

Report of the Trustees and
Financial Statements for the Year Ended 31 August 2018
for
The Enquire Learning Trust Ltd

Ribchesters Group Limited
Finchale House
Belmont Business Park
Durham
DH1 1TW

	Page
Reference and Administrative Details	1 to 4
Report of the Trustees	5 to 21
Governance Statement	22 to 25
Statement on Regularity, Propriety and Compliance	26
Statement of Trustees Responsibilities	27
Report of the Independent Auditors	28 to 29
Independent Auditor's Report on Regularity	30 to 31
Statement of Financial Activities	32 to 33
Balance Sheet	34 to 36
Cash Flow Statement	37
Notes to the Cash Flow Statement	38
Notes to the Financial Statements	39 to 68
Detailed Statement of Financial Activities	69 to 70

Reference and Administrative Details
for the Year Ended 31 August 2018

MEMBERS

A Whitfield
J Rathburn (appointed 1.10.17)
G Brook
J Harrison
T Cutler

TRUSTEES

D Holmes
J Harrison
J Cassidy
J Mellor (resigned 6.3.18)
R Kirk
L Mercer (resigned 9.10.18)
K McKenning (resigned 6.11.17)
N Woodworth
K Davies (resigned 4.5.18)
G McCourt (appointed 6.11.17)
R Hildyard (appointed 1.5.18)
J Foster (appointed 16.5.18)
M Vigurs (appointed 28.11.17) (resigned 21.1.18)

COMPANY SECRETARY

E Thompson

REGISTERED OFFICE

18 Appleton Court
Wakefield
West Yorkshire
WF2 7AR

REGISTERED COMPANY NUMBER

08056907 (England and Wales)

SENIOR STATUTORY AUDITOR

David Holloway BA FCA DChA

AUDITORS

Ribchesters Group Limited
Finchale House
Belmont Business Park
Durham
DH1 1TW

SOLICITORS

Swinburne Maddison
Venture House
Aykley Heads Business Centre
Durham
DH1 5TS

BANKERS

Barclays Bank Plc
1 Churchill Place
London
E14 5HP

KEY MANAGEMENT PERSONNEL

Darren Holmes (CEO)
Ronnie Woods (Director of Learning)
Jaimie Holbrook (Director of School Improvement)
Paul Kennedy (Director of Operations)
Elizabeth Thompson (Director of Governance and Development)
Rebecca Clayton (Director of School Improvement)

Directory of Academies

Hardwick Green Primary
Academy
Tithe Barn Road
Stockton-on-Tees
Cleveland
TS19 8WF

Principal: Kate Davies

Eastfield Primary Academy
Margaret Street
Immingham
South Humberside
DN40 1LD

Principal: Kerry Thompson

Hawthorns School
Sunnyside Moss Campus
Lumb Lane
Audenshaw
M34 5SF
Executive Principal: Moira
Thompson
Head of School: Margaret
Lochhead

Middlethorpe Primary Academy
Highthorpe Crescent
Cleethorpes
North East Lincolnshire
DN35 9PY
Principal: Rachel Simpson

Laceby Acres Primary Academy
Swiftsure Crescent
Grimsby
Lincolnshire
DN34 5QN
Principal: Sharon Clapson

Humberston Cloverfields
Academy
St Thomas Close
Humberston
Grimsby
DN36 4HS
Principal: Carole Spruce

Buckingham Primary Academy
Buckingham Street
Hull
HU8 8UG
Principal: Paula Hillman

Southcoates Primary Academy
Southcoates Lane
Hull
HU9 3TW
Principal: Ted Chamberlain

Welholme Academy
Welholme Road
Grimsby
DN32 9JD
Principal: Delyse Turrell

Harrowgate Academy
Piper Knowle Road
Stockton on Tees
TS19 8DE
Principal: Vicky Galt

Roseberry Academy
Roseberry Crescent
Great Ayton
TS9 6EP
Principal: Helen Channing

Manchester Road Primary School
Manchester Road
Droylsden
Manchester
M43 6GD
Principal: Jo Taylor

Linden Road Academy
Linden Road
Denton
Manchester
M34 6EF
Principal: Andrea Ives

Elliston Primary Academy
Elliston Street
Cleethorpes
DN35 7HT
Principal: Caroline Patterson

Keelby Primary School
Manor Street
Keelby
Grimsby
DN41 8EF
Principal: Annabell Cowling

Yarm Primary school
Spitalfields
Yarm
Teeside
TS15 9HF
Principal: Jill Wood

Enfield Academy of New Waltham
Enfield Avenue
New Waltham
Grimsby
DN36 4RB
Principal: Amanda Scott

Springfield Primary Academy
Springwood Crescent
Grimsby
NE Lincolnshire
DN33 3HG
Principal: Andrew Willett

Moorside Primary School
Market Street
Droylsden
Manchester
M43 7DA

Principal: Phil Dickson

Oakfield Primary
St Marys Road
Hyde
Cheshire
SK14 4EZ

Principal: Heather Farrell

Godley Community Primary
Academy
St Johns Drive
Godley, Hyde
Cheshire
SK14 2QB
Principal: Suzanne Clawley-
Welton

Reference and Administrative Details
for the Year Ended 31 August 2018

Flowery Field Primary School
Off Old Road
Hyde
Cheshire
SK14 4SQ
Principal: Alvin Fell

Stokesley Primary Academy
No 5 Springfield
Stokesley
North Yorkshire
TS9 5EW
Principal: Scott McFarlane

Bradley Green Primary Academy
Bradley Green Road
Newton
Cheshire
SK14 4NA
Principal: Vicky Cameron

East Whitby Academy
Stainsacre Lane
Whitby
North Yorkshire
YO22 4HU
Principal: Simon Smith

Dowson Primary Academy
Marlborough Road
Hyde
Cheshire
SK14 5HU
Principal: Kat Thornburn

Endeavour Academy
Walker Lane
Hyde
Cheshire
SK14 5PL
Principal: Carol Rhodes

Report of the Trustees
for the Year Ended 31 August 2018

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

OBJECTIVES AND ACTIVITIES

Objectives, aims and significant activities

The Enquire Learning Trust is a Multi Academy Trust serving the north of England, currently operating 29 primary schools (26 as at the balance sheet date) in three distinctive geographical clusters.

We believe that all learners can be powerful learners given access to good learning experiences. We want pupils and the academies they attend to be confident, successful and ambitious.

We have created a Trust where well led, highly skilled and committed professionals collaborate, learn and innovate together to ensure that all academies are successful and where all learners have access to effective and innovative provision that meets their needs and aspirations.

We want to add value to achievement and raise standards. We also want to change lives. We know this requires our provision and our practice to be world class - because of the distance we have to travel, we understand that good will not be good enough and that we need to develop a shared appreciation of excellence and then strive to enact this every day.

We take learning seriously and work together to create a vibrant culture in which this can happen. We know that it's what we do that counts and that our thinking must be visible in classrooms if it is to have leverage. Pupils are at the forefront of all that we do and aspire to do. We take serious steps to engage them, to hear their voice in authentic ways and then to use their insight and expertise to develop radical pedagogies that tap into their passions and interests and use the potential of emergent technologies.

We have the collective aspiration that all our academies will become great places for pupils to learn and that they will travel that journey to being great faster than if they had not been part of the Trust. Our ambition is to ensure that as quickly as is practicably possible in every one of our academies;

- Every pupil attends an academy that is good or better
- Every pupil makes good or better progress
- Attainment is above the national average in every academy at all Key Stages
- In every classroom, teaching is judged to be good or better
- All pupils develop excellent behaviours for learning
- Parents and carers are connected to and involved in the learning process
- All pupils experience a deep, relevant and rich curriculum offering

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the trust's objectives and aims and in planning future activities for the year. The trustees consider that the trust's aims are demonstrably to the public benefit.

STRATEGIC REPORT
Achievement and performance

Academy overview

Bradley Green Academy

Location: Hyde

Hub: West

Principal: Vicky Cameron

Commentary: Bradley Green was incorporated into the Trust in 2016 and achieved its best ever Key Stage 2 results in 2018 when pupils achieved well above national average in all areas. The principal was appointed in 2018 following the retirement of her predecessor. The school is judged to be Good by Ofsted.

Buckingham Academy

Location: Hull

Hub: East

Principal: Paula Hilman

Commentary: Buckingham Academy is a rapidly improving school, having entered the Trust in 2014 via the sponsored route after being placed in Special Measures by Ofsted. The most recent inspection judged the school to Require Improvement although Leadership and Management was rated as Good.

Dowson Academy

Location: Hyde

Hub: West

Principal: Kat Thornburn

Commentary: Dowson entered the Trust in 2016 following a successful Ofsted inspection and has continued its trajectory of improvement. A staff restructure was commenced on entry to the Trust and a new Principal was appointed. The school is well placed to secure an Outstanding judgement in the next inspection cycle.

Easterside Academy

Location: Middlesbrough

Hub: North

Principal: Delyth Linacre

Commentary: Easterside Academy entered the Trust in 2018 and was formerly a single academy Trust. The school hosts a resource provision for pupils with additional and special educational needs and has considerable expertise in SEND and inclusion. Pupils' progress in all areas is strong. The school was judged to be Good by Ofsted in 2016.

Eastfield Academy

Location: Immingham

Hub: East

STRATEGIC REPORT
Achievement and performance

Academy overview

Principal: Kerry Thompson

Commentary: Eastfield Academy is a founding academy of the Enquire Learning Trust and was incorporated in 2013. Its strong and sustained improvement was recognised by Ofsted who judged the school to be Outstanding at its last inspection. Kerry Thompson was appointed in 2016 following the promotion of her predecessor to the Trust leadership team. In 2018 the school achieved its strongest outcomes since the changes to national curriculum and assessment.

East Whitby Academy

Location: Whitby

Hub: North

Principal: Simon Smith

Commentary: East Whitby has undergone rapid improvement since incorporation into the Trust in 2015. This is reflected in very strong pupil outcomes in 2018. The school is currently judged to be Good by Ofsted.

Elliston Academy

Location: Cleethorpes

Hub: East

Principal: Caroline Patterson

Commentary: Elliston Academy entered the Trust in 2014 and during this period has improved impressively. This was reflected by Ofsted's judgement in 2018 that the school is Outstanding. In 2018 pupil outcomes were very strong and pupils made excellent progress in all areas.

Endeavour Academy

Location: Hyde

Hub: West

Principal: Carol Rhodes

Commentary: Endeavour Academy was incorporated into the Trust in 2017. It was judged to be Good by Ofsted in 2016. Staffing has recently been restructured and the school benefits from a new leadership team.

Enfield Academy

Location: Grimsby

Hub: East

Principal: Amanda Scott

Commentary: This is a growing school - the number of pupils on roll having almost doubled since incorporation into the Trust. The school was inspected in 2018 and was judged to be Good.

STRATEGIC REPORT
Achievement and performance
Academy overview

Flowery Field Academy

Location: Hyde

Hub: West

Principal: Alvin Fell

Commentary: Flowery Field Academy is a very large and growing school. Outcomes for pupils are improving in all areas and the school is judged to be Good by Ofsted.

Godley Academy

Location: Hyde

Hub: West

Principal: Suzanne Clawley - Walton

Commentary: Ofsted currently judge Godley Academy to be Good. There has been a sharp improvement in outcomes for pupils in all areas in 2018 with KS2 test and assessment results placing the school in the top 5% nationally.

