

Registered number: 08786812

Collective Vision Trust

Trustees' Report and Financial Statements

For the Year Ended 31 August 2019



Collective Vision Trust
(A Company Limited by Guarantee)

Reference and Administrative Details

Members

Mr M Dolman
Mrs S Gribbin
Mr R Dutton
Mr J Cooper
Mr I Sharp

Trustees

Mrs L Jackson, Accounting Officer¹
Mrs S Gribbin, Chair of Trustees¹
Mr J Cooper (resigned 15 November 2018)
Mr R Dutton¹
Mr R Dolman (resigned 15 November 2018)
Mrs M Gray (resigned 15 November 2018)
Mrs S Phillips¹
Mr B Roden (resigned 15 November 2018)
Mrs L Davenport¹
Mr R Swindells, Chief Financial Officer (resigned 15 November 2018)
Mrs D Skupham, Staff Trustee (resigned 15 November 2018)
Ms C Pattison, Staff Trustee (resigned 15 November 2018)
Mrs S Francis, Staff Trustee (resigned 15 November 2018)
Mrs P Barlow, Staff Trustee (resigned 15 November 2018)
Ms E Sear¹
Mr I Sharp (appointed 25 October 2018, resigned 15 November 2018)
Mr M Dolman (resigned 15 November 2018)

¹ Member of the Finance and Audit Committee

Company registered number

08786812

Company name

Collective Vision Trust

Principal and registered office

Chesterton Community Sports College
Castle Street
Chesterton
Newcastle under Lyme
Staffordshire
ST5 7LP

Collective Vision Trust
(A Company Limited by Guarantee)

Reference and Administrative Details (continued)
For the Year Ended 31 August 2019

Company secretary

Mrs J Stokes

Senior management team

Mrs L Jackson, Executive Headteacher & CEO
Mr R Swindells, Chief Financial Officer, Premises and Assets, Deputy CEO & Headteacher CCSC
Mrs D Skupham, Director of Pupil Health, Well-being and Safety & Headteacher CPS
Ms S Melvin, Director of Partnership and Communications & Deputy Headteacher CCSC
Mrs S Formosa, Director of Teaching and Learning
Ms S Stevenson, Headteacher Crackley Bank Primary School
Mrs K Wildman, Acting Headteacher Chesterton Primary School (resigned February 2019)

Independent auditors

Dains LLP
Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke on Trent
ST1 5RQ

Bankers

Lloyds Bank Plc
46-48 High Street
Newcastle under Lyme
Staffordshire
ST5 1QY

Solicitors

Grindeys Solicitors
Swift House, Glebe Street
Stoke on Trent
ST4 1HG

Collective Vision Trust
(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 31 August 2019

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 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 operates 3 Primary and 1 Secondary Academies in Newcastle-under-Lyme. Its academies have a combined pupil capacity of 1,671 and a head roll of 1,446 in the schools' census in Summer 2019.

Structure, governance and management

a. Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy Trust.

The Trustees of Collective Vision Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Collective Vision Trust and the schools are known as Chesterton Community Sports College, Churchfields Primary School, Crackley Bank Primary School and Chesterton Primary School.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. 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.

c. Trustees' indemnities

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim.

d. Method of recruitment and appointment or election of Trustees

The management of the Academy Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

e. Policies adopted for the induction and training of Trustees

New Trustees/Directors are inducted on a bespoke basis. They have special induction meetings with the CEO and the Chair of the trust. From this an appropriate training package is agreed.

Ongoing training for Directors is provided regularly through informal briefings and also via updates posted on the Governor Portal.

Collective Vision Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2019

Structure, governance and management (continued)

f. Organisational structure

The organisational structure of the academy has three levels: Governance leadership and management.

The Directors are responsible for setting the vision and aims of the Trust, adopting and monitoring the annual school development plans and budgets and making major strategic decisions about the future of the Trust, capital expenditure and senior staff appointments.

The Trust Leadership Team operates as the academy executive and provides regular reports to the Directors. This team consists of:

- CEO/Executive Headteacher
- Director of Finance, Premises and Assets/Deputy CEO/ Headteacher CCSC
- Director of Pupil Health, Well-being and Safety / Headteacher of Churchfields
- Director of Teaching and Learning / Headteacher of Chesterton Primary
- Director of Partnership and Communication / Deputy Headteacher of CCSC
- Director of Pupil Behaviour (Primary) / Headteacher of Crackley Bank Primary School
- Headteachers of all schools within the Trust

The management team within each school operates the academic, pastoral and business functions of the academies and reports to the Trust Leadership Team.

The board of Directors has in place a delegation policy showing the limits at which expenditure can be authorised at each level of management within the academy.

All schools within the Trust have their own local Governing Body which operated under a scheme of delegation which has been agreed by the Directors of the Trust.

g. Arrangements for setting pay and remuneration of key management personnel

Staff pay is governed by the Collective Vision Trust Pay Policy, which is reviewed by Directors annually. Performance management reviews occur on an annual cycle and are used as the procedure on which decisions for individuals to progress through the pay scales are made. There is a clear system, laid down in the policy, and line managers review people's performance regularly throughout the year and this is part of the day to day practice and culture of the organisation. Directors' Pay Committee, which is made up of the members of the Trust, considers the management recommendations for pay progression and has the ultimate say in the decision making.

Key individuals

Trustees (non- SLT employees). The process is the same as for all staff outlined above. It is clear rigorous and evidence based.

Trust senior leadership roles

In setting the original pay rates for members of the trust leadership the pay committee looked at evidence from a report in terms of roles and responsibilities, this evidence also looked at benchmarking against similar vacancies that have been advertised and pay levels in other trusts nationally of a similar size. External opinion was also taken from the consultant who advises on the CEO's Performance Management.

Future pay progression follows a rigorous performance management process. Directors receive external support from a consultant, who is a recently retired CEO with a proven track record, when reviewing the performance of the CEO. The CEO follows the same process with the Trust Senior Leaders and Headteachers. Recommendations are then made to the pay committee who make the final decision.

Structure, governance and management (continued)

Other Headteachers within the trust

The CEO undertakes a rigorous performance management process that is evidence based for all Headteachers within the trust. Recommendations for any pay progression are based upon an impartial examination of the facts. These recommendations are then discussed with the local governing bodies which pass on recommendations to the Trust's Pay Committee for a final decision.

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

	£	
Total cost of facility time (Staffordshire pooled facilities time Sept-August)	1,192	
Total pay bill	6,267,777	
Percentage of total pay bill spent on facility time	0.02	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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i. Related parties and other connected charities and organisations

Until 1st October 2016 the academy consisted of two schools. Chesterton Community Sports College which sponsors Churchfields Primary School.

