

VENTRUS LIMITED
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019



VENTRUS LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 13
Governance statement	14 - 17
Statement on regularity, propriety and compliance	18
Statement of Trustees' responsibilities	19
Independent auditors' report on the financial statements	20 - 22
Independent reporting accountant's report on regularity	23 - 24
Statement of financial activities incorporating income and expenditure account	25 - 26
Balance sheet	27 - 28
Statement of cash flows	29
Notes to the financial statements	30 - 61

VENTRUS LIMITED
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	H Whittaker, Chair of Board Exeter Diocesan Education Network University of Exeter
Trustees	H Whittaker, Chair R Roberts (was Diebner), Vice Chair (resigned 12 December 2018) G Chown, Chief Executive C Thomas J Norton N Ingles (appointed 13 December 2018) A Gicquel (resigned 12 November 2018) D Edwards (appointed 3 October 2018) T Jafrate (appointed 30 January 2019) M Muzvimwe (appointed 12 December 2018) C Luke (appointed 12 December 2018)
Company registered number	07821367
Principal and registered office	Woodwater Academy Woodwater Lane Exeter Devon EX2 5AW
Company secretary	E Emery (resigned 22/04/2019) R Herbert (appointed 23/04/2019)
Chief executive officer	G Chown
Executive leadership team	G Chown, Chief Executive C Baillie, Director of School Improvement A Leeson, Director of School Improvement L Hyland, Director Finance and Commercial
Independent auditors	Griffin Chartered Accountants Silverdown Office Park Exeter Airport Business Park Exeter EX5 2UX
Solicitors	Michelmores LLP Woodwater House Pynes Hill Exeter EX2 5WR

VENTRUS LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates 14 Primary and 1 Secondary Academy in Devon. Its academies had a combined number on roll of 3,905 as per the school census of October 2018.

Structure, governance and management

a. Constitution

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

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

The Trustees of Ventrus Limited are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Ventrus Limited.

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

b. Members' liability

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

c. Trustees' indemnities

The trust has opted into the Department of Education risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £250,000 on any one claim. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

VENTRUS LIMITED
(A company limited by guarantee)

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The Articles of Association of the Trust with effect from 20 July 2015 state that the number of Trustees (Article 45) shall not be less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

Appointment of Directors

Subject to Articles 48 and 49, the Academy Trust shall have the following Trustees:

- The Members may appoint up to 5 Trustees, 2 of which shall be representatives of the Local Governing Bodies appointed in consultation with the relevant Local Governing Bodies.
- The Members shall appoint 2 Executive Trustees (one of whom shall be the Chief Executive Officer (if appointed) and each of whom shall be a Principal of an Academy or group of Academies) through such process as they may determine, provided that the total number of Trustees who are employees of the Academy Trust does not exceed one third of the total number of Trustees.
- The Foundation Member shall appoint 2 Foundation Trustees one of which shall be the Incumbent and such additional Foundation Trustees as may be required to maintain as near as possible the 25%:75% ratio of Foundation Trustees to non-Foundation Trustees at all times provided that the total number of Foundation (including ex officio Foundation Trustees) would not thereby exceed 25% of the total number of Trustees.

Parent Trustees

- There shall be a minimum of two Parent Trustees unless there are Local Governing Bodies which include at least two Parent members.
- Parent Trustees and Parent members of the Local Governing Bodies shall be elected or appointed (in accordance with the terms of reference determined by the Trustees from time to time). The elected or appointed Parent members of the Local Governing Bodies must be a parent of a registered pupil at one or more of the Academies at the time when he is elected or appointed.
- The number of Parent members of the Local Governing Bodies required shall be made up by Parent members appointed by the Trustees if the number of parents standing for election is less than the number of vacancies.
- The Trustees shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent members of Local Governing Bodies, including any question of whether a person is a parent of a registered pupil at one of the Academies. Any election of the Parent members of Local Governing Bodies which is contested shall be held by secret ballot. In appointing a Parent member of a Local Governing Body the Trustees shall appoint a person who is the parent of a registered pupil at an Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

Chief Executive Officer

- The Chief Executive Officer shall be an Executive Director for as long as he/she remains in office.