Hardwick Green Academy

Location: Stockton on Tees

Hub: North

Principal: Kate Davies

Commentary: Hardwick Green is a rapidly expanding school and its recent extension will facilitate it growing to accommodate 2 forms of entry by 2020. A new principal was appointed in 2018. The school has continued to improve outcomes for pupils and is currently judged to be good by Ofsted.

Harrow Gate Academy

Location: Stockton on Tees

Hub: North

Principal: Vicky Galt

Commentary: Harrow Gate converted to the Trust via the sponsored route in 2014 and has thrived following the appointment of a new Academy Principal. The improvement was reflected in the Ofsted's inspection in 2017 when the school was judged to be Good. In 2018 the school recorded its best ever outcomes for pupils.

Humber Cloverfields Academy

Location: Humberston

Hub: East

STRATEGIC REPORT
Achievement and performance

Academy overview

Principal: Carole Spruce

Commentary: Humberston Cloverfields is a strong and improving school that is currently judged to be Good by Ofsted.

Keelby Academy

Location: Grimsby

Hub: East

Principal: Annabel Cowling

Commentary: Keelby is judged by Ofsted to be a Good School. The outcomes for pupils have been consistently strong since conversion in 2014 and this year the school recorded its best ever results in KS1 and KS2. The Academy has a particular strength in the development of leaders and since incorporation three colleagues have left the school to take up headships in other schools.

Laceby Acres Academy

Location: Grimsby

Hub: East

Principal: Sharon Clapson

Commentary: Laceby Acres has built a strong local and regional reputation for high quality teaching and learning. This is reflected in consistently excellent outcomes for pupils in all areas. The school was judged to be Outstanding by Ofsted in 2016.

Linden Road Academy

Location: Denton

Hub: West

Principal: Peter Greaves*

Commentary: Linden Road Academy entered the Trust via the sponsored route in 2015 following a succession of negative Ofsted judgements. Pupil outcomes have been considerably strengthened and the school was judged to be Good in 2018.

Manchester Road Academy

Location: Droylsden

Hub: West

Principal: Joanne Taylor

Commentary: Manchester Road has undergone a transformative refurbishment during 2018 so that pupils can benefit from a learning environment that is fit for purpose. Pupils' outcomes are strengthening. The school is currently judged by Ofsted to Require Improvement.

STRATEGIC REPORT
Achievement and performance

Academy overview

Middlethorpe Academy

Location: Cleethorpes

Hub: West

Principal: Rachel Simpson

Commentary: Middlethorpe Academy was judged to be Outstanding by Ofsted in 2016 having converted - as a founding academy - in 2013 as a Good school. A new principal has recently been appointed to lead the school in the next stage of its development.

Moorside Academy

Location: Droylsden

Hub: West

Principal: Phil Dickson

Commentary: Moorside Academy entered the Trust in 2015 and is judged to be Good by Ofsted. The school is improving rapidly and this is reflected in the upturn in pupil outcomes in both key stages during 2018. A new Principal was appointed for the start of the 2017/18 academic year.

Oakfield Academy

Location: Hyde

Hub: West

Principal: Heather Farrell

Commentary: Oakfield converted to academy status in 2015. Since that point the school has improved rapidly and in 2018 registered its best ever pupil test and assessment outcomes in Key Stage 2. The school is a highly inclusive environment and hosts a resource base for pupils with additional and special educational needs. The school is judged to be Good by Ofsted.

Roseberry Academy

Location: Middlesbrough

Hub: North

Principal: Helen Channing

Commentary: Roseberry Academy opened in 2014 and serves the village of Great Ayton in North Yorkshire. The school was judged to be Good by Ofsted in 2017.

Rosewood Academy

Location: Middlesbrough

Hub: North

STRATEGIC REPORT

Achievement and performance

Academy overview

Principal: Paul Cowley

Commentary: Rosewood entered the Trust in 2018 having formerly been a standalone Academy. The school is currently judged to Require Improvement by Ofsted although current pupil outcomes are very strong and the school performs well above the national average in all areas of the curriculum.

Southcoates Academy

Location: Hull

Hub: East

Principal: Ted Chamberlain

Commentary: Southcoates entered the Trust in 2014 via the sponsored route. The school was judged to be Good by Ofsted in 2017. This reflects an impressive track record in enhancing pupils' progress.

Springfield Academy

Location: Grimsby

Hub: East

Principal: Andy Willet

Commentary: Springfield Academy joined the Trust as a school that required improvement. Leaders and teachers have worked relentlessly to secure significant improvements in practice and provision across the school and pupils' outcomes have been sustainably strong. During 2018 the school was inspected by Ofsted and judged to be Good.

Stakesby Academy

Location: Whitby

Hub: North

Principal: Roy Gunning

Commentary: Stakesby Academy was incorporated in the Trust in 2018 following a lengthy conversion process. The school was judged to be Good by Ofsted earlier this year.

Welholme Academy

Location: Grimsby

Hub: East

Principal: Delyse Turrell

Commentary: Welholme became a part of the Trust in 2014 via the sponsored route and after a continuous trajectory of improvement secured a Good judgement from Ofsted in 2017. In 2018 the school achieved its best ever pupil outcomes.

STRATEGIC REPORT
Achievement and performance

Academy overview

Yarm Academy

Location: Yarm

Hub: North

Principal: Jill Woods

Commentary: Yarm Primary is an Outstanding school and converted into the Trust in 2015 following a number of years as an independent academy Trust. Since 2015, improvements have been reflected in statutory assessment results.

*denotes acting Principal

Key Performance Indicator	Considerations	RAG Rating	Commentary
1. Pupil achievement	<ul style="list-style-type: none">o Attainment at least in line with national average at the end of EY, KS1 and KS2 (GLD and core subjects) or rising rapidlyo Performance in PSC at least in line with national average and the gap between national and school is closingo Progress in core subjects at least in line with national averageo Performance of vulnerable groups (SEND and disadvantaged pupils) better than the national average for similar groups of pupils	A	In all key areas there has been a three year trend of improvement across the Trust. The key measure of reading, writing and mathematics combined (in which individual pupils reach or exceed the age related expectation in all three areas) is above the national average. Performance in phonics remains below the national average
2. Effectiveness of leadership and governance	<ul style="list-style-type: none">o Ofsted judgements on leadership and management are at least good for all academieso Validated academy self evaluation is at least goodo All academies are improving (designation process)o Staff survey shows that 70% of all colleagues are positively engaged in their academyo Termly staff absence is less than 4%o Planned staff retention at 90%	G	Ofsted inspection highlights the effectiveness of Academies' leadership and governance arrangement. This includes specific reference to Trust wide governance. The recruitment of effective local governors in a minority of communities served by the trust represents a significant challenge.

Report of the Trustees
for the Year Ended 31 August 2018

STRATEGIC REPORT

Achievement and performance

Academy overview

3. Quality of teaching, learning and assessment	<ul style="list-style-type: none"> o Ofsted judgements on teaching, learning and assessment are at least Good o Validated Academy Self Evaluation is at least Good or improving o Accuracy of Academy internal data within an agreed range 	G	<p>The Trust focus on curriculum and pedagogy means that overwhelmingly pupils benefit from positive experiences at academy and are taught well. HR solutions are quickly found in the minority of cases where professional development does not lead to acceptable performance. The revised process for assessment is being implemented across the Trust. This has improved the accuracy and utility of internal data.</p>
4. Personal development, behaviour and welfare	<ul style="list-style-type: none"> o Ofsted judgements on personal development, behaviour and welfare are at least Good o Validated Academy Self Evaluation is at least Good or improving o Pupil exclusion (fixed term and permanent) below national average (currently 0.6%) o Academy attendance and rates of persistent absenteeism below national average (currently 96% and 8.7% respectively) 	A	<p>Attendance in a small number of academies lies below national average. Where this is the case robust action plans in place and monitored closely as academy and trust level.</p>
5. Academy finance	<ul style="list-style-type: none"> o Trust assessment of financial management at least Good o Balanced budgetary position o Balanced central budget position 	A	<p>The financial position of the whole Trust is sound. This masks a number of Academies whose financial situation is more challenging. While financial management has been weak in a small number of Academies this has improved throughout this year. The Trust will face additional cost pressures in 2018/19</p>
6. Current trust priority - EY	<ul style="list-style-type: none"> o Ofsted judgement on Early Years are at least Good o Validated Academy Self Evaluation is at least Good or improving 	A	<p>All Academies evaluate EY provision as good or better. This is validated by the Trust. Despite a three year improvement the proportion of pupils achieving GLD in Early Years remains below the national average. There is a need to accelerate progress in EY. A small number of Academies do not yet have a robust baseline at entry to nursery provision.++</p>

STRATEGIC REPORT

Achievement and performance

Academy overview

7. Current trust priority - Improving reading

- o Teachers have a wider repertoire of strategies for the teaching of reading and writing.
- o Through teaching sequences reading and writing are directly connected to the wider curriculum.
- o The quality of responses children of all abilities make to the opportunity to engage in extended writing is enhanced
- o The outcomes of inspections, Trust enquiries and social media show that Power of Reading has created inspirational context for learning.

A

There has been a three year upward trajectory in Reading. Reading in Key Stage 1 and 2 is above the national average. The proportion of pupils across the Trust who achieve at the higher levels remains below the national average

Key financial performance indicators

The Trust has identified the following key measures which will determine financial performance across all our academies:

- Annual Budget - all academies set a balanced budget, based on allocated funding, and work within its agreed cash limit
- Staffing - all academies are to set a budget with staffing at or below 80% of guaranteed income
- Budget monitoring - all academies monitor income and expenditure in line with Trust procedures
- Cash Flow - all academies manage cash flow at an operational level
- Maximise Income - all academies strive to maximise income generation
- Outturn - all academies outturn with a positive balance
- Business planning - all academies plan activities and developments in line with school improvement plans
- Investment - the Trust invests and maximises surplus funds in line with the Investment Policy

STRATEGIC REPORT

Financial review

Overall financial review

Financial Report for financial year ended 31st August 2018

The vast majority of the Trusts income is received from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. Detail of all grants and income received can be found in Note 3 to the financial statements.

The Trustees main financial responsibilities are:

- o To ensure that grants from the ESFA are used only for the purposes intended
 - o To monitor income and expenditure across the academies and track variances
 - o To ensure that all Trust operations are viable
 - o To routinely undertake internal audit procedures.
 - o To regularly review financial risks across the Trust
 - o To review national and local policy changes and assess potential impacts.
 - o To ensure statutory compliance across the Trust
 - o To ensure financial competency is embedded across the Trust at the appropriate level
- These responsibilities were achieved in the period ended 31 August 2018.

The cash balance received from the converted schools has been included in the SOFA as restricted income. The transfer of land and buildings and other legacy assets are included in the restricted fixed assets fund. The restricted fixed asset fund balance is reduced by annual depreciation charges as follows:

- Up to 125 years for long leasehold land
- Up to 50 years for long leasehold buildings

During the year ended 31 August 2018, total expenditure of £47,963,717 was covered by recurrent grant funding from the ESFA and other minor income sources, excess of income over expenditure for the year was £61,547, after actuarial gains on defined benefit pension schemes the net movement in funds was £3,717,547.

At 31 August 2018 the net book value of fixed assets was £76,889,655 and movements in tangible fixed assets are shown in Note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the member academies.