Key personnel work across the academy.

Crackley Bank Primary School and Chesterton Primary School joined the Trust in October 2016.

The academy trust also has the lease for Chesterton Vision Centre, where it ensures the provision of youth centre facilities for the local community. Assistant Headteacher for CCSC runs the team of volunteers that delivers the youth provision.

Collective Vision Trust provides IT services to some schools outside the Trust: Bursley Academy, St Chad's Primary and Knutton St Mary's.

Collective Vision Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2019

Structure, governance and management (continued)

Objectives and activities

a. Objects and aims

The main objective of the Academy Trust is to ensure that all pupils achieve the highest possible standards. This applies to both academic qualifications and to wider aspects of learning.

We aim that pupils leave our schools as fully rounded individuals who have the educational, social and emotional skills to play a full part in their local, national and inter-national community.

b. Objectives, strategies and activities

Chesterton Academy Trust

The main aims of the academy trust over the next three years are to:

- Develop MAT infra-structure
- Ensure all schools increase standards of attainment and progress to well above national expectations
- Develop reputation of being a very supportive and successful MAT
- Provide a quality service for schools in the trust
- Expand membership of MAT

Chesterton Community Sports College

The main objectives for the Academic Year 2018-19 were:

- Continue to have healthy intake for NOR
- Ensure that Progress 8 improves to a more stable level
- Develop greater progress in all subjects with current negative score.
- Continue to challenge all pupils in all areas to exceed their potential, especially the most able
- Focus on performance of our most disadvantaged pupils
- Explore expansion opportunities to cater for larger numbers
- Develop Teaching, Learning & Assessment across the school to further improve results.
- Continue to support & lead the MAT in areas of focus.

Churchfields Primary School

The main objectives for the Academic Year 2018-19 were:

- Develop a love of reading
- More children to reach GD
- Pupil Premium children in Year 6

Crackley Bank Primary School

The main objectives for the Academic Year 2018-19 were:

1. Increase standards of attainment and progress to well above national expectations
2. Further strengthen the school's leadership
3. Develop pupils' well-being
4. Develop staff well-being

Objectives and activities (continued)

Chesterton Primary School

The main objectives for the Academic Year 2018-19 were:

1. Standards: Accelerate rates of progress and attainment
2. Increase number on roll in early years and across school
3. Ensure systems and structures impact on pupil learning
4. Teaching and Learning to be consistently good and outstanding
5. SEND – to ensure all children have the provision they need

All schools show commitments to local, national and international charities and have undertaken activities that educate pupils and show support for many charities. The principal ones are:

- Salvation Army Christmas Toy Appeal
- Heartstart
- Royal British Legion Poppy appeal
- Children in Need
- Comic Relief
- Fair Trade
- Oxfam
- Douglas MacMillan
- Sports Relief
- Local charity to support an individual disabled child
- Operation Christmas Child (Samaritan's Purse)
- Cancer Research
- Dementia Friends
- Christmas Hampers (Local care homes etc)
- Leukaemia Care
- Alice charity
- Stoke City Community Trust

c. Public benefit

The Academy trust has continued to manage the public use to the Sports Centre at Chesterton Community Sports College. The centre is well used by many different local community groups and individuals. In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Objectives and activities (continued)

Strategic report

Achievements and Performance

Chesterton Community Sports College opened as an Academy on 1st December 2013 and replaced the previous school of the same name. The school was last inspected in March 2016 where it was judged to be good.

The school's reputation amongst the community is very strong. The school is increasingly popular with parents. Our intake is consistently above PAN. In 2018 the ESFA increased the numbers we can admit on our funding agreement. In September 2018 we had a record intake of over 200 pupils into year 7, this was repeated in September 2019.

Churchfields Primary School opened as an Academy on 1st December 2013 and replaced the previous school of the same name. The school was inspected in July 2015 when it was judged to be 'outstanding' in all categories.

Since then standards have continued to rise and are now largely in line with national averages. With the exception of reading, which is a particular focus for the school.

There has also been a significant increase in the demand for places with most year groups being full.

Crackley Bank Primary School opened as an academy on 1st October 2016 and replaced the previous school of the same name. Although the school had an Ofsted category of good at the time of conversion, there were concerns about standards and the school was below floor standards because of progress scores at Key Stage 2.

The school has improved its performance considerably since joining the trust. Results in 2018 showed significant improvement in all areas with many categories being above national averages. Results for 2019 continued this trend with some areas showing positive progress measures. The school has been subject to an Ofsted inspection in September 2019 and continues to be good.

Chesterton Primary School opened as an academy on 1st October 2016 and replaced the previous school of the same name. Although the school had an Ofsted category of good at the time of conversion, there were considerable concerns about current standards.

Results continue to be a concern, however, there has been a considerable staffing and leadership change since the Trust took responsibility for the school and there has been changes to the ethos, and values in the school. The standard of behaviour and engagement of the children has improved considerably. The results in 2019 showed some green shoots in recovery particularly with respect to mathematics and Key Stage 1. The school has been subject to an Ofsted inspection in September 2019 (the second week of the academic year) and was judged to have Serious Weaknesses. A judgement that reflected the inadequate standards but the fact that the school and the Trust demonstrated the capacity to make the required improvements

(continued)

a. Key performance indicators

Chesterton Community Sports College

- Ofsted Inspection March 2016 – Good, with outstanding comments
- Very high percentage (95%) of pupils entered for the EBACC
- Curriculum developed to introduce a wider depth & range of subjects, bespoke to pupils needs.
- Increasing number of pupils across the school making good progress
- Pupil and parent surveys show very high level of satisfaction
- All year groups are oversubscribed
- Pupil intake for year 7 in September was 196 (PAN 140)
- 94% of pupils stay in education or enter employment – this is equal to the National Average.

Churchfields Primary School

- Ofsted Inspection July 2015 – Outstanding in all categories
- KS2 - Achieving the main measure of reading, writing and maths combined was 52%.
- KS2 achieving the standard or higher in each subject were: Reading 52%, Maths 74%, Writing 81% (above national average)
- KS1 achieving the standard or higher in each subject were: Reading 64%, Maths 69%, Writing 59%
- Phonics results are higher than the national average – 91% compared to 82%. This is a consistent trend.