VENTRUS LIMITED
(A company limited by guarantee)

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

Structure, governance and management (continued)

Co-opted Trustees

- The Trustees may with the consent of the Diocesan Board of Education (such consent not to be unreasonably withheld and having regard only to the need to maintain the ethos of the Church Academies) appoint up to 2 Co-opted Trustees for such term (not exceeding four years) and otherwise open such conditions as they shall think fit (it being acknowledged that the 25%:75% balance of Foundation Trustees to non-Foundation Trustees (or as near as possible) is to be maintained at all times). A 'Co-opted Director' means a person who is appointed to be a Director by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Company as a Co-opted Director if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees (including the Chief Executive Officer).

e. Policies adopted for the induction and training of Trustees

Trustees are given a full induction into their role. They receive training on their statutory responsibilities as outlined in the ESFA Financial Handbook, Charities commission guide – "The Essential Trustee", Memorandum and Articles of the Company and the Nolan Principles. Trustees are provided with a mentor to support their induction.

Trustees and local governors attended an annual MAT-wide training event in November 2018 and they have also have accessed general training and support provided by Babcock Learning & Development Partnership Governor Support, the Diocesan Board of Education, Michelmores solicitors and the Devon Association of Governors. Details of courses and events have been circulated to all Trustees and governors by the Company Secretary and clerks. Relevant newsletters, publications and guidance have been circulated throughout the year keeping Trustees informed of statutory requirements and changes in legislation.

VENTRUS LIMITED
(A company limited by guarantee)

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

Structure, governance and management (continued)

f. Organisational structure

The Board of Trustees delegates to the Executive Trustees and their Senior Leadership Team the day to day running of their schools. Their activities and decisions have been monitored by the Board of Trustees, their committees, portfolios, and their Local Governing Bodies.

From 1 September 2018 to 31 August 2019, the Board of Trustees of Ventrus MAT delegated the governance of their local schools to the Executive Trustees and their Executive Leadership Team within the Trust, with the exception of the following powers:

- Accounts statutory reporting
- Agreeing admission arrangements
- The approval of the first formal budget plan for each financial year
- The approval of the central Trust budget
- The appointment of the Chief Executive Officer, the Executive Headteachers and Headteachers
- The approval of Trust's policies
- Setting the level of delegation to Local Governing Bodies and/or Trustees' Committees
- Keeping a register of Trustees' business interests.

From 1 September 2013 to present, each school has their own Local Governing Body with agreed terms of reference, as well as agreed delegation for the leadership & management of the school.

Between 1 September 2018 and 31 August 2019 the Trustees had two committees with agreed delegated powers to conduct the main business elements of the Trust. The terms of reference are available from the Company Secretary.

The Trust has a Finance policy detailing the arrangements for the delegation of financial powers to Trust staff.

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

Trustees have commissioned external benchmarking and market analysis for the setting of the salaries of the CEO and Finance Director. The CEO and Directors of School Improvement are paid in line with School Teachers Pay and Conditions document. Other executive posts are benchmarked as part of the externally supported recruitment process and reviewed periodically.

VENTRUS LIMITED
(A company limited by guarantee)

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

	£	
Total cost of facility time	2,410	
Total pay bill	15,864,108	
Percentage of total pay bill spent on facility time	-	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100	%
---	-----	---

i. Related parties and other connected charities and organisations

During the year £1,574 was paid to University of Exeter for use of the swimming pool and a further £295 for a caretaker to do a pool operators course, a total of £1,869. The University of Exeter is a member of the Trust.

Objectives and activities

a. Objects and aims

The objects of the Charitable Company are specifically restricted to the following:

- a) in relation to all of the academies within the Trust to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum; and
- b) in relation to all Church academies within the Trust these to be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Master Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

VENTRUS LIMITED
(A company limited by guarantee)

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

Objectives and activities (continued)

b. Objectives, strategies and activities

The Trust was formed with a vision to share education expertise and resources across the schools within the Trust to provide the best education, opportunities, and experiences for each and every pupil within the Trust.

The Trust's model of school improvement is one that is both simultaneously top down, bottom up and sideways. Top down school improvement is enacted principally through the Chief Executive Officer and the two Directors of School Improvement. There is a comprehensive self-evaluation cycle of activity and school improvement scrutiny that feeds directly into the school improvement portfolio of the Board of Trustees and connects to Local Governing Bodies through school improvement reports and the Trustees' dashboard of indicators.