As a limited company, the Trust has taken on the deficit in relation to its staff that are members of the Local Government Pension Scheme (LGPS). This is incorporated into the Balance Sheet and shown in detail in Note 24 to the financial statements. Trustees are aware of the extent and the potential impact that the transferred pension deficits could have on the financial viability of the Trust. Having undertaken a comprehensive review of Local Government Pension arrangements across the Trust, Trustees have agreed to consolidate and pool the disparate pension funds within the Teeside Pension Fund. Trustees have set aside a reserve of £20,000 to complete the associated work.

The Trust held total fund balances at 31 August 2018 of £65,131,473. These comprise £2,600,392 of restricted funds allocated to individual academies within the Trust, £76,171,579 restricted fixed asset funds, and £13,502 of unrestricted funds. There is a deficit on the pension reserve of £13,654,000.

Investment policy and objectives

The aim of this policy is to ensure that any contingency funds held across the Trust are invested in such a way as to maximise income but without risk. As Trustees, we will endeavour to spend public monies with which we are entrusted for the direct education benefit of all our students as is prudent. We do not consider the investment of surplus funds as a primary activity but as good practice in the pursuit of maximisation of income. Currently, surplus funds are held in no risk interest bearing current accounts. This arrangement will be reviewed annually as the Trust grows.

STRATEGIC REPORT

Financial review

Reserves policy

As the number of academies within the Trust increases so will the level of reserves, although not proportionately to the level of funding. As the Trust has a responsibility to ensure viability within each academy it is felt that the appropriate level of reserves currently should be equivalent to circa 3 months operating costs of the largest academy - during 2014/15 the reserve was set at £300,000. The level of reserve will be reviewed and set on an annual basis as part of the budget setting plan taking into consideration the size of the Trust and the number of member academies. Given the growth of the trust there will be a detailed review of the reserves policy for 2018/2019.

This policy will be monitored regularly for any changes in legislation or directions from the DFE which may have an effect and evaluated in the light of any comments made by the DFE, EFA, auditors and any other interested parties. The level of reserves will be monitored throughout the year and any problematic variances against the level set or potential issues given the current expansion of member academies will be dealt with appropriately.

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 a period in excess of 12 months from the date of the approval of these financial statements

. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Principal risks and uncertainties

Assessing and managing risks to the Trust

The Trust maintains a matrix which captures the significant risks to Trust operations and the controls that are in place to manage and mitigate against them. There are a number of external pressures and conditions that create an additional level of risk and around which we will need to be responsive.

The national policy environment is currently positively disposed to Academies. This is subject to political forces and changes to national policy. The Parliamentary Opposition have declared a less favourable attitude to Academies and it is likely that - given a change of Government - the environment will become more hostile to our work. The Trust maintains an apolitical position and is committed to working with the DfE to secure the best possible outcomes for pupils in all academies.

Funding issues continue to represent a risk in a number of ways. While the overall position remains a healthy one, there is a need to ensure future sustainability. To this end the Trust is committed to undertaking a comprehensive review of how resources are managed, further centralise key areas of spending to secure the best value for money, take a more proactive stance in the management of academy surpluses and review the deployment and impact of teaching assistants. Some financial risks are beyond our direct control - for example, increases in employer pension contributions for teachers, the fiscal impacts of Brexit and movement of funds from the schools block to the high needs block in some localities served by the Trust - and will need a planned response.

The Trust continues its preparation for external evaluation of its work and note HMCI's letter to the Parliamentary Public Accounts Committee (October 2018). This sets out an argument for Ofsted's remit to be widened to include the formal inspection of Multi Academy Trusts in addition to the schools that they support. This follows the Secretary of State's call for greater transparency and public accountability of MATs following a number of high profile Trust failures. Preparations have included the development of self-evaluation using an iteration of the EFQM Excellence model, use of the South West Region MAT audit tool and participation in the DfE MAT peer review process. All recommendations from self evaluation exercises are acted upon with pace and urgency.

STRATEGIC REPORT

Principal risks and uncertainties

Keeping children safe is an ongoing Trust priority. In this year we have reviewed and revised the monitoring of Safeguarding issues in Academies and implemented a Trust wide reporting system. The Trust has apportioned the Role of lead Safeguarding Officer to a member of the Trust Executive group. He reports to the CEO and to the Trust Board. All personnel across the Trust have attended certificated training in Safeguarding and child protection that is relevant to their role and position. The Trust has procured the services of third party expertise to strengthen its work in Safeguarding pupils.

There has been a significant investment in systems and processes designed to ensure compliance with GDPR. This investment strengthens the Trust's data controls. Inevitably, it also represents a diversion of resource from the core business of educating pupils.

Future plans

The Trust's future plans (published in our 2018 growth plan) include

- All children to attend a good school and a minimum of 10 academies to be outstanding
- All academies at capacity or over subscribed
- Continue to build central support infrastructure - develop capacity and improve effectiveness and efficiency and develop regional support structures
- The continuing programme of investment to improve estates so that all children benefit from learning environments that are fit for purpose
- Maintain a secure platform for sharing information across the Trust
- Implement and develop a Trust Managed Service
- Develop academy governance
- Ensure the recruitment and retention of key personnel
- Develop partnerships and relationships with strategic partners
- Establish Trust Teaching School
- The continuing development of Trust assessment and data systems
- Develop leadership capacity in Academies

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee (registration number 08056907) and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the multi academy trust.

The trustees of The Enquire Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Enquire Learning Trust.

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.

Members' liability

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

Trustees' indemnities

There are no qualifying third party indemnity provisions in respect of trustees.

Principal activities

The Enquire Learning Trust is a company limited by guarantee with charitable objectives. It is a multi-academy trust providing primary level education in a number of academies throughout the North of England.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Trust has three layers of governance;

- o Trust members
- o Board of Trustees
- o Trust committees
 - Finance, Audit and Risk
 - Academy Improvement Committees (formerly referred to as Local Governing Bodies)

This is supported by a number of standing professional groups whose work directly informs that of Trustees and members. These include;

- o Executive Leadership Team - CEO and all executive Directors of the Trust
- o Financial Leadership Team - Chair of Trustees, CEO, CFO and Director of Business Development
- o Data Protection Group - Data Protection Officer, DBD, Director of Human Resources

Significant changes in the Trust and the operational environment

During this year the Trust has undergone significant change. There have been three new incorporations since 31st August 2018 (one converter Academy and two incorporations of existing academies) and one school has been rebrokered into another trust during the year ended 31st August 2018. The Trust currently has a membership of 29 schools. While there is scope to expand further, this size and scale is close to the optimum and we are now in a position to secure harmonisation of operations - particularly in relation to staff employment across the Trust.

Important developments across the trust include;

- o recruitment and induction of new Members;
- o recruitment and induction of new Trustees to ensure that the trust benefits from a broad base of expertise and that connections between the Trust board and Academies' Local Governing Bodies are severed;
- o recruitment of additional school improvement capacity and the implementation of a Trust wide assessment and reporting system and protocol;
- o appointment of a Data Protection Officer to oversee effective implementation of GDPR;
- o adoption of a revised Scheme of Delegation to strengthen and clarify corporate decision making and oversight;
- o recruitment of a new Principal at Bradley Green Academy, Hardwick Green Academy, Middlethorpe Academy and Moorside Academy;
- o implementation of an operational service - covering ICT infrastructure - in all Academies;
- o implementation of Early Years provision in Stokesley Academy and East Whitby Academy;
- o implementation of a trust quality assurance programme based upon the EFQM model
- o begun the installation of immersive learning spaces in four Academies

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The environment in which the trust operates remains broadly supportive of the academies movement. However while there has been no significant shift in national policy in relation to Academies it is notable that there has been some easing of the pace at which the restructuring of the education service in England is taking place. The emphasis is now clearly upon the outcomes that are generated by schools in relation to the pupils that they serve. This brings a welcome enhancement in the level of accountability for the Trust. Additionally, the trust now falls within a tighter and more centrally prescribed operational framework. This places increased emphasis on compliance with the academies financial Handbook and places increased, but reasonable, limits on our ability to be innovative and business like. Throughout the year the Trust has worked with school leaders and Trustees to ensure that there is wide understanding and awareness of the changing circumstances around our work and that all systems and structures within the Trust are congruent and fit for purpose.

Induction and training of new trustees

The Trust has adopted a binding protocol that:

- Meetings of Trustees will be to help with the The Enquire Learning Trust academies
- Meetings will focus on aspects of the Trust core business and develop the strategic direction of the Trust
- Meetings of Trustees provide a forum in which executive directors and other officers can be challenged, supported and held to account
- Academy principals are invited to Trustee meetings to articulate and disseminate their work and invite scrutiny
- Trustees will engage in a schedule of Academy visits to garner a deeper insight into the work of the Trust and aide strategic decision making
- Trustees will be drawn into the detail of our strategic planning as their expertise allows

Key management remuneration

Arrangements for the setting of pay and remuneration for key personnel

Arrangements for pay and remuneration of senior staff are set out in the Trust Scheme of Delegation as published on the Enquire Learning Trust website. This establishes the oversight and approval role for the Trust Board for any increases to pay for Executive Directors and Academy Principals. Awards are made in accordance with the Trust Appraisal Policy and require robust evidence of sustained high performance.

The Trust CEO has voluntarily waived his right to a performance pay award.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trade union facility time

This information is published in accordance with the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017 because the academy had a full-time equivalent employee number of more than 49 throughout the entirety of any seven of the months within the year ended 31 August 2018

Relevant union officials

Number of employees who were relevant union officials during the relevant period

1

Full-time equivalent employee number

1

Percentage of time spent on facility time

Percentage of time

0%

1-50%

51-99%

100%

Number of employees

Nil

1

Nil

Nil

Percentage of pay bill spent on facility time

Total cost of facility time

£

471

Total pay bill (not including staff restructuring costs)

33,612,153

Percentage of the total pay bill spent on facility time, calculated as:

$(\text{total cost of facility time} \div \text{total pay bill}) \times 100$

0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:

$(\text{total hours spent on paid trade union activities by relevant union officials during the relevant period} \div \text{total paid facility time hours}) \times 100$

1%

Related parties

Transactions with related parties are disclosed in note 25 to the accounts

Other significant partnerships that we enter into in pursuance of our aims are: DfE Academies brokerage division and Local Education Authorities and other Academies Trusts. The Trust is accountable to the Secretary of State through the Office of the Schools Commissioner. The DfE have connected The Enquire Learning Trust to the Regional Schools Commissioner in the north region.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Instances of non compliance

While there were no instances of material non-compliance with law, a review of the trust finances and governance by the ESFA in early 2017 revealed a number of significant areas for improvement. These mainly focused upon issues of governance and highlighted potential risks of non-compliance with statutory requirements due to be enforced later in the year. All potential risks highlighted by the ESFA in their report published in 2017 have been addressed robustly. The Trustees now consider that the Trust is fully compliant with the academies financial Handbook.

Assessment of, and response to risks of irregularity, impropriety and regulatory non compliance

The trust has robust systems for ensuring that all operations are regular and properly implemented. These include making arrangements for frequent and regular audit completed by appropriately qualified and independent professionals. Trustees are diligent in the undertaking of their duties and exercise their challenge and support function effectively. They have a range of perspectives upon the trusts work-drawn informed by the range of expertise they hold-and are able to scrutinise Trust activities and inform collective strategic decision making. The trust has initiated, ahead of time, an Audit Committee which supplements, complements and augments the work of the Trust board.