Crackley Bank Primary School

- Ofsted Inspection September 2019 – Good
- Achieving the main measure in KS2 reading, writing and maths combined was 53%.
- KS2 achieving the standard or higher in each subject were: Reading 58%, Maths 74%, Writing 79%
- This showed a much improved set of progress results: -0.4, 0.3, 1.7. This continues to show a clear upward trend in results over time.
- KS1 achieving the standard or higher in each subject were: Reading 70%, Maths 65%, Writing 65%
- Phonics results were the same as national average, 82%

Chesterton Primary School

- Ofsted Inspection September 2019 – Inadequate (Serious Weaknesses)
- Ofsted graded Behaviour and Early years as Good
- KS2 - Achieving the main measure of reading, writing and maths combined was 37%., an 8% increase on the previous year
- KS2 achieving the standard or higher in each subject were: Reading 37%, Maths 63% (24% increase on the previous year), Writing 67% (13% up on previous year)
- KS1 achieving the standard or higher in each subject were: Reading 53% (26% increase from previous year), Maths 68% (21% increase on previous year), Writing 53% (6% increase on previous year).

b. Going concern

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

Collective Vision Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2019

(continued)

Financial review

The Academy Trust's key source of funding is the General Annual Grant (GAG) from the Education and Skills Funding Agency (ESFA). Funding from the ESFA is shown as restricted funds in the Statement of Financial Activities. During the year to 31 August 2019, the Academy Trust received GAG of £6,705,568 in addition to other income sources. The analysis of the specific grants and income received can be seen within notes 3 to 6 to the financial statements.

During the year to 31 August 2019, total resources expended are £8,331,836 excluding depreciation and amortisation. Depreciation and amortisation of £385,793 has been charged during the year against the restricted fixed asset fund.

The excess of income over expenditure for the period (excluding the movement in the pension reserve and restricted fixed asset fund) was £346,002.

At 31 August 2019, the net book value of tangible fixed assets totaled £12,283,083 and movements in tangible fixed assets are shown in note 15 to the financial statements. The net book value of intangible assets totaled £292, movements in intangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and associated support services to the students of the Academy Trust.

Financial review

a. Reserves policy

The reserves policy encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The individual academy reserves will be held together and in total will form the central trust reserves. Individual academies will have access to these reserves.

The Board of Directors review the reserve levels of The Collective Vision Trust annually.

The appropriate level of free reserves should be equivalent to 12 weeks expenditure to provide sufficient working capital to cover the delays between spending and receipt of grants to provide a cushion to deal with unexpected emergencies such as urgent maintenance. When they are lower than required the Academy Trust will continue building up reserves until they reach it.

The aim of the Directors is to maintain a level of free reserves that will be adequate to provide a stable base for the continuing operation of the Academy Trust whilst ensuring that excessive funds are not accumulated. The Reserves provide a cushion to deal with unexpected emergencies such as urgent maintenance, help to maintain staffing levels during a short-term reduction in pupil numbers, for maternity cover, long-term illness cover and help to plan for capital projects. Reserve level are regularly discussed at Finance and Audit Committee meetings, and will be reviewed annually.

Current reserves of £668,266 (excluding the pension reserve and restricted fixed asset fund) are being held in line with the above.

(continued)

Financial review (continued)

b. Investment policy

Introduction

The Academy Trust aims to manage surplus cash to provide the day-to-day working capital requirements of its operations, whilst seeking to protect its value against inflation. In addition, the Academy Trust aims to invest surplus cash funds to optimize returns whilst ensuring the level of risk taken is appropriate.

Objectives and Targets

- To ensure adequate cash balances are maintained to cover day-to-day working capital requirement
- To avoid the risk of loss in the capital value of any cash funds invested
- To protect the capital value of any invested funds against inflation
- To optimize returns on invested funds

Action plan

Adequate cash balances must be maintained to ensure that there are always sufficient funds in the school's current account to cover financial commitments such as payroll and day-to-day expenses. When the cash flows identify a base level of cash funds that will be surplus to requirements, these may be invested only in the following:

Interest bearing accounts

Deposits or other investments where the risk of loss is minimized.

Funds, and any interest they earn, will be automatically reinvested, unless they are required for immediate or anticipate expenditure.

Monitoring and evaluation

The Bursar will compare alternative investment opportunities every year to ensure that the Academy Trust's funds achieve the best interest rates. An independent financial adviser will be used to undertake the research and make a recommendation.

The CEO and Bursar are responsible for ensuring that this policy is adhered to.

(continued)

Financial review (continued)

c. Principal risks and uncertainties

The principal risks and uncertainties have been assessed and are as follows:

Financial – The Academy Trust has considerable reliance on continued Government funding and whilst this level is expected to continue, there is no assurance the government policy or practice will remain the same, or that public funding will continue at the same levels or on the same terms.

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

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

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

Staffing – the success of the Academy Trust is reliant on the quantity of its staff and so the Directors monitor and review policies and procedure to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds – The Academy Trust has appointed a Responsible Officer to carry out checks on financial records. All finance staff receive training to keep them up to date with financial requirements and develop their skills in this area.

Fundraising

- Individual academies within the Trust do carry out fundraising activities from time to time. Proceeds of these can either be for school funds or for external charities (national and local).
- Fundraising activities vary from Seasonal Fayres, Community events, to own clothes days and cake sales.
- Participation in all these events are purely voluntary and parents are not forced to donate.
- All fundraising is organised within the individual academies either by staff or parents. Professional fundraisers are not used.
- Any complaints regarding fundraising would be addressed through the normal complaints procedure.

Plans for future periods

Collective Vision Trust

Main development priorities and key actions are:

- Develop MAT infra-structure
- Ensure all schools increase standards of attainment and progress to well above national expectations
- Develop reputation of being a very supportive and successful MAT
- Provide a quality service for schools in the trust
- Expand membership of MAT
- Develop collaborative and supportive strategies that ensures that schools and leaders are well equipped for dealing with raising standards and facing external scrutiny.

Chesterton Community Sports College

The school priorities and key actions are:

- To develop further pupils independent learning skills
- Introduce recap weeks to aid the recall of knowledge and skills
- Develop pupils' short and long term memory
- Expand extra-curricular activities and Out of Hours Learning
- Develop pupil and parental engagement.

Churchfields Primary School

The school priorities and key actions are:

- To ensure outcomes are at least in line with national expectations at all Key Stages by children making substantial and sustained progress
 - o Reading results to improve in Year 6 to be back in line with writing and maths
 - o Boys results to be in line with girls in Year 6 / 2/ EYFS
 - o Disadvantaged pupils in year 6 to make at least expected progress
 - o KS1 results to be at least in line with national average
 - o EYFS data to be at least in line with national average
- To develop a clear and effective curriculum which meets the needs of all children so that they acquire a full range of knowledge and skills – this is linked with developing staff and skill areas to be shared
- To further develop reading across all areas of school life
- Attendance to reach 96% attendance target
- EYFS provision to be further developed to ensure that children have the best possible start at Churchfields

Chesterton Primary School

The school priorities and key actions are:

- Quality of Education - To develop a clear, transparent and effective curriculum which supports children in acquiring a full range of knowledge and skills where reading is at the heart of the curriculum
- Behaviour and Attitudes - To provide a safe and secure learning environment where children are challenged in their learning and are ambitious in their outlook.
- Personal Development - To develop our children's understanding of themselves, their physical and mental well-being and their role in modern Britain
- Leadership and Management - To drive up standards by leading the school with clear values, ambition and inclusivity - all underpinned by strong policy and practice.