During 18/19 each school received a minimum of two termly visits from the Chief Executive Officer and/or the two Directors of School Improvement. Targeted areas for improvement have been supported by the Ventrus Teaching School, network leads, Trust SLEs/NLE or staff from across our schools, who have been identified with the appropriate strength.

The Board's dashboard of indicators has included termly updates on school improvement activity, performance, risk register and SEF ratings for each school. Local governors have monitored the school improvement planning process of their individual schools. The engine room of school improvement for Ventrus is, without doubt, the extensive networks that the Trust operates. This year we have run networks for Governors, Leaders, key year groups, English, Maths, Curriculum, Assessment, SEND, EYFS and Safeguarding. The majority of teachers have been part of a network this year, contributing to school improvement through best practice dialogues, action research projects and the sharing of knowledge and information. Networks have been audited for their impact through both qualitative and quantitative surveys. All networks have been led by a member of the Trust leadership team; as a network lead they hold a portfolio for the specific year group, or aspect for the whole Trust. Networks have provided rich opportunities for bottom up improvement; innovative and creative approaches to improving the experience of our pupils.

The Trust has used a range of strategies to actively promote leadership development, including encouraging all teachers to have a system leader impact across our schools and inviting teachers and leaders to participate in leadership programmes e.g. NPQSL, NPQML. There has been a strong focus on developing and sharing best practice irrespective of the age or experience levels of staff. Non-teaching staff have explored a variety of professional development routes, including NVQs and school-based teacher training opportunities. The quality of dialogue, depth and our commitment to networking, and staff development, within Ventrus have been the underpinnings of our approach to school improvement across the year.

During the period from 1 September 2018 until 31 August 2019, key priorities and the strategies for achieving these priorities were clearly defined in the school improvement plans for each school within the Academy Trust and within the Trust improvement plan. Improvement plans for individual academies were monitored by the Executive Leadership Team and the Local Governing Bodies. Trustees monitor the Trust improvement activity and maintain a strategic oversight of individual academies through exceptions reporting in the Trust risk register and data dashboards.

VENTRUS LIMITED
(A company limited by guarantee)

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

Objectives and activities (continued)

c. Public benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the academy's aims and objectives and in planning its future activities.

All the schools within the Academy Trust provide an inclusive curriculum for the pupils within their local community and offer the facility for local organisations to let their premises. All the schools work with their local secondary schools to ensure a smooth transition into secondary education for pupils.

Strategic report

Achievements and performance

a. Key performance indicators

A trustee end of year review of qualitative and quantitative information evidenced that performance against KPIs for the year was strong, as evidenced by:

KPI 1 Incremental improvement is evident in all schools across the trust as evidenced by external evidence and moderation of internal self-review. All primary schools are now judged to be good or better. External moderation of self-review confirmed that all apart from one school had improved in overall effectiveness.

KPI 2 To strengthen and embed leaders and teachers shared understanding of the purpose of formative and summative assessment supported by a trust-wide view of age related expectations for all pupils. Revised assessment methodologies are clearly understood at all levels.

KPI 3 To rapidly improve the achievement of all pupils at the end of KS2 in mathematics, ensuring high prior attaining pupils make progress sufficient to attain greater depth. KS2 Scaled score risen from 102.8 (2018) to 103.2 (2019), % of KS2 pupils at expected standard and above risen from 72% to 73%, % of KS2 pupils at greater depth risen from 16% to 22%

KPI 4 To diminish the difference in achievement between disadvantaged and their non-disadvantaged peers, while ensuring the achievement of non-disadvantaged pupils is at least in line with similar pupils nationally. See tables below for comparison of performance of disadvantaged pupils.

VENTRUS LIMITED
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

Progress Measures

	2018	2019	Change
Reading	+0.05	-0.05	-0.10
Writing	-0.48	+0.45	+0.93
Maths	-1.24	-0.57	+0.67

Attainment Measures

	2018	2019
Reading	-3.9	-1.5
Writing	-11%	-4%
Maths	-5.2	-2.2
SPAG	-2.6	-2.0

KPI 5 To further develop financial performance and stability through ongoing strengthening of financial systems, process and controls. Financial team strengthened in-year, enhanced salary monitoring processes leading to cost reduction, strong internal audit, all reporting deadlines met.

