	Fixed Assets	
	£	£	£	
Fixed asset funds	-	-	9,010,000	9,010,000
LA budget funds	264,676	-	-	264,676
LGPS pension funds	-	(1,679,000)	-	(1,679,000)
	264,676	(1,679,000)	9,010,000	7,595,676

All of the operations, assets and liabilities listed above were transferred to Venn Academy Trust from Doncaster Metropolitan Borough Council for £nil consideration.

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

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 13 November 2017 and further to the requirements of the Education and Skills Funding Agency ('ESFA') as included in the Academies Accounts Direction 2018 to 2019, to obtain limited assurance about whether the expenditure disbursed and income received by Venn Academy Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Basis for conclusion

The framework that has been applied is set out in the Academies Accounts Direction 2018 to 2019 Annex B: Regularity Reporting. We are independent of Venn Academy Trust in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Venn Academy Trust's accounting officer and trustees

The accounting officer is responsible, under the requirements of Venn Academy Trust's funding agreement with the Secretary of State for Education dated 28 August 2015 and the Academies Financial Handbook extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of Venn Academy Trust and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

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.

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 the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Financial Handbook 2018 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in Academies Accounts Direction 2018 to 2019.

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

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

Use of our report

This report is made solely to Venn Academy Trust and the ESFA in accordance with the terms of our engagement letter dated 13 November 2017. Our work has been undertaken so that we might state to the Venn 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 Venn Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

RSM UK AUDIT LLP
Chartered Accountants
Two Humber Quays
Wellington Street West
HULL
HU1 2BN

Date - 11/12/2019