Crackley Bank Primary School

The school priorities and key actions are:

- Ensuring the lower 20% of pupils close the gap in Early Reading/phonics
- Ensuring the sequence of maths both within lessons and over time supports learning in KS1 and early years.
- Developing the wider curriculum to ensure it meets the requirements of the new framework. Developments will focus upon breadth, ambition and sequencing.

Collective Vision Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2019

Plans for future periods (continued)

- Developing the Science curriculum to ensure it meets the requirements of the new framework.

Funds held as custodian on behalf of others

No funds are held on behalf of others.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' Report was approved by order of the board of Trustees, as the company directors, on 12 December 2019 and signed on its behalf by:



.....
Mrs S Gribbin
Chair of Trustees

Collective Vision Trust
(A Company Limited by Guarantee)

Governance Statement

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Collective Vision 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 CEO, 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 Collective Vision 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.

During 2018 we were nominated to take part in the National MAT Development Programme and were paired up with City of London Academy Trust. Following a rigorous self and peer review we identified our Governance structure as needing reform. This meant proposing considerable change to meet our needs as well as the Department of Education's latest guidelines. Our members were increased to five and three of these five would not be Directors. The Board of Directors was reduced to six Directors. The Finance and Audit Committee was formed and all Directors sit on it. Each school has a local Governing Body with a clear scheme of delegation. The changes to Governance came into effect in October 2018.

The board of Trustees has formally met 3 times during the year.

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

Trustee	Meetings attended	Out of a possible
Mrs L Jackson, Accounting Officer	3	3
Mrs S Gribbin, Chair of Trustees	2	3
Mr J Cooper	0	0
Mr R Dutton	2	3
Mr R Dolman	0	0
Mrs M Gray	0	0
Mrs S Phillips	2	3
Mr B Roden	0	0
Mrs L Davenport	3	3
Mr R Swindells, Chief Financial Officer	0	0
Mrs D Skupham, Staff Trustee	0	0
Ms C Pattison, Staff Trustee	0	0
Mrs S Francis, Staff Trustee	0	0
Mrs P Barlow, Staff Trustee	0	0
Ms E Searl	1	3
Mr I Sharp	0	0
Mr M Dolman	0	0

Collective Vision Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

The Finance and Audit Committee is a sub-committee of the main board of Trustees. The purpose of meeting as a Finance and Audit Committee is to monitor the financial activities of the Academy Trust and make decisions relating to finance. It also has the responsibilities of the audit committee, in order to review the controls over the Academy Trust's finances.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs L Jackson	5	5
Mrs S Gribbin	3	5
Mr R Dutton	4	5
Mrs L Davenport	4	5
Ms E Searl	3	5
Mrs S Phillips	3	5

Governance Statement (continued)

Review of value for money

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

The Trust is committed to:-

1. Improving educational outcomes

This is demonstrated by the results for all academies for 2018/19:

Chesterton Community Sports College

- Ofsted Inspection March 2016 – Good, with outstanding comments
- Very high percentage (95%) of pupils entered for the EBACC
- Curriculum developed to introduce a wider depth & range of subjects, bespoke to pupils needs.
- Increasing number of pupils across the school making good progress
- Pupil and parent surveys show very high level of satisfaction
- All year groups are oversubscribed
- Pupil intake for year 7 in September was 196 (PAN 140)
- 94% of pupils stay in education or enter employment – this is equal to the National Average.

Churchfields Primary School

- Ofsted Inspection July 2015 – Outstanding in all categories
- KS2 - Achieving the main measure of reading, writing and maths combined was 52%.
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- Ofsted Inspection September 2019 – Good
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- This showed a much improved set of progress results: -0.4, 0.3, 1.7. This continues to show a clear upward trend in results over time.
- KS1 achieving the standard or higher in each subject were: Reading 70%, Maths 65%, Writing 65%
- Phonics results were the same as national average, 82%

Governance Statement (continued)

Review of value for money (continued)

Chesterton Primary School

- Ofsted Inspection September 2019 – Inadequate (Serious Weaknesses)
- Ofsted graded Behaviour and Early years as Good
- KS2 - Achieving the main measure of reading, writing and maths combined was 37%, an 8% increase on the previous year
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- KS1 achieving the standard or higher in each subject were: Reading 53% (26% increase from previous year), Maths 68% (21% increase on previous year), Writing 53% (6% increase on previous year).

2. Robust Governance and Oversight of Academy Finances

The trust benefits from Directors with financial experience and they have employed a firm of accountants to review key financial policies, systems and procedures, including ensuring the Responsible Officer role is fulfilled. The Governing Body receives regular reports on compliance.

The trust receives support throughout the year from an Entrust Support Officer, including a designated accountant and from its External Auditors on compliance and accounting practices.

The Finance and Audit Committee receives regular monitoring reports and report on compliance with the Scheme of Delegation. The Board approves the budget each year and is mindful of the need to balance expenditure against income to ensure that the Trust remains a 'going concern'. The Directors also receive and approve the Annual Accounts and the External Auditors Management Report

3. Better Purchasing

The Trust monitors and reviews its contracts on a regular basis ensuring each provides value for money. Regular meetings are held with the CEO, the Bursar and the Headteacher(s) with main service providers to ensure that the contracts remain fit for purpose and give the academies the best possible deal.

The Trust regularly monitors its financial and educational performance against other academies to demonstrate that it is providing value for money.

Tendering exercises ensure that major purchases achieve value for money.

The Trust looks at purchases across both academies to ensure that the best deal is achieved by the increased purchasing power of four schools. The trust has also used the Crown Commercial Services to improve its value for money.

4. Maximising income generation

The Trust takes every opportunity to generate income through the hire of its facilities. The sporting facilities are heavily used for the benefit of the local community.

The Trust also provides ICT services to a number of local primary schools outside the trust this benefits all schools.

5. Reviewing controls and managing risks

The CEO along with the Bursar and Headteachers review expenditure within each budget heading and make adjustments based on the effectiveness of strategies introduced in previous years, curriculum changes and any other new strategies identified in the School Development Plans.

Governance Statement (continued)

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

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the 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 Trust's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Dains LLP, the external auditors, to perform additional checks.