The Trust has developed quality assurance process - reported regularly to trustees - to keep all aspects of the Trust's work under sharp review. This focuses upon key aspects of the operation including the outcomes that we achieve for pupils, the use of finance and resource the upkeep of trust assets governance structures operate across the trust, improvement processes by which we seek to transform the lives of young people, our professional development and the arrangements leadership development.

Instances of fraud and management of risks of fraud

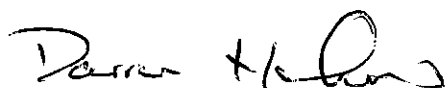
Risk of fraud is actively managed across the Trust through regular scrutiny of financial records and clear processes within our academies and at central level. Trust also has a clear Whistleblowing Policy to enable members of staff to inform the Trust board should any impropriety be suspected. The trust has worked diligently throughout the year to address potential breaches in data systems particularly in relation to all banking arrangements. During 2017 we have moved the trust bank account to new banking provide to improve our financial security.

During the year no instances of fraud have been identified.

AUDITORS

The auditors, Ribchesters Group Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 14 December 2018 and signed on the board's behalf by:



D Holmes - Trustee

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the chief executive, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Enquire Learning 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 Report of the Trustees and in the Statement of Trustees Responsibilities. 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
D Holmes	3	3
J Harrison	3	3
J Cassidy	2	3
J Mellor (resigned 06.03.18)	0	2
R Kirk	3	3
L Mercer	0	3
K McKenning (resigned 06.11.17)	0	0
N Woodworth	0	3
K Davies (resigned 04.05.18)	1	2
G McCourt (appointed 06.11.17)	2	3
R Hildyard (appointed 01.05.18)	1	1
J Foster (appointed 16.05.18)	0	1
M Vigurs (appointed 28.11.17 resigned 21.01.18)	1	1

During the year G McCourt, R Hildyard, J Foster and M Vigurs were appointed to the board of Trustees. J Mellor, K McKenning, K Davies and M Vigurs resigned during the year.

Trust Governance is organised at three levels:

Trust members (Chair: Graeme Brook)

Trustees (Chair: Jack Harrison)

Academy improvement committees (Chair appointed by Board of Trustees)

During this year the Trust has worked unstintingly to develop its governance arrangements. This has required reform and improvement at every level. Steps have been taken to ensure that processes, structures, membership and leadership are aligned. The intention is that the layers of governors complement one another so that oversight and scrutiny are improved. This has involved the recruitment of new members, trustees and governors, comprehensively reviewing the governance arrangements in each of our Academies and paying attention to the way that knowledge is managed and the way the documents are shared across the trust and between the various levels of governance. Steps have been taken to ensure that the membership and leadership of the layers of governance have the necessary skills and capacities to support the complex and dynamic nature and scope of the Trust's operation. Connection to the community is also pertinent and important in this respect. With effect from 1st September 2017 an audit and risk committee was formed.

This work is expected to continue into 2019.

The audit finance and risk committee is a sub-committee of the main board of trustees. Its purpose is to:

- o Review the body's internal and external financial statements and reports to ensure that they reflect best practice
- o Discuss with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor has the fullest co-operation of staff
- o Consider all relevant reports by the Comptroller and Auditor General or the appointed external auditor, including reports on the body's accounts and achievement of value for money
- o Review the effectiveness of internal control system established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner
- o Ensure that the internal audit arrangements are conducted in line with recommendations outlined in the Finance Policy
- o Consider and advise the board on the annual and long-term audit programme
- o Consider internal audit reports from the Responsible Officer, including value-for-money reports and the arrangements for their implementation
- o Review the operation of the Trust code of practice relating to Fraud and Whistleblowing
- o Consider any other matters where requested to do so by the board
- o Report at least once a year to the board on the discharge of the above duties.

Review of Value for Money

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

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

Raising student attainment:

The Trust places raising achievement of learners as its highest operational priority and has initiated a number of procedures and protocols that underpin this commitment. These include:

- o Initiating regular review of academy performance, including monitoring the quality of leadership, teaching and learning
- o Ensuring that all educational risks are known and that mitigating actions are planned by leaders
- o Requiring each Academy to robustly evaluate its own work and plan future improvement activity
- o Ensuring that academy based colleagues have access to collaborative opportunities for professional development across the Trust and beyond
- o Refocusing each Academy Improvement Committee with an emphasis on learning and pupil performance

Robust governance and oversight of Academy Trust finances:

The Trust has set out its financial management requirements within the Finance Policy, the aim of which is to ensure that robust systems and rigorous practice is upheld across the organisation and that all academies conform to propriety and sound financial management. A Scheme of Delegation is set out within the Policy outlining clear levels of responsibility including approved spending limits.

Within 3 months of conversion each academy will be subjected to a comprehensive audit undertaken by the Trust appointed Auditors in order to establish an operational baseline, ensure that adequate control measures are in place and identify areas for development. The audit report, along with its recommendations, is received by the Audit Committee.

The Academies benefit from the provision of a suitably qualified accountant who works alongside a Trustee with the appointed responsibilities of the Responsible Officer RO. The RO periodically reviews key financial policies, systems and procedures, including the use of tenders, and presents reports on compliance to the Audit Committee.

The Trust receives support and advice throughout the year from its appointed Auditors on compliance and accounting practices.

Review of Value for Money

Each Academy Finance and Resource Committee meets at least once per term and receives timely financial monitoring and management reports in order to make informed decisions. Academies will close-down the accounts each month and forward monthly financial monitoring reports to the Trust Finance Manager and Chief Finance Officer, CFO. The CFO will present timely consolidated financial management reports to the Board of Trustees. The CFO monitors cash flow and cash balances, ensuring that the level of reserves is maintained in line with the Reserves Policy.

The Trust approves the academy budgets each year and is mindful of the need to balance expenditure against income in order to ensure that the Trust as a whole remains a 'going concern'.

The Audit Committee receives the Annual Accounts and the External Auditors statutory report.

Ensuring the operation of the Trust demonstrates good value for money and efficient and effective use of resources:

A Scheme of Delegation is set out within the Finance Policy outlining clear levels of responsibility including approved spending limits

- o At least 3 written quotations are obtained for purchases between £2,500 and £49,999
- o All purchases with a value in excess of £50,000 must be subject to formal tendering procedures
- o EU procurement rules are observed as part of the tendering process
- o Any single item purchase in excess of £10,000 that is not identified within the School Development Plan is referred to the Trust CFO prior to purchase

The Trust benchmarks financial performance against other academy trusts in order to demonstrate its commitment to providing good value for money.

Maximising income generation:

The Trust and member academies are committed to maximising income and increasing available revenue and resources.

Academies are encouraged to identify and source additional grants to supplement delegated funding.

Trust surpluses are invested in line with the Investment Policy.

Reviewing controls and managing risks:

The Board of Trustees periodically review the Finance Policy and annually review other related policies. With the expansion of the Trust we will continue to develop systems of internal control and related regulatory policies. We have identified risks centrally and within our member academies and will continue to monitor and manage the risks across the Trust.

A risk register is established and maintained at both Academy and Trust level which is reviewed at least annually by the Academy Local Governing Body and by the Trust Board of Trustees. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy/Trust and the actions which will need to be taken to reduce and mitigate the risks.

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 charitable company 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 The Enquire Learning Trust Ltd for the year 1 September 2017 to 31 August 2018 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 charitable company 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 on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including 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 trustees;
- Regular reviews by the trustees of reports which indicate financial performance against the forecasts and of major plans, capital works and expenditure programmes,
- setting targets to measure financial and other performance,
- Clearly defined purchasing guidelines
- Delegation of authority and segregation of duties,
- Identification and management of risks

The trustees have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. As permitted by the Department for Education's Financial Handbook the internal audit function has been outsourced. Each quarter a report is prepared and submitted to the local governing body and the Board of Trustees on the operation of the systems of control.

Review of Effectiveness

The Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question, the review has been informed by:

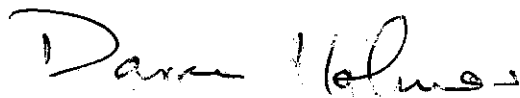
- The work of the Responsible Officer,
- The work of the external auditor,
- The financial management and governance self-assessment process,
- The work of management within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer for the trust has been advised of the implications of the results of these reviews of the system and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 14 December 2018 and signed on its behalf by:



J Harrison - Trustee



D Holmes - Accounting Officer

Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2018

As accounting officer of The Enquire Learning Trust Ltd I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the charitable company 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 charitable company board of trustees are able to identify any material irregular or improper use of all funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company'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.



D Holmes - Accounting Officer

14 December 2018

Statement of Trustees Responsibilities
for the Year Ended 31 August 2018

The trustees (who act as governors of The Enquire Learning Trust Ltd and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

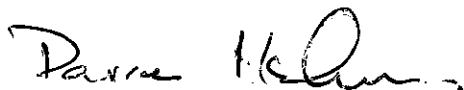
The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have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

In so far as the trustees are aware:

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

The 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 board of trustees on 14 December 2018 and signed on its behalf by:



D Holmes - Trustee

Opinion

We have audited the financial statements of The Enquire Learning Trust Ltd (the 'charitable company') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2017 to 2018.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our 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 a Report of the Independent Auditors 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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Holloway BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Ribchesters Group Limited
Finchale House
Belmont Business Park
Durham
DH1 1TW

14 December 2018

Independent Reporting Auditor's Assurance Report on Regularity to
The Enquire Learning Trust Ltd and the Education and Skills Funding Agency

In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Enquire Learning Trust Ltd during the period 1 September 2017 to 31 August 2018 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 The Enquire Learning Trust Ltd and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Enquire Learning Trust Ltd and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Enquire Learning Trust Ltd and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Enquire Learning Trust Ltd.'s accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of The Enquire Learning Trust Ltd.'s funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



David Holloway BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Ribchesters Group Limited
Finchale House
Belmont Business Park
Durham
DH1 1TW

14 December 2018

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2018

					31.8.18	31.8.17
	Notes	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset funds £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	-	5,193	-	5,193	20,696
Transfer from Local Authority on conversion	29	-	(122,105)	4,190,000	4,067,895	9,245,068
Charitable activities	6					
Funding for the academy's educational operations	3	2,077,516	41,295,186	-	43,372,702	43,214,004
Teaching school		-	57,920	-	57,920	185,426
Other trading activities	4	-	78,517	-	78,517	84,975
Investment income	5	-	37	-	37	1,624
Other income	24	-	-	-	443,000	285,000
Total		2,077,516	41,757,748	4,190,000	48,025,264	53,036,793
EXPENDITURE ON Charitable activities						
Academy's educational operations	9	2,293,303	43,019,847	1,333,280	46,646,430	46,832,768
Teaching school	9	-	64,519	-	64,519	187,192
Other	12		(503,342)	1,756,110	1,252,768	5,702,580
Total	7	2,293,303	42,581,024	3,089,390	47,963,717	52,722,540
NET INCOME/(EXPENDITURE)		(215,787)	(823,276)	1,100,610	61,547	314,253
Other recognised gains/(losses)						
Actuarial gains/losses on defined benefit pension schemes		-	3,656,000	-	3,656,000	4,280,000
Net movement in funds		(215,787)	2,832,724	1,100,610	3,717,547	4,594,253
RECONCILIATION OF FUNDS						
Total funds brought forward		229,286	(13,886,329)	75,070,969	61,413,926	56,819,673
TOTAL FUNDS CARRIED FORWARD		<u>13,499</u>	<u>(11,053,605)</u>	<u>76,171,579</u>	<u>65,131,473</u>	<u>61,413,926</u>

The notes form part of these financial statements

The Trust's activities derive from continuing operations in the current period.