During the academic year 2018/19 schools within the Trust underwent Ofsted inspections. Ofsted were very complimentary about the impact of the Trust in all inspections:

Sampford Peverell – July 2019

'Leaders from the Ventrus Multi-Academy Trust provide regular challenge to the Headteacher, senior teacher and governors. The Headteacher has established a clear vision for improvement and set high standards for all pupils. Well-focused teamwork has secured good leadership, teaching and achievement for pupils. As a result, pupils' outcomes continue to rise.'

Pilton Community College – June 2019

'The new leadership team is working hard to raise expectations across the school. The curriculum is being reviewed to ensure that it meets the needs of all pupils'

St David's – February 2019

'Leadership, especially governance, has been strengthened since the school joined Ventrus Multi-Academy Trust in April 2016. The trust's directors and chief executive officer support you and the local governing body well. For example, they ensure that all the required policies and procedures are up to date, comprehensive and applied effectively. The trust's leaders monitor the school's performance regularly. They provide effective challenge and support to help you to meet the identified areas for improvement. The impact is evident in improvements in the teaching and learning of mathematics.'

VENTRUS LIMITED
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

Environmental Matters

The Trust schools are located across Devon, some being in based in the North Devon Biosphere. The Trust aims to work in an environmentally friendly way, including car sharing and using teleconference equipment. The Trust aims to procure environmentally sensitive energy supply during 19/20.

Key financial indicators from the accounts are as follows:

	2019	2018
Staff costs as a % of total revenue costs (excluding depreciation)	83%	83%
GAG income as a % of total revenue income	78%	78%
Current Ratio	2.67:1	1.91:1
Cash balances vs prior year- increase/(decrease) %	63%	111%
Unrestricted reserves as a % of total revenue income	4.5%	0.7%

b. Going concern

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

Financial Review

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

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

During the year ended 31 August 2019, the Trust received total income of £21,030,000 (2018- £18,994,000) (excluding restricted fixed asset funds and pension reserve) and incurred total expenditure of £20,221,000 (2018- £18,434,000) (excluding fixed assets and pension reserve). A transfer of £149,000 (2018 - £78,000) was made between the GAG income and the fixed asset funds. As at 31 August the funds brought forward were £137,000 (2018 - £Nil) of unrestricted funds and £283,000 (2018 - £218,000 deficit) of restricted funds. The funds carried forward as unspent were £955,000 (2018 - £137,000) of unrestricted funds and £423,000 (2018 - £283,000) of restricted funds including the ATP sinking fund of £85,000. Therefore, there was a surplus in the year of £958,000 (2018- £638,000).

The Trust has a deficit in the Local Government Pension Scheme in respect of its non teaching staff. The deficit is incorporated within the Statement of Financial Activity with details in note 24 to the financial statements.

VENTRUS LIMITED
(A company limited by guarantee)

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

Strategic report (continued)

(continued)

a. Reserves policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review. The reserves policy is reviewed annually by the Trustees.

The Trustees intention is to work towards an ongoing free cash reserves equal to 8% of GAG income.

b. Investment policy

Due to the nature and timing of receipt of funding, the Trust may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of short term bank investment accounts to take advantage of higher interest rates. No other forms of investment are authorised at this time.

c. Principal risks and uncertainties

The Trustees recognise the requirement to appropriately identify and manage the principal risks and uncertainties of the Trust. The principal risks and uncertainties facing the Trust are as follows:

- **Financial** - the Academy has considerable reliance on continued Government funding through the ESFA. In addition, the impact of lagged funding and the transition to a National Funding Formula are key risks that the Trustees will continue to review and monitor.
- **Reputational** - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.
- **Staffing** - the success of the Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- The trust has continued to strengthen its risk management by developing colleagues understanding of risk management at all levels in the Trust.

VENTRUS LIMITED
(A company limited by guarantee)

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

Fundraising

The Trustees are responsible for ensuring that the organisation operates within a responsible, sustainable financial framework and that the organisation has adequate resources to carry out its work.

Trustees have the responsibility of ensuring