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of income systems
- Testing of control account/bank reconciliations

On a termly basis, the reviewer reports to the board of Trustees on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities.

The external auditors have delivered their schedule of work as planned with no material control issues arising as a result of the work undertaken.

Governance Statement (continued)

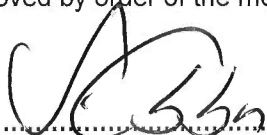
Review of effectiveness

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

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

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



.....
Mrs S Gribbin
Chair of Trustees
Date: 12 December 2019



.....
Mrs L Jackson
Accounting Officer

Collective Vision Trust
(A Company Limited by Guarantee)

Statement on Regularity, Propriety and Compliance

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

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

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



Mrs L Jackson
Accounting Officer
Date: 12 December 2019

Collective Vision Trust
(A Company Limited by Guarantee)

Statement of Trustees' responsibilities
For the Year Ended 31 August 2019

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

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

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

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

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

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

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



.....
Mrs S Gribbin
Chair of Trustees
Date: 12 December 2019

Independent Auditors' Report on the financial statements to the Members of Collective Vision Trust

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Collective Vision Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Collective Vision Trust
(continued)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Independent Auditors' Report on the financial statements to the Members of Collective Vision Trust
(continued)

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Jonathan Dudley (Senior Statutory Auditor)

for and on behalf of

Dains LLP

Statutory Auditor

Chartered Accountants

Suite 2, Albion House

2 Etruria Office Village

Forge Lane

Etruria

Stoke on Trent

ST1 5RQ

12 December 2019

Collective Vision Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Collective Vision Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 21 September 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Collective Vision Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Collective Vision Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Collective Vision Trust's funding agreement with the Secretary of State for Education dated 1 September 2016 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Collective Vision Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Collective Vision Trust and the Education & Skills Funding Agency (continued)

Conclusion

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



Dains LLP

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Etruria
Stoke on Trent
ST1 5RQ

Date: 12 December 2019

Collective Vision Trust
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	1,813	1,282	1,804,862	1,807,957	386,302
Charitable activities	4	153,695	7,998,371	-	8,152,066	7,550,502
Other trading activities	5	270,038	7,628	-	277,666	318,782
Investments	6	905	-	-	905	470
Total income		426,451	8,007,281	1,804,862	10,238,594	8,256,056
Expenditure on:						
Raising funds	7	173,979	-	-	173,979	164,195
Charitable activities	8	223,860	7,933,997	385,793	8,543,650	8,404,058
Total expenditure		397,839	7,933,997	385,793	8,717,629	8,568,253
Net income		28,612	73,284	1,419,069	1,520,965	(312,197)
Transfers between funds	19	-	(64,894)	64,894	-	-
Net movement in funds before other recognised gains/(losses)		28,612	8,390	1,483,963	1,520,965	(312,197)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	25	-	(1,444,000)	-	(1,444,000)	892,000
Net movement in funds		28,612	(1,435,610)	1,483,963	76,965	579,803
Reconciliation of funds:						
Total funds brought forward		295,544	(3,002,280)	11,607,739	8,901,003	8,321,200
Net movement in funds		28,612	(1,435,610)	1,483,963	76,965	579,803
Total funds carried forward		324,156	(4,437,890)	13,091,702	8,977,968	8,901,003

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

The notes on pages 31 to 58 form part of these financial statements.

Balance Sheet
For the Year Ended 31 August 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	14	292	3,792
Tangible assets	15	12,283,083	11,366,716
		<u>12,283,375</u>	<u>11,370,508</u>
Current assets			
Stocks	16	6,070	4,028
Debtors	17	1,489,427	406,883
Cash at bank and in hand		1,006,406	744,155
		<u>2,501,903</u>	<u>1,155,066</u>
Creditors: amounts falling due within one year	18	(1,025,310)	(595,571)
Net current assets		<u>1,476,593</u>	<u>559,495</u>
Total assets less current liabilities		<u>13,759,968</u>	<u>11,930,003</u>
Net assets excluding pension liability		<u>13,759,968</u>	<u>11,930,003</u>
Defined benefit pension scheme liability	25	(4,782,000)	(3,029,000)
Total net assets		<u><u>8,977,968</u></u>	<u><u>8,901,003</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	13,091,702	11,607,739
Restricted income funds	19	344,111	26,720
Restricted funds excluding pension liability	19	13,435,813	11,634,459
Pension reserve	19	(4,782,000)	(3,029,000)
Total restricted funds	19	<u>8,653,813</u>	<u>8,605,459</u>
Unrestricted income funds	19	<u>324,155</u>	<u>295,544</u>
Total funds		<u><u>8,977,968</u></u>	<u><u>8,901,003</u></u>

The financial statements on pages 28 to 58 were approved by the Trustees, and authorised for issue on 12 December 2019 and are signed on their behalf, by:

Mrs S Gribbin
Chair of Trustees



The notes on pages 31 to 58 form part of these financial statements.

Collective Vision Trust
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	214,622	(213,363)
Cash flows from investing activities	22	47,629	(114,395)
Change in cash and cash equivalents in the year		262,251	(327,758)
Cash and cash equivalents at the beginning of the year		744,155	1,071,913
Cash and cash equivalents at the end of the year	23	1,006,406	744,155

The notes on pages 31 to 58 form part of these financial statements

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Collective Vision Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **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 in the year it is receivable and to the extent that the goods have been provided or on completion of the service.

1. Accounting policies (continued)

1.3 Income (continued)

1.4 Expenditure

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

● **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, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Intangible assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

All intangible assets are considered to have a finite useful life. Computer software are considered to have a useful life of three years and are written off over this period.

1. Accounting policies (continued)

1.7 Tangible fixed assets

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

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

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 incorporating income and expenditure account.

The long term leasehold land and buildings within the accounts relates to the academy premises which were donated to the academy on conversion on a 125 year lease from Staffordshire County Council. The leasehold land and buildings were valued using the ESFA valuation. These are being depreciated in accordance with the depreciation policies set out below. No annual charge is made for the use of the land and buildings under the terms of the lease.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Depreciation is provided on the following bases:

Long-term leasehold land	- 125 years straight line
Long-term leasehold property	- 10 - 50 years straight line
Furniture and equipment	- 5 years straight line
Motor vehicles	- 5 years straight line
Building improvements	- 10 years straight line
Computer equipment	- 4 years straight line

1.8 Operating leases

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

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1. Accounting policies (continued)

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.14 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1. Accounting policies (continued)

1.15 Pensions

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

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

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

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

1.16 Fund accounting

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

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

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

Transfers between funds relate to fixed asset purchases from restricted general funds.

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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.