The notes form part of these financial statements

Balance Sheet
At 31 August 2018

	Notes	31.8.18 £	31.8.17 £
FIXED ASSETS			
Tangible assets	15	76,889,655	75,836,261
Investments	16	<u>20</u>	<u>-</u>
		76,889,675	75,836,261
CURRENT ASSETS			
Stocks	17	3,359	7,779
Debtors	18	1,636,919	1,430,466
Cash at bank and in hand		<u>4,322,722</u>	<u>3,419,957</u>
		5,963,000	4,858,202
CREDITORS			
Amounts falling due within one year	19	<u>(4,067,202)</u>	<u>(2,968,537)</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>1,895,798</u>	<u>1,889,665</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		78,785,473	77,725,926
PENSION LIABILITY	24	<u>(13,654,000)</u>	<u>(16,312,000)</u>
NET ASSETS		<u><u>65,131,473</u></u>	<u><u>61,413,926</u></u>

The notes form part of these financial statements

Balance Sheet - continued

At 31 August 2018

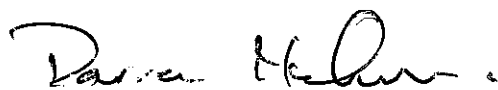
	Notes	31.8.18	31.8.17
	23	£	£
FUNDS			
Unrestricted funds:			
General fund		13,502	229,286
Restricted funds:			
Fixed asset fund		76,171,579	75,070,969
Pension reserve		(13,654,000)	(16,312,000)
Hardwick Green Primary		107,228	176,532
Eastfield Primary		152,598	128,633
Hawthorns School		-	147,601
Laceby Acres		45,041	53,313
Southcoates Primary		25,508	(63,169)
Buckingham Primary		(78,894)	(174,329)
Humberston Cloverfields		324,323	261,856
Middlethorpe Primary		(11,309)	(17,412)
Teaching School Alliance		-	101,934
Welholme Academy		269,150	200,685
Harrow Gate Academy		360,910	230,859
Roseberry Academy		(52,433)	(63,271)
Manchester Road Primary			
School		117,341	345,832
Elliston Primary School		141,880	82,584
Keelby Primary School		67,371	70,260
Linden Road Academy		62,874	16,469
Condition Improvement Fund		584,128	734,488
Enfield Academy of New			
Waltham		45,753	19,670
Springfield Primary Academy		148,636	95,864
Yarm Primary School		25,904	31,391
Moorside Primary School		252,387	265,371
Godley Community Primary			
Academy		9,104	(9,954)
Oakfield Primary and			
Moderate Learning Difficulties			
Resource Provision		136,913	113,970
Flowery Field Primary School		(24,475)	(102,076)
Bradley Green Primary			
Academy		(3,480)	67,256
Dowson Primary Academy		(28,011)	(183,498)
East Whitby Primary			
Academy		3,275	6,918
Stokesley Primary Academy		(117,941)	(112,106)
Endeavour academy		36,611	-
		<u>65,117,971</u>	<u>61,184,640</u>
TOTAL FUNDS		<u>65,131,473</u>	<u>61,413,926</u>

The notes form part of these financial statements

Balance Sheet - continued

At 31 August 2018

The financial statements were approved by the Board of Trustees on 14 December 2018 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'D Holmes', with a small flourish at the end.

D Holmes -Trustee

Cash Flow Statement
for the Year Ended 31 August 2018

	Notes	31.8.18 £	31.8.17 £
Cash flows from operating activities:			
Cash generated from operations	1	91,041	(821,947)
Interest paid		<u>1,106</u>	<u>(2,814)</u>
Net cash provided by (used in) operating activities		<u>92,147</u>	<u>(824,761)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(319,249)	(240,833)
Purchase of fixed asset investments		(20)	-
Capital grants from DfE/ESFA		1,024,956	1,289,565
Interest received		<u>37</u>	<u>1,624</u>
Net cash provided by (used in) investing activities		<u>705,724</u>	<u>1,050,356</u>
Cash transferred on conversion to an academy	29	<u>104,894</u>	<u>18,063</u>
Change in cash and cash equivalents in the reporting period		902,765	243,658
Cash and cash equivalents at the beginning of the reporting period		<u>3,419,957</u>	<u>3,176,299</u>
Cash and cash equivalents at the end of the reporting period		<u><u>4,322,722</u></u>	<u><u>3,419,957</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 August 2018

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.8.18 £	31.8.17 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	61,547	314,253
Adjustments for:		
Depreciation	1,662,813	1,936,654
Capital grants from DfE/ESFA	(1,024,956)	(1,289,565)
Transfer from Local Authority on conversion	(2,274,852)	(3,194,721)
Interest received	(37)	(1,624)
Interest paid	(1,106)	2,814
Decrease/(increase) in stocks	4,420	(2,888)
(Increase)/decrease in debtors	(206,281)	47,660
Increase in creditors	1,098,493	485,470
Difference between pension charge and cash contributions	<u>771,000</u>	<u>880,000</u>
Net cash provided by (used in) operating activities	<u>91,041</u>	<u>(821,947)</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2017 to 2018 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The Enquire Learning Trust Ltd meets the definition of a public benefit entity under FRS 102.

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 company 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.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31st March 2016 has been used by the actuary in valuing the pensions liability at 31st August 2018. 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.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

1. ACCOUNTING POLICIES - continued

Grants

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital 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.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

Sponsorship income

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

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

1. ACCOUNTING POLICIES - continued

Expenditure and liabilities

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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 payment for the goods or services it must provide.

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on cost
Fixtures, fittings & equipment	- 20% on cost
ICT equipment	- 33% on cost

Other depreciation policies are as follows:

Long Leasehold Buildings	- up to 50 years straight line
Long Leasehold Land	- up to 125 years straight line

An independent valuation has been carried out on the land and buildings on conversion to ascertain the cost recognised in the financial statements. All land and buildings are being leased over 125 years from the local authorities.

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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

1. ACCOUNTING POLICIES - continued

Financial instruments

The academy trust only holds basic financial instruments as defined in FRS102. The financial assets and liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

Cash at bank - is classified as a basic financial instrument and is measured at face value

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 19. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Stocks

Unsold uniforms and resources are valued at the lower of cost or net realisable value.

Taxation

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

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 Education Funding Agency where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

Hire purchase and leasing commitments

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

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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 and the assets are held separately from those of the academy trust.

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 quinquennial valuations using a prospective benefit method. As stated in Note 24, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Transfer on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

Transfer out of existing academies

Where an academy leaves the Trust the separable assets and liabilities of that academy are transferred out of the balance sheet at fair value, with any surplus or deficit recognised in the Statement of Financial Activities at the point when the risks and rewards pass from this Trust.

Investments

The academy's shareholding in the wholly owned subsidiary, Interactive Immersive Classrooms Ltd, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefits derived

2. DONATIONS AND CAPITAL GRANTS

	31.8.18	31.8.17
	£	£
Donations	<u>5,193</u>	<u>20,696</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.18 Total funds £	31.8.17 Total funds £
Grants	1,431,353	39,142,255	40,573,608	40,448,393
Catering income	62,506	1,364,232	1,426,738	1,335,555
Other incoming resources	583,660	788,696	1,372,356	1,430,056
	<u>2,077,519</u>	<u>41,295,183</u>	<u>43,372,702</u>	<u>43,214,004</u>

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	31.8.18 Total funds £	31.8.17 Total funds £
DfE/ESFA revenue grant				
General Annual Grant(GAG)	1,406,352	29,841,597	31,247,949	31,105,341
Start Up Grants	25,000	-	25,000	-
Pupil Premium Grant	-	3,366,818	3,366,818	3,386,236
Other DfE / EFA grants	-	166,550	166,550	129,325
Sports Grant	-	491,332	491,332	240,859
Universal Infant Free School Meals	-	932,052	932,052	905,981
	<u>1,431,352</u>	<u>34,798,349</u>	<u>36,229,701</u>	<u>35,767,742</u>
DfE/ESFA capital grant				
Devolved Formula Capital Grants	-	178,422	178,422	187,169
Condition Improvement Fund	-	846,534	846,534	1,102,396
	-	1,024,956	1,024,956	1,289,565
Other government grant				
Early Years Funding	-	1,800,592	1,800,592	1,540,546
SEN	-	1,305,253	1,305,253	1,387,492
Local authority grants	-	213,105	213,105	463,049
	-	3,318,950	3,318,950	3,391,087
	<u>1,431,352</u>	<u>39,142,255</u>	<u>40,573,607</u>	<u>40,448,394</u>

4. OTHER TRADING ACTIVITIES

	31.8.18 £	31.8.17 £
Hire of facilities	<u>78,517</u>	<u>84,975</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

5. INVESTMENT INCOME

	31.8.18	31.8.17
	£	£
Deposit account interest	<u>37</u>	<u>1,624</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.8.18	31.8.17
		£	£
TSA income	Teaching school	<u>57,920</u>	<u>185,426</u>

7. EXPENDITURE

	Staff costs	Non-pay expenditure		31.8.18	31.8.17
	£	Premises	Other costs	Total	Total
		£	£	£	£
Charitable activities					
Academies educational operations					
Direct costs	25,787,174	-	2,747,737	28,534,911	30,215,311
Allocated support costs	<u>7,884,135</u>	<u>4,796,344</u>	<u>5,431,040</u>	<u>18,111,519</u>	<u>16,617,457</u>
	33,671,309	4,796,344	8,178,777	46,646,430	46,832,768
Other	<u>-</u>	<u>-</u>	<u>1,252,768</u>	<u>1,252,768</u>	<u>5,702,580</u>
	<u>33,671,309</u>	<u>4,796,344</u>	<u>9,431,545</u>	<u>47,899,198</u>	<u>52,535,348</u>

Net income/ (expenditure) is stated after charging/ (crediting):

	31.8.18	31.8.17
	£	£
Auditors' remuneration	22,500	22,000
Other assurance	3,368	15,015
Depreciation - owned assets	1,662,812	1,936,660
Other operating leases	299,810	305,974
Deficit on disposal of fixed asset	<u>-</u>	<u>4,025</u>

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds	Restricted funds	31.8.18 Total funds	31.8.17 Total funds
	£	£	£	£
Direct costs	187,263	28,347,648	28,534,911	30,215,311
Support costs	<u>2,106,043</u>	<u>16,005,476</u>	<u>18,111,519</u>	<u>16,617,457</u>
	<u>2,293,306</u>	<u>44,353,124</u>	<u>46,646,430</u>	<u>46,832,768</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued

	31.8.18 Total £	31.8.17 Total £
Analysis of support costs		
Support staff costs	7,884,135	7,058,948
Depreciation	329,532	344,896
Technology costs	104,519	171,562
Premises costs	4,796,344	3,950,534
Other support costs	4,971,121	5,054,502
Governance costs	25,868	37,015
Total support costs	18,111,519	16,617,457

9. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs	Totals
	£	£	£
Teaching school	54,277	10,242	64,519
Academy's educational operations	28,534,911	18,111,519	46,646,430
	<u>28,589,188</u>	<u>18,121,761</u>	<u>46,710,949</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. Staff trustees only receive remuneration in respect of services they provide undertaking the roles under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

D Holmes (CEO and trustee):

Remuneration £134,000 (2017: £60,000)

Employers pension contributions paid £22,244 (2017: £9,360)

Expenses £15,708 (2017: £4,344)

Benefit in Kind £2,451

There was a significant change in the engagement of the CEO from 1st April 2017 at which point the engagement changed from that of an arrangement through a service company as previously disclosed in the related party notes to that of an employee.