Long-term leasehold land and buildings

The long term leasehold land and buildings within the accounts relates to the academy premises which were donated to the academy on conversion on a 125 year lease from Staffordshire County Council. The leasehold land and buildings were valued using the ESFA valuation for Chesterton Community Sports College and Churchfields Primary School. The net book values of the assets held by the Local Authority, at the date of conversion, were used as a basis of valuation for Crackley Bank Primary School and Chesterton Primary School. These are being depreciated in accordance with the depreciation policies set out in note 1. No annual charge is made for the use of the land and buildings under the terms of the lease, based on management not being able to reliably measure the open market rate.

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	1,813	1,282	-	3,095	398
Capital Grants	-	-	1,804,862	1,804,862	385,904
	<u>1,813</u>	<u>1,282</u>	<u>1,804,862</u>	<u>1,807,957</u>	<u>386,302</u>
Total 2018	<u>398</u>	<u>-</u>	<u>385,904</u>	<u>386,302</u>	

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	6,705,568	6,705,568	6,217,253
Pupil Premium	-	569,176	569,176	579,641
Universal Infant Free School Meals	-	80,727	80,727	104,126
PE Grant	-	53,610	53,610	53,050
Year 7 Catch Up Grant	-	11,306	11,306	9,515
	-	7,420,387	7,420,387	6,963,585
Other government grants				
Nursery Education funding	-	252,813	252,813	234,968
Special Needs Grant	-	162,752	162,752	204,658
Teachers pay grant	-	74,430	74,430	-
Local Authority Pupil Premium	-	15,340	15,340	3,800
	-	505,335	505,335	443,426
Other funding				
Ecorys UK Grant	-	23,900	23,900	24,400
Educational services (trip income, tuition and course fees)	153,695	48,749	202,444	119,091
	153,695	7,998,371	8,152,066	7,550,502
Total 2018	75,996	7,474,506	7,550,502	

5. Income from other trading activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Miscellaneous income	66,158	7,628	73,786	90,813
Lettings income	89,662	-	89,662	84,973
Meals and refreshments	50,403	-	50,403	86,864
ICT support income	63,815	-	63,815	56,132
	270,038	7,628	277,666	318,782
Total 2018	309,402	9,380	318,782	

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	905	905	470

The total for 2018 of £470 is represented entirely by unrestricted funds.

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on fundraising trading activities:					
Allocated support costs	95,142	34,969	43,868	173,979	164,195
Educational Operations:					
Direct costs	5,204,832	80,186	398,172	5,683,190	5,641,579
Allocated support costs	975,054	767,499	1,117,908	2,860,461	2,762,479
	<u>6,275,028</u>	<u>882,654</u>	<u>1,559,948</u>	<u>8,717,630</u>	<u>8,568,253</u>
Total 2018	<u>6,269,358</u>	<u>882,013</u>	<u>1,416,882</u>	<u>8,568,253</u>	

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

8. Analysis of expenditure by activities

	Direct costs 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Educational Operations	5,683,190	2,860,460	8,543,650	8,404,058
Total 2018	5,641,579	2,762,479	8,404,058	

Analysis of direct costs

	Total funds 2019 £	Total funds 2018 £
Staff costs	5,204,832	5,237,709
Depreciation	80,186	116,158
Educational supplies	191,380	139,901
Examination fees	66,891	59,070
Staff development	12,690	21,671
Other direct costs	127,211	67,070
	5,683,190	5,641,579

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
LGPS adjustment	88,000	92,000
Staff costs	975,054	922,877
Depreciation	305,607	330,645
Staff development	8,691	2,205
Educational consultancy	40,609	27,106
Professional fees	23,295	12,827
Supply teacher insurance	52,537	24,475
Other support costs	317,100	329,224
Maintenance of premises	107,404	99,932
Maintenance of equipment	7,521	5,564
Cleaning	188,962	157,694
Operating leases	93,788	99,277
Rates	32,673	30,943
Water rates	23,112	29,596
Energy	142,414	127,854
Insurance	46,147	46,814
Transport	7,298	10,530
Technology	152,040	124,628
Other occupancy costs	248,209	288,288
	2,860,461	2,762,479

9. Net income

Net income for the year includes:

	2019 £	2018 £
Depreciation of tangible fixed assets		
- owned by the charity	382,293	443,301
Amortisation of intangible assets	3,500	3,500
Fees paid to auditors for:		
- audit	14,950	14,500
- other services	2,950	2,950

Notes to the Financial Statements
For the Year Ended 31 August 2019

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	4,762,603	4,684,691
Social security costs	459,487	436,228
Pension costs	1,045,687	1,077,000
	<u>6,267,777</u>	<u>6,197,919</u>
Supply teacher costs	3,090	64,639
Staff restructuring costs	4,161	6,800
	<u>6,275,028</u>	<u>6,269,358</u>

b. Staff numbers

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

	2019 No.	2018 No.
Teachers	68	72
Administration and support	98	113
Management	12	13
	<u>178</u>	<u>198</u>

10. Staff costs (continued)

c. Higher paid staff

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

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

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and senior management team as listed on page 2. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the academy was £624,903 (2018: £639,304).

11. Central services

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

MAT staffing cost and service level agreements which cover the following: HR, Health and safety, Governance, Legal services, Occupational health, Payroll, Property management, Admissions, Free school meals checking, Attend EDC, Finance and audit costs.

The Academy Trust charges for these services on the following basis:

The MAT charges 6.5% from GAG funding from each school.

The actual amounts charged during the year were as follows:

	2019	2018
	£	£
Chesterton Community Sports College	239,996	224,724
Churchfields Primary School	84,632	73,980
Crackley Bank Primary School	57,318	57,192
Chesterton Primary School	51,797	49,644
Total	<u>433,743</u>	<u>405,540</u>

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2019	2018
		£	£
Mrs L Jackson, Accounting Officer	Remuneration	95,000 -	90,000 -
		100,000	95,000
	Pension contributions paid	15,000 -	15,000 -
		20,000	20,000
Mr R Swindells, Chief Financial Officer (resigned 15 November 2018)	Remuneration	10,000 -	80,000 -
		15,000	85,000
	Pension contributions paid	0 - 5,000	10,000 -
			15,000
Mrs D Skupham, Staff Trustee (resigned 15 November 2018)	Remuneration	10,000 -	75,000 -
		15,000	80,000
	Pension contributions paid	0 - 5,000	10,000 -
			15,000
Mr D Maxted, Staff Trustee, (resigned 25 June 2018)	Remuneration	N/A	35,000 -
			40,000
	Pension contributions paid	N/A	5,000 -
			10,000
Ms C Pattison, Staff Trustee (resigned 15 November 2018)	Remuneration	5,000 -	40,000 -
		10,000	45,000
	Pension contributions paid	0 - 5,000	5,000 -
			10,000
Mrs S Francis, Staff Trustee (resigned 15 November 2018)	Remuneration	0 - 5,000	25,000 -
			30,000
	Pension contributions paid	0 - 5,000	5,000 -
			10,000

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

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2019 was £311 (2018 - £296). The cost of this insurance is included in the total insurance cost.

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

14. Intangible assets

	Computer software £
Cost	
At 1 September 2018	10,500
At 31 August 2019	<u>10,500</u>
Amortisation	
At 1 September 2018	6,708
Charge for the year	3,500
At 31 August 2019	<u>10,208</u>
Net book value	
At 31 August 2019	<u>292</u>
At 31 August 2018	<u>3,792</u>

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

15. Tangible fixed assets

	Long-term leasehold property £	Building improve- ments £	Computer equipment £	Furniture and equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2018	11,304,116	913,737	346,320	110,539	10,600	12,685,312
Additions	-	1,199,728	90,132	8,800	-	1,298,660
At 31 August 2019	11,304,116	2,113,465	436,452	119,339	10,600	13,983,972
Depreciation						
At 1 September 2018	827,164	159,740	261,206	66,423	4,063	1,318,596
Charge for the year	207,706	92,281	57,638	22,548	2,120	382,293
At 31 August 2019	1,034,870	252,021	318,844	88,971	6,183	1,700,889
Net book value						
At 31 August 2019	10,269,246	1,861,444	117,608	30,368	4,417	12,283,083
At 31 August 2018	10,476,952	753,997	85,114	44,116	6,537	11,366,716

16. Stocks

	2019 £	2018 £
Uniform stock	6,070	4,028

17. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	19,198	20,379
VAT recoverable	278,079	75,186
Prepayments and accrued income	1,192,150	311,318
	1,489,427	406,883

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

18. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	724,511	253,060
Other taxation and social security	107,908	111,938
Other creditors	-	10,505
Accruals and deferred income	192,891	220,068
	1,025,310	595,571
	2019	2018
	£	£
Deferred Income		
Deferred income at 1 September 2018	134,414	169,773
Resources deferred during the year	107,356	134,414
Amounts released from previous periods	(134,414)	(169,773)
Deferred Income at 31 August 2019	107,356	134,414

At the balance sheet date the Academy Trust was holding funds received in advance for grants that relate to the 2019/20 academic year.

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

19. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	295,544	426,450	(397,839)	-	-	324,155
Restricted general funds						
General annual grant (GAG)	26,720	6,705,568	(6,340,291)	(56,094)	-	335,903
Pupil Premium	-	569,176	(569,176)	-	-	-
Special Needs Grant	-	162,752	(162,752)	-	-	-
PE Grant	-	53,610	(45,402)	-	-	8,208
Year 7 Catch Up Grant	-	11,306	(11,306)	-	-	-
Ecorys Grant	-	23,900	(23,900)	-	-	-
Nursery Education Funding	-	252,813	(252,813)	-	-	-
Other Grants	-	228,157	(219,357)	(8,800)	-	-
Pension reserve	(3,029,000)	-	(309,000)	-	(1,444,000)	(4,782,000)
	<u>(3,002,280)</u>	<u>8,007,282</u>	<u>(7,933,997)</u>	<u>(64,894)</u>	<u>(1,444,000)</u>	<u>(4,437,889)</u>
Restricted fixed asset funds						
Transfer from Local Authority on conversion	10,086,350	-	(205,477)	-	-	9,880,873
DfE/ESFA capital grants	970,488	1,804,862	(165,597)	-	-	2,609,753
Capital expenditure from restricted general funds	548,494	-	(14,719)	64,894	-	598,669

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

19. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Capital expenditure from unrestricted funds	2,407	-	-	-	-	2,407
	<u>11,607,739</u>	<u>1,804,862</u>	<u>(385,793)</u>	<u>64,894</u>	<u>-</u>	<u>13,091,702</u>
Total Restricted funds	<u>8,605,459</u>	<u>9,812,144</u>	<u>(8,319,790)</u>	<u>-</u>	<u>(1,444,000)</u>	<u>8,653,813</u>
Total funds	<u><u>8,901,003</u></u>	<u><u>10,238,594</u></u>	<u><u>(8,717,629)</u></u>	<u><u>-</u></u>	<u><u>(1,444,000)</u></u>	<u><u>8,977,968</u></u>

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

Unrestricted General Funds

This fund represents those resources which may be used towards meeting any of the charitable objectives at the discretion of the Trustees.

Restricted General Funds

This fund represents grants received for the Academy Trust's operational activities and development.

Pension reserve

This fund represents the Academy Trust's share of the pension liability arising on the LGPS pension fund.

Restricted Fixed Asset Fund

This fund relates to grant funding received from the ESFA to carry out works of a capital nature and also the donation of the leasehold land and buildings from the Local Authority on a 125 year lease, the playing fields and land from the local authorities and capital expenditure from restricted and unrestricted funds.

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019	2018
	£	£
Chesterton Community Sports College	77,978	6,955
Churchfields Primary School	176,983	42,709
Chesterton Primary School	167,140	98,117
Crackley Bank Primary School	235,688	174,483
Collective Vision Trust	10,477	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	668,266	322,264
Restricted fixed asset fund	13,091,702	11,607,739
Pension reserve	(4,782,000)	(3,029,000)
	<hr/>	<hr/>
Total	8,977,968	8,901,003
	<hr/> <hr/>	<hr/> <hr/>

Total cost analysis by academy

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

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2019	Total 2018
	£	£	£	£	£	£
Chesterton Community Sports College	2,410,287	612,683	123,936	910,066	4,056,972	3,849,698
Churchfields Primary School	1,032,234	134,305	37,709	300,885	1,505,133	1,443,906
Chesterton Primary School	610,123	141,000	20,799	190,881	962,803	988,560
Crackley Bank Primary School	760,562	116,085	14,518	182,916	1,074,081	1,060,314
Collective Vision Trust	186,116	52,788	-	184,943	423,847	411,974
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy Trust	4,999,322	1,056,861	196,962	1,769,691	8,022,836	7,754,452
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