Trustees' expenses

The Trust made allowances totalling £0 (2017: £641) during the year for travel expenses claimed by non staff trustees.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

11. STAFF COSTS

	31.8.18	31.8.17
	£	£
Wages and salaries	25,219,204	25,934,559
Social security costs	2,043,546	2,011,134
Operating costs of defined benefit pension schemes	<u>5,941,811</u>	<u>5,776,562</u>
	33,204,561	33,722,255
Supply teacher costs	407,592	481,060
Staff restructuring costs	<u>97,556</u>	<u>139,519</u>
	<u>33,709,709</u>	<u>34,342,834</u>

Staff restructuring costs comprise redundancy £23,642 (2017: £95,727) and settlement costs of £73,914 (2017: £30,654)

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £73,914 (2017: £30,654). Individually, the payments were: £500 made on 07.08.18, £1350 made on 22.12.17, £1,392 made on 07.06.18, £3032 made on 24.01.18, £8000 made on 01.09.17, £10325 made on 15.12.17, £19,315 made on 19.03.18 and £30000 made on 23.03.18.

Included in operating costs of defined benefit pension schemes is £95,289 of strain costs paid to local government pension schemes in relation to ill health retirement.

Staff numbers

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	31.8.18	31.8.17
Teachers	888	912
Administration and support	488	548
Management	<u>10</u>	<u>7</u>
	<u>1,386</u>	<u>1,467</u>

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

	31.8.18	31.8.17
£60,001 - £70,000	11	14
£70,001 - £80,000	8	7
£80,001 - £90,000	1	1
£90,001 - £100,000	1	-
More than £100,000	<u>1</u>	<u>-</u>
	<u>22</u>	<u>22</u>

The above employees participated in the Teachers' Pension Scheme and the Teeside Local Government Pension Scheme. During the year ended 31 August 2018 employer's pension contributions for these staff amounted to £257,223 (2017: £243,520). £192,200 related to the Teachers Pension Scheme (2017: £229,232) and £65,023 to the Local Government Pension Scheme (2017: £14,288).

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

11. STAFF COSTS

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 2. The total amount of employee benefits received by key management personnel for their services to the academy trust was £579,848 (2017: £618,356).

12. EXCEPTIONAL ITEMS

Within expenditure on charitable activities (other costs) in the SOFA is an exceptional item of £1,252,768 (2017: £5,702,580). This relates to the transfer of Hawthorns academy and the Teaching School Alliance out of the Enquire Learning Trust. The prior year exceptional item related to the transfer of Lime Tree Academy out of the Trust.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	-	20,696	-	20,696
Transfer from Local Authority on conversion	-	(4,702,932)	13,948,000	9,245,068
Charitable activities				
Funding for the academy's educational operations	1,329,443	41,884,561	-	43,214,004
Teaching school	-	185,426	-	185,426
Other trading activities	-	84,975	-	84,975
Investment income	118	1,506	-	1,624
Other income	-	285,000	-	285,000
Total	1,329,561	37,759,232	13,948,000	53,036,793
EXPENDITURE ON				
Charitable activities				
Academy's educational operations	1,535,286	43,705,725	1,591,757	46,832,768
Teaching school	-	187,192	-	187,192
Other	-	(249,919)	5,952,499	5,702,580
Total	1,535,286	43,642,998	7,544,256	52,722,540
NET INCOME/(EXPENDITURE)	(205,725)	(5,883,766)	6,403,744	314,253
Transfers between funds	-	5,539	(5,539)	-
Other recognised gains/(losses)				
Actuarial gains/losses on defined benefit pension schemes	-	4,280,000	-	4,280,000
Net movement in funds	(205,725)	(1,598,227)	6,398,205	4,594,253

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset funds £	Total funds £
RECONCILIATION OF FUNDS				
Total funds brought forward	435,009	(12,288,101)	68,672,765	56,819,673
TOTAL FUNDS CARRIED FORWARD	<u>229,284</u>	<u>(13,886,328)</u>	<u>75,070,970</u>	<u>61,413,926</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

14. CENTRAL SERVICES

The academy trust has provided the following central services to its academies during the year:

- Human resources
- Financial services
- IT support
- Legal services
- Educational support services, and
- Others as arising

The trust charges for these services on the following basis:

- Flat percentage of income at 4.5% (2017: 4%)

The actual amounts charged during the year were as follows:

	2018	2017
	£	£
Hardwick Green Primary	49,331	38,929
Eastfield Primary	44,491	38,913
Hawthorns School	15,278	27,542
Laceby Acres	39,300	35,434
Lime Tree Primary	-	51,058
Southcoates Primary	62,016	53,852
Buckingham Primary	56,322	51,495
Humberston Cloverfields	48,311	41,475
Middlethorpe Primary	40,241	35,273
Welholme Academy	101,078	92,078
Harrow Gate Academy	71,999	63,907
Roseberry Academy	36,486	32,918
Manchester Road Primary School	70,759	60,228
Elliston Primary School	59,697	53,375
Keelby Primary School	29,553	25,602
Linden Road Academy	44,520	39,172
Enfield Academy of New Waltham	28,747	22,420
Springfield Primary Academy	58,886	48,319
Yarm Primary School	58,124	52,812
Moorside Primary Academy	69,683	60,868
Godley Community Primary Academy	43,163	38,387
Oakfield Academy	41,875	37,117
Flowery Field Academy	98,730	78,415
Dowson primary	72,326	63,898
Bradley Green Primary	35,877	31,982
East Whitby Primary Academy	38,919	27,984
Stokesley Primary	46,390	34,752
Endeavour Academy	44,250	-
	<u>1,406,352</u>	<u>1,238,205</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

15. TANGIBLE FIXED ASSETS

	Long leasehold land & buildings £	Improvement s to property £	Plant and machinery £
COST			
At 1 September 2017	78,075,244	32,642	432,798
Additions	-	45,555	-
Disposals	(1,920,000)	-	-
Transfer on conversion	4,190,000	-	-
At 31 August 2018	<u>80,345,244</u>	<u>78,197</u>	<u>432,798</u>
DEPRECIATION			
At 1 September 2017	3,004,275	457	86,560
Charge for year	1,333,281	386	86,559
Eliminated on disposal	(163,890)	-	-
At 31 August 2018	<u>4,173,666</u>	<u>843</u>	<u>173,119</u>
NET BOOK VALUE			
At 31 August 2018	<u>76,171,578</u>	<u>77,354</u>	<u>259,679</u>
At 31 August 2017	<u>75,070,969</u>	<u>32,185</u>	<u>346,238</u>

	Fixtures, fittings & equipment £	ICT equipment £	Totals £
COST			
At 1 September 2017	176,660	670,735	79,388,079
Additions	61,812	211,882	319,249
Disposals	(36,870)	(68,974)	(2,025,844)
Transfer on conversion	-	-	4,190,000
At 31 August 2018	<u>201,602</u>	<u>813,643</u>	<u>81,871,484</u>
DEPRECIATION			
At 1 September 2017	58,584	401,942	3,551,818
Charge for year	35,453	207,133	1,662,812
Eliminated on disposal	(20,418)	(48,493)	(232,801)
At 31 August 2018	<u>73,619</u>	<u>560,582</u>	<u>4,981,829</u>
NET BOOK VALUE			
At 31 August 2018	<u>127,983</u>	<u>253,061</u>	<u>76,889,655</u>
At 31 August 2017	<u>118,076</u>	<u>268,793</u>	<u>75,836,261</u>

Assets with a NBV of £1,793,043 were transferred out of the trust with Hawthorns Academy.

16. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
Additions	<u>20</u>
NET BOOK VALUE	
At 31 August 2018	<u>20</u>
At 31 August 2017	<u>-</u>

There were no investment assets outside the UK.

17. STOCKS

	31.8.18 £	31.8.17 £
Stocks	<u>3,359</u>	<u>7,779</u>

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.18 £	31.8.17 £
Trade debtors	64,503	96,318
Other debtors	17,887	2,699
VAT	329,274	201,132
Prepayments and accrued income	-	-
Accrued income	638,710	645,350
Prepayments	<u>586,545</u>	<u>484,967</u>
	<u>1,636,919</u>	<u>1,430,466</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.18	31.8.17
	£	£
Trade creditors	1,895,706	1,151,853
Social security and other taxes	941,460	921,170
VAT	172	-
Other creditors	156,376	8,816
Charge card	7,494	7,718
Accrued expenses	212,476	256,698
Deferred income	853,518	622,282
	<u>4,067,202</u>	<u>2,968,537</u>

Deferred income	2018	2017
	£	£
Deferred Income at 1 September 2017	622,282	467,223
Resources deferred in the year	853,518	622,282
Amounts released from previous years	<u>(622,282)</u>	<u>(467,223)</u>
Deferred Income at 31 August 2018	<u>853,518</u>	<u>622,282</u>

At the balance sheet date the academy trust was holding £531,385 of funds received in advance relating to Universal Infant Free School Meals to be provided in the 2018/19 academic year. The remaining deferred income balance of £322,133 is grant funding received in advance and relates to the 2018/19 academic year.

20. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.8.18	31.8.17
	£	£
Within one year	268,526	261,267
Between one and five years	<u>411,039</u>	<u>263,651</u>
	<u>679,565</u>	<u>524,918</u>

21. 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.

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

				31.8.18	31.8.17
	Unrestricted fund	Restricted funds	Restricted Fixed Asset funds	Total funds	Total funds
	£	£	£	£	£
Fixed assets	354,792	363,285	76,171,578	76,889,655	75,836,261
Investments	20	-	-	20	-
Current assets	489,083	5,473,917	-	5,963,000	4,858,202
Current liabilities	(830,393)	(3,236,809)	-	(4,067,202)	(2,968,537)
Pension liability	-	(13,654,000)	-	(13,654,000)	(16,312,000)
	<u>13,502</u>	<u>(11,053,607)</u>	<u>76,171,578</u>	<u>65,131,473</u>	<u>61,413,926</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

23. MOVEMENT IN FUNDS

	At 1.9.17 £	Net movement in funds £	Transfers between funds £	At 31.8.18 £
Unrestricted funds				
General fund	229,286	(215,784)	-	13,502
Restricted funds				
Fixed asset fund	75,070,969	1,100,610	-	76,171,579
Pension reserve	(16,312,000)	2,658,000	-	(13,654,000)
Hardwick Green Primary	176,532	(69,304)	-	107,228
Eastfield Primary	128,634	23,964	-	152,598
Hawthorns School	147,601	(147,601)	-	-
Laceby Acres	53,313	(8,272)	-	45,041
Southcoates Primary	(63,169)	88,677	-	25,508
Buckingham Primary	(174,329)	95,435	-	(78,894)
Humberston Cloverfields	261,856	62,467	-	324,323
Middlethorpe Primary	(17,412)	6,103	-	(11,309)
Teaching School Alliance	101,934	(101,934)	-	-
Welholme Academy	200,685	68,465	-	269,150
Harrow Gate Academy	230,858	130,052	-	360,910
Roseberry Academy	(63,271)	10,838	-	(52,433)
Manchester Road Primary School	345,832	(228,491)	-	117,341
Elliston Primary School	82,584	59,296	-	141,880
Keelby Primary School	70,260	(2,889)	-	67,371
Linden Road Academy	16,469	46,405	-	62,874
Condition Improvement Fund	734,488	(150,360)	-	584,128
Enfield Academy of New Waltham	19,670	26,083	-	45,753
Springfield Primary Academy	95,864	52,772	-	148,636
Yarm Primary School	31,391	(5,487)	-	25,904
Moorside Primary School	265,371	(12,984)	-	252,387
Godley Community Primary Academy	(9,954)	19,058	-	9,104
Oakfield Primary and Moderate Learning				
Difficulties Resource Provision	113,970	22,943	-	136,913
Flowery Field Primary School	(102,076)	77,601	-	(24,475)
Bradley Green Primary Academy	67,256	(70,736)	-	(3,480)
Dowson Primary Academy	(183,498)	155,487	-	(28,011)
East Whitby Primary Academy	6,918	(3,643)	-	3,275
Stokesley Primary Academy	(112,106)	(5,835)	-	(117,941)
Endeavour academy	-	36,611	-	36,611
	61,184,640	3,933,331	-	65,117,971
TOTAL FUNDS	<u>61,413,926</u>	<u>3,717,547</u>	<u>-</u>	<u>65,131,473</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

23. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	2,077,519	(2,293,303)	-	(215,784)
Restricted funds				
Fixed asset fund	4,190,001	(3,089,391)	-	1,100,610
Pension reserve	216,000	(1,214,000)	3,656,000	2,658,000
Hardwick Green Primary	1,407,423	(1,476,727)	-	(69,304)
Eastfield Primary	1,482,465	(1,458,501)	-	23,964
Hawthorns School	918,025	(1,065,626)	-	(147,601)
Laceby Acres	951,598	(959,870)	-	(8,272)
Southcoates Primary	1,812,467	(1,723,790)	-	88,677
Buckingham Primary	1,562,299	(1,466,864)	-	95,435
Humberston Cloverfields	1,336,439	(1,273,972)	-	62,467
Middlethorpe Primary	1,073,323	(1,067,220)	-	6,103
Teaching School Alliance	57,951	(159,885)	-	(101,934)
Welholme Academy	2,679,112	(2,610,647)	-	68,465
Harrow Gate Academy	2,160,471	(2,030,419)	-	130,052
Roseberry Academy	980,939	(970,101)	-	10,838
Manchester Road Primary School	1,941,489	(2,169,980)	-	(228,491)
Elliston Primary School	1,718,666	(1,659,370)	-	59,296
Keelby Primary School	802,728	(805,617)	-	(2,889)
Linden Road Academy	1,354,342	(1,307,937)	-	46,405
Condition Improvement Fund	846,534	(996,894)	-	(150,360)
Enfield Academy of New Waltham	720,822	(694,739)	-	26,083
Springfield Primary Academy	1,604,485	(1,551,713)	-	52,772
Yarm Primary School	1,763,920	(1,769,407)	-	(5,487)
Moorside Primary School	1,939,441	(1,952,425)	-	(12,984)
Godley Community Primary Academy	1,164,471	(1,145,413)	-	19,058
Oakfield Primary and Moderate Learning				
Difficulties Resource Provision	1,235,324	(1,212,381)	-	22,943
Flowery Field Primary School	2,959,884	(2,882,283)	-	77,601
Bradley Green Primary Academy	993,660	(1,064,396)	-	(70,736)
Dowson Primary Academy	2,263,860	(2,108,373)	-	155,487
East Whitby Primary Academy	1,231,671	(1,235,314)	-	(3,643)
Stokesley Primary Academy	1,312,240	(1,318,075)	-	(5,835)
Endeavour academy	1,265,695	(1,229,084)	-	36,611
	45,947,745	(45,670,414)	3,656,000	3,933,331
TOTAL FUNDS	<u>48,025,264</u>	<u>(47,963,717)</u>	<u>3,656,000</u>	<u>3,717,547</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

23. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.16 £	Net movement in funds £	Transfers between funds £	At 31.8.17 £
Unrestricted Funds				
General fund	435,009	(205,723)	-	229,286
Restricted Funds				
Fixed asset fund	68,672,765	6,403,743	(5,539)	75,070,969
Pension reserve	(14,991,000)	(1,321,000)	-	(16,312,000)
Hardwick Green Primary	229,977	(55,946)	2,501	176,532
Eastfield Primary	131,075	(5,480)	3,038	128,633
Hawthorns School	157,537	(9,936)	-	147,601
Laceby Acres	60,841	(7,528)	-	53,313
Lime Tree Primary	323,683	(323,683)	-	-
Southcoates Primary	(104,636)	41,467	-	(63,169)
Buckingham Primary	(132,441)	(41,888)	-	(174,329)
Humberston Cloverfields	282,568	(20,712)	-	261,856
Middlethorpe Primary	(28,373)	10,961	-	(17,412)
Teaching School Alliance	103,617	(1,683)	-	101,934
Welholme Academy	187,162	13,523	-	200,685
Harrow Gate Academy	99,050	131,809	-	230,859
Roseberry Academy	1,589	(64,860)	-	(63,271)
Manchester Road Primary School	334,163	11,669	-	345,832
Elliston Primary School	198,168	(115,584)	-	82,584
Keelby Primary School	53,250	17,010	-	70,260
Linden Road Academy	(11,326)	27,795	-	16,469
Condition Improvement Fund	109,551	624,937	-	734,488
Enfield Academy of New Waltham	22,984	(3,314)	-	19,670
Springfield Primary Academy	31,407	64,457	-	95,864
Yarm Primary School	105,427	(74,036)	-	31,391
Moorside Primary School	111,983	153,388	-	265,371
Godley Community Primary Academy	87,278	(97,232)	-	(9,954)
Oakfield Primary and Moderate Learning				
Difficulties Resource Provision	153,646	(39,676)	-	113,970
Flowery Field Primary School	194,719	(296,795)	-	(102,076)
Bradley Green Primary Academy	-	67,256	-	67,256
Dowson Primary Academy	-	(183,498)	-	(183,498)
East Whitby Primary Academy	-	6,918	-	6,918
Stokesley Primary Academy	-	(112,106)	-	(112,106)
	56,384,664	4,799,976	-	61,184,640
TOTAL FUNDS	<u>56,819,673</u>	<u>4,594,253</u>	<u>-</u>	<u>61,413,926</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

23. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,329,559	(1,535,282)	-	(205,723)
Restricted funds				
Fixed asset fund	13,948,000	(7,544,257)	-	6,403,743
Pension reserve	(4,436,000)	(1,165,000)	4,280,000	(1,321,000)
Hardwick Green Primary	1,365,781	(1,421,727)	-	(55,946)
Eastfield Primary	1,447,046	(1,452,526)	-	(5,480)
Hawthorns School	1,635,879	(1,645,815)	-	(9,936)
Laceby Acres	1,003,190	(1,010,718)	-	(7,528)
Lime Tree Primary	1,763,046	(2,086,729)	-	(323,683)
Southcoates Primary	1,815,329	(1,773,862)	-	41,467
Buckingham Primary	1,692,124	(1,734,012)	-	(41,888)
Humberston Cloverfields	1,308,192	(1,328,904)	-	(20,712)
Middlethorpe Primary	1,075,075	(1,064,114)	-	10,961
Teaching School Alliance	185,509	(187,192)	-	(1,683)
Welholme Academy	2,746,087	(2,732,564)	-	13,523
Harrow Gate Academy	2,151,619	(2,019,810)	-	131,809
Roseberry Academy	1,002,990	(1,067,850)	-	(64,860)
Manchester Road Primary School	1,926,529	(1,914,860)	-	11,669
Elliston Primary School	1,696,354	(1,811,938)	-	(115,584)
Keelby Primary School	824,542	(807,532)	-	17,010
Linden Road Academy	1,344,414	(1,316,619)	-	27,795
Condition Improvement Fund	1,102,397	(477,460)	-	624,937
Enfield Academy of New Waltham	655,397	(658,711)	-	(3,314)
Springfield Primary Academy	1,525,695	(1,461,238)	-	64,457
Yarm Primary School	1,706,739	(1,780,775)	-	(74,036)
Moorside Primary School	1,954,883	(1,801,495)	-	153,388
Godley Community Primary Academy	1,188,275	(1,285,507)	-	(97,232)
Oakfield Primary and Moderate Learning				
Difficulties Resource Provision	1,262,141	(1,301,817)	-	(39,676)
Flowery Field Primary School	2,588,193	(2,884,988)	-	(296,795)
Bradley Green Primary Academy	1,093,101	(1,025,845)	-	67,256
Dowson Primary Academy	2,023,926	(2,207,424)	-	(183,498)
East Whitby Primary Academy	1,027,530	(1,020,612)	-	6,918
Stokesley Primary Academy	1,083,251	(1,195,357)	-	(112,106)
	51,707,234	(51,187,258)	4,280,000	4,799,976
TOTAL FUNDS	<u>53,036,793</u>	<u>(52,722,540)</u>	<u>4,280,000</u>	<u>4,594,253</u>

23. MOVEMENT IN FUNDS - continued

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

Unrestricted funds

The unrestricted funds represent funds available to the trustees to apply for the general purposes of the trust.

Restricted general funds

The income and expenditure which each academy receives and incurs and which relates to direct charitable and supporting activities. Income principally derives from government and other grants, expenditure relates to the operation of that particular academy.

As set out in note 14, a charge for central services is made to each academy, this is treated as unrestricted income.

The funds entitled Buckingham Primary, Middlethorpe Academy, Roseberry Academy, Bradley Green Primary Academy, Flowery Field Primary School, Dowson Primary academy and Stokesley Primary Academy are in deficit. These academies are being supported by funds from across the trust. Plans are in place to return all funds to a surplus position by 31st August 2019

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

Restricted fixed assets

This fund represents fixed assets transferred on conversion and capital grants received. Surplus cash within this fund is to be used to purchase capital items only.

Depreciation is charged against this fund in accordance with the accounting policy in note 1.

Pension reserve

The actuarial reports which are detailed in note 24 have determined that the Local Government Pension Scheme has a deficit of £13,654,000. A provision for this deficit has been provided in the balance sheet and is matched by a Pension Reserve.