19. Statement of funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	231,979	386,266	(320,294)	(2,407)	-	295,544
Restricted general funds						
General annual grant (GAG)	-	6,217,253	(6,167,525)	(23,008)	-	26,720
Pupil Premium	-	579,641	(579,641)	-	-	-
Special Needs Grant	-	204,658	(204,658)	-	-	-
PE Grant	-	53,050	(53,050)	-	-	-
Year 7 Catch Up Grant	-	9,515	(9,515)	-	-	-
Ecorys Grant	-	24,400	(24,400)	-	-	-
Nursery Education Funding	-	234,968	(234,968)	-	-	-
Other Grants	-	107,926	(107,926)	-	-	-
Vision Centre	-	9,380	(9,380)	-	-	-
Pension reserve	(3,554,000)	-	(367,000)	-	892,000	(3,029,000)
	<u>(3,554,000)</u>	<u>7,440,791</u>	<u>(7,758,063)</u>	<u>(23,008)</u>	<u>892,000</u>	<u>(3,002,280)</u>

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

19. Statement of funds (continued)

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Restricted fixed asset funds						
Transfer from Local Authority on conversion	10,320,005	-	(233,655)	-	-	10,086,350
DfE/ESFA capital grants	778,490	385,904	(193,906)	-	-	970,488
Capital expenditure from restricted general funds	544,726	-	(19,240)	23,008	-	548,494
Capital expenditure from unrestricted funds	-	-	-	2,407	-	2,407
	<u>11,643,221</u>	<u>385,904</u>	<u>(446,801)</u>	<u>25,415</u>	<u>-</u>	<u>11,607,739</u>
Total Restricted funds	<u>8,089,221</u>	<u>7,826,695</u>	<u>(8,204,864)</u>	<u>2,407</u>	<u>892,000</u>	<u>8,605,459</u>
Total funds	<u><u>8,321,200</u></u>	<u><u>8,212,961</u></u>	<u><u>(8,525,158)</u></u>	<u><u>-</u></u>	<u><u>892,000</u></u>	<u><u>8,901,003</u></u>

Notes to the Financial Statements
For the Year Ended 31 August 2019

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	12,283,083	12,283,083
Intangible fixed assets	-	-	292	292
Current assets	324,155	1,369,421	808,327	2,501,903
Creditors due within one year	-	(1,025,310)	-	(1,025,310)
Provisions for liabilities and charges	-	(4,782,000)	-	(4,782,000)
Total	<u>324,155</u>	<u>(4,437,889)</u>	<u>13,091,702</u>	<u>8,977,968</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	11,366,716	11,366,716
Intangible fixed assets	-	-	3,792	3,792
Current assets	295,544	622,291	237,232	1,155,067
Creditors due within one year	-	(595,571)	-	(595,571)
Provisions for liabilities and charges	-	(3,029,000)	-	(3,029,000)
Total	<u>295,544</u>	<u>(3,002,280)</u>	<u>11,607,740</u>	<u>8,901,004</u>

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019	2018
	£	£
Net income/(expenditure) for the year (as per Statement of Financial Activities)	1,520,965	(312,197)
Adjustments for:		
Depreciation and amortisation charges	385,793	446,801
Dividends, interest and rents from investments	(905)	(470)
Capital grants from DfE and other capital income	(1,804,862)	(385,904)
Defined benefit pension scheme cost less contributions payable	221,000	275,000
Defined benefit pension scheme finance cost	88,000	92,000
Increase in stocks	(2,042)	(154)
(Increase)/decrease in debtors	(210,104)	44,303
Increase/(decrease) in creditors	16,777	(372,742)
Net cash provided by/(used in) operating activities	214,622	(213,363)

22. Cash flows from investing activities

	2019	2018
	£	£
Dividends, interest and rents from investments	905	470
Purchase of tangible fixed assets	(885,698)	(333,981)
Capital grants from DfE Group	932,422	219,116
Net cash provided by/(used in) investing activities	47,629	(114,395)

23. Analysis of cash and cash equivalents

	2019	2018
	£	£
Cash in hand	1,006,406	744,155
Total cash and cash equivalents	1,006,406	744,155

24. Capital commitments

	2019 £	2018 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>764,928</u>	<u>228,811</u>

25. Pension commitments

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

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

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teacher's Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

A copy of the latest valuation report can be found by following this link to [the Teachers' Pension Scheme website](#).

The employer's pension costs paid to TPS in the year amounted to £490,000 (2018 - £478,000).

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

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £421,000 (2018 - £411,000), of which employer's contributions totalled £338,000 (2018 - £324,000) and employees' contributions totalled £ 83,000 (2018 - £87,000). The agreed contribution rates for future years are 24.2 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

25. Pension commitments (continued)

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	2.70	2.70
Rate of increase for pensions in payment/inflation	2.30	2.30
Discount rate for scheme liabilities	1.90	2.80
Commutation of pensions to lump sums - pre April 2008 services	50.00	50.00
Commutation of pensions to lump sums - post April 2008 services	75.00	75.00

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	21.1	22.1
Females	23.5	24.4
<i>Retiring in 20 years</i>		
Males	22.2	24.1
Females	24.8	26.4

Sensitivity analysis

	2019	2018
	£	£
Discount rate -0.5%	1,334,000	965,000
Salary rate +0.5%	317,000	263,000
Pension rate +0.5%	982,000	684,000

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

	At 31	At 31
	August 2019	August 2018
	£	£
Equities	2,715,240	2,387,700
Bonds	878,460	648,090
Property	319,440	272,880
Cash	79,860	102,330
Total market value of assets	3,993,000	3,411,000

Collective Vision Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2019

25. Pension commitments (continued)

The actual return on scheme assets was £225,000 (2018 - £229,000).

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

	2019 £	2018 £
Current service cost	(508,000)	(599,000)
Past service cost	(51,000)	-
Interest income	100,000	76,000
Interest cost	(188,000)	(168,000)
Total amount recognised in the Statement of Financial Activities	(647,000)	(691,000)

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

	2019 £	2018 £
At 1 September	6,440,000	6,436,000
Current service cost	508,000	599,000
Interest cost	188,000	168,000
Employee contributions	83,000	87,000
Actuarial losses/(gains)	1,569,000	(765,000)
Benefits paid	(64,000)	(85,000)
Past service costs	51,000	-
At 31 August	8,775,000	6,440,000

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

	2019 £	2018 £
At 1 September	3,411,000	2,882,000
Interest income	100,000	76,000
Actuarial gains	125,000	127,000
Employer contributions	338,000	324,000
Employee contributions	83,000	87,000
Benefits paid	(64,000)	(85,000)
At 31 August	3,993,000	3,411,000

26. Operating lease commitments

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

	2019	2018
	£	£
Amounts payable:		
Not later than 1 year	35,225	24,479
Later than 1 year and not later than 5 years	73,926	74,868
	109,151	99,347

27. Other financial commitments

At the 31 August 2019 the academy trust had commitments under non-cancellable contracts as follows:

28. Members' liability

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

29. Related party transactions

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

No related party transactions took place during the period.