Analysis of academies by cost

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 (exc depreciation £)	Total £
Hardwick Green	1,012,679	131,651	17,330	309,336	1,470,996
Eastfield	925,712	169,885	34,276	299,565	1,429,438
Hawthorns	619,935	78,278	6,389	345,940	1,050,542
Lacey Acres	629,417	164,450	7,186	153,054	954,107
Southcoates	1,173,982	219,886	9,592	316,327	1,719,787
Buckingham	902,430	237,767	11,421	311,647	1,463,265
Humberston					
Cloverfields	768,178	279,285	17,727	177,709	1,242,899
Middlethorpe	656,494	165,709	22,544	218,390	1,063,137
Teaching school					
alliance	28,188	10,213	0	121,484	159,885
Welholme	1,812,115	325,554	18,637	438,636	2,594,942
Harrowgate	1,306,365	221,284	25,286	468,737	2,021,672
Roseberry	654,869	123,274	5,306	185,652	969,101

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

23. MOVEMENT IN FUNDS - continued

Manchester Road	1,125,707	324,522	36,829	656,492	2,143,550
Elliston	1,214,223	173,646	16,849	229,881	1,634,599
Keelby	542,201	109,792	17,798	134,702	804,493
Linden Road	810,456	207,237	20,921	268,377	1,306,991
Yarm Primary	1,193,792	210,127	15,066	341,646	1,760,631
Springfield	907,160	288,057	34,472	312,636	1,542,325
Enfield	402,862	127,552	14,305	147,773	692,492
Moorside	1,227,795	267,540	28,243	423,367	1,946,945
Godley	757,443	165,822	13,064	205,866	1,142,195
Oakfield	786,456	160,755	25,868	235,863	1,208,942
Flowery Field	2,005,932	324,460	57,946	492,641	2,880,979
Bradley Green	681,878	144,390	16,715	216,994	1,059,977
Dowson	1,239,904	371,059	55,810	436,848	2,103,621
East Whitby	766,271	165,069	17,475	286,499	1,235,314
Stokesley	885,767	222,807	11,274	198,226	1,318,074
Endeavour	777,148	234,331	10,931	206,673	1,229,083
	<u>25,815,359</u>	<u>5,624,402</u>	<u>569,260</u>	<u>8,140,961</u>	<u>40,149,982</u>

24. PENSION AND SIMILAR OBLIGATIONS

The academy trust's employees belong to two principal pension schemes: The Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff which is managed by the followings:

- East Riding of Yorkshire Council
- Stockton on Tees Borough Council
- Tameside Metropolitan Borough Council
- Lincolnshire County Council
- North Yorkshire County Council

All are multi-employer defined benefit schemes.

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

Contributions amounting to £482,603 (2017: £554,332) were payable to the schemes at 31st August 2018 and are included within creditors.

Teachers' pension scheme

Introduction

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

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

24. PENSION AND SIMILAR OBLIGATIONS
- continued

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31st March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9th June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The employers pension costs paid to TPS in the period amounted to £2,250,478 (2017: £2,313,249).

A copy of the valuation report and supporting documentation is on the Teachers' Pension website.

Under the definitions set out in FRS102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31st August 2018 was £3,069,787 (2017: £2,896,740) of which employers contributions totalled £2,495,137 (2017: £2,354,410) and employee's contributions totalled £574,650 (2017: £542,330). The agreed contribution rates for future years range from 16.6 % to 39.8% for employers and range from 5.5% to 12.5% for employees depending on salary.

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

The trust has taken on the deficit in relation to its staff that are members of the LGPS. Trustees are aware of the extent and the potential impact that the transferred pension deficits could have on the financial viability of the Trust. Having undertaken a comprehensive review of the LGPS arrangements across the trust, Trustees have agreed to consolidate and pool the disparate pension funds within the Teeside Pension Fund.

24. PENSION AND SIMILAR OBLIGATIONS
- continued

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.8.18	31.8.17
	£	£
Present value of funded obligations	(34,481,000)	(32,881,000)
Fair value of plan assets	<u>20,827,000</u>	<u>16,569,000</u>
	<u>(13,654,000)</u>	<u>(16,312,000)</u>
Deficit	<u>(13,654,000)</u>	<u>(16,312,000)</u>
Liability	<u>(13,654,000)</u>	<u>(16,312,000)</u>

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

	Defined benefit pension plans	
	31.8.18	31.8.17
	£	£
Current service cost	3,591,000	3,472,000
Net interest from net defined benefit asset/liability	398,000	396,000
Past service cost	<u>17,000</u>	<u>-</u>
	<u>4,006,000</u>	<u>3,868,000</u>
Actual return on plan assets	<u>1,130,000</u>	<u>1,543,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.8.18	31.8.17
	£	£
Defined benefit obligation	32,881,000	24,649,000
Current service cost	3,591,000	3,472,000
Past service cost	17,000	-
Contributions by scheme participants	573,000	533,000
Interest cost	841,000	681,000
Actuarial losses/(gains)	(2,969,000)	(3,022,000)
Benefits paid	609,000	(198,000)
Conversions into the trust	809,000	7,999,000
Transferred out on existing academies leaving the trust	<u>(1,871,000)</u>	<u>(1,233,000)</u>
	<u>34,481,000</u>	<u>32,881,000</u>

24. PENSION AND SIMILAR OBLIGATIONS
- continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.8.18	31.8.17
	£	£
Fair value of scheme assets	16,569,000	9,658,000
Contributions by employer	2,466,000	2,437,000
Contributions by scheme participants	573,000	533,000
Expected return	443,000	285,000
Actuarial gains/(losses)	687,000	1,258,000
Benefits paid	609,000	(198,000)
Conversions into the trust	582,000	3,278,000
Transferred out on existing academies leaving the trust	(1,102,000)	(682,000)
	<u>20,827,000</u>	<u>16,569,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31.8.18	31.8.17
	£	£
Actuarial gains/(losses)	<u>3,656,000</u>	<u>4,280,000</u>
	<u>3,656,000</u>	<u>4,280,000</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31.8.18	31.8.17
	£	£
Equities	14,571,948	12,084,832
Bonds	2,488,248	2,071,147
Property	1,872,566	1,316,633
Cash	1,650,472	964,061
Other	243,766	132,327
	<u>20,827,000</u>	<u>16,569,000</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	31.8.18	31.8.17
Discount rate	2.8%	2.5%
Future salary increase	2.89%	2.95%
Future pension increases	2.24%	2.3%
Inflation Assumption (CPI)	2.04%	2%
Inflation Assumption (RPI)	3.14%	3.1%

24. PENSION AND SIMILAR OBLIGATIONS
- continued

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

	At 31 August 2018	At 31 August 2017
Retiring today		
Males		
Females	21.5 - 22.8 24.1 - 26.3	21.5 - 22.8 24.1 - 26.3
Retiring in 20 years		
Males		
Females	23.7 - 25.0 26.2 - 28.6	23.7 - 25.0 26.2 - 28.6

25. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust 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 the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Income related party transactions

Darren Holmes, CEO, was a trustee at Connect Academy Trust for a period during the year ended 31st August 2018. The Enquire Learning Trust provided support services to Connect Academy Trust at a cost of £5,080 (2017: £20,810) including expenses during the year ended 31st August 2018. Darren Holmes resigned from the Connect Academy Trust on 2nd March 2018.

On the 14th June 2018, Paul Kennedy, Director of Business Operations was appointed – on behalf of The Enquire Learning Trust - as director and The Enquire Learning Trust as a 20% shareholder of Interactive Immersive Classrooms Limited. The company develops Immersive classrooms for schools and these are provided to 5 of the schools in The Enquire Learning Trust. £3,747 was outstanding from Interactive Immersive Classrooms Ltd as at 31st August 2018 in relation to legal fees.

Expenditure related party transactions

Ronnie Woods, Director of Learning, was appointed as a Trustee of The Centre of Learning in Primary Education (CLPE) on 1st September 2017, CLPE are a charity working to improve literacy in primary education. CLPE provided training services to the Enquire Learning Trust during the year totalling £24,760.

Lesley Mercer was a trustee during the year ended 31st August 2018. She provided NQT advice and support to the trust during the year at a cost of £2,473 (2017: £10,073). The balance outstanding at 31st August 2018 was nil. (2017: £800)

On the 14th June 2018, Paul Kennedy, Director of Business Operations was appointed as director and The Enquire Learning Trust as a 20% shareholder of Interactive Immersive Classrooms Limited. The company develops Immersive classrooms for schools and these are provided to 5 of the schools in The Enquire Learning Trust. The Enquire Learning Trust was invoiced £50,000 for the licences of the immersive spaces during the year. This was outstanding at the year end.

The below related party transactions were entered into during the year. All of the below related party transactions have been procured in accordance with the Trust finance policy and have been subject to a fair and open procurement procedure.

Related party	Nature of transaction	Value	Amount outstanding at year end
Anne Munro - mother of Liz Thompson (Director of Governance)	SEN Consultancy services	£39,000 (2017: £26,000)	£5,500 (2017: £8,000)
Nick Thompson - husband of Liz Thompson (Director of Governance)	Decorating services	£2,900 (2017: nil)	nil
Black and White Promotional Print services - husband of vice principal at Manchester Road	Printing services	£758 (2017: £569)	nil (2017:nil)

25. RELATED PARTY DISCLOSURES

Home and Garden Property Solutions Ltd - Husband of Jodie Younger (Director of Finance)	Maintenance services	£9,623 (2017: £2,778)	£9,190 (2017: nil)
Husband of staff member at Harrowgate Primary Academy	Maintenance services	£3,100 (2017: £13,348)	nil (2017: nil)
DF Coaching - governor at Yarm Primary	Sports coaching services	£13,350 (2017: £22,800)	nil (2017: nil)
The Skate station Ltd - company of business manager at Bradley Green Academy	Children's party services	£179 (2017: £241)	nil (2017: nil)
L Con Ltd - husband of business manager at Endeavour Academy	Maintenance services	£2,931 (2017: nil)	£1,208 (2017: nil)
Sourcefour - governor at Humberston Cloverfields Academy	Marketing services	£443 (2017: nil)	nil (2017: nil)
Electronic security solutions Ltd - principal's partner at Linden Road	Access and alarm installation	£6,015 (2017: nil)	nil (2017: nil)
DGB Contractors - husband of deputy principal at Welholme Academy	Decorating services	£1,416 (2017: nil)	nil (2017: nil)

26. ULTIMATE CONTROLLING PARTY

The charitable company is controlled by the board of trustees.

27. TRANSFER OUT ON ACADEMIES LEAVING THE TRUST

	Transfer out on academies leaving the trust £
Tangible Fixed assets	
Leasehold land and buildings	1,756,110
Computer Equipment	20,481
Fixtures and Fittings	16,451
Other assets	
Debtors due within 1 year	43,165
Cash in bank and in hand	265,889
Liabilities	
Creditors due within 1 year	(80,328)
Pensions	
Pension scheme assets	1,102,000
Pension scheme liabilities	(1,871,000)
Net assets/(liabilities)	<u>1,252,768</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2018

28. TEACHING SCHOOL TRADING ACCOUNT

	2018	2017
	£	£
Income		
Course Income	10,711	62,327
Grant income	40,222	58,441
Other income	6,987	64,658
Total income	57,920	185,426
Expenditure		
Direct Costs		
Direct staff costs	28,188	31,255
Other direct costs	282	4,978
Total direct costs	28,470	36,233
Other costs		
Support staff costs	10,213	20,386
Licences and subscriptions	1,474	8,029
Marketing costs	216	1,143
Other support costs	24,116	121,337
Bank charges	30	64
Total support costs	36,049	150,959
Total expenditure	64,519	187,192
Surplus/(deficit)	(6,599)	(1,766)

29. CONVERSION TO AN ACADEMY

On 1st November 2017 the Leigh Primary School (now Endeavour Academy) converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Enquire Learning Trust from Tameside Local Authority for nil consideration.

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

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

	Unrestricted funds £000	Restricted funds £000	Restricted Fixed asset funds £000	Total £000
Tangible fixed assets				
Leasehold land and buildings			4,190	4,190
Current Assets				
Cash- representing budget surplus on LA funds		105		105
Non Current Liabilities				
LGPS pension deficit		(227)		(227)
Net assets/(liabilities)		(122)	4,190	4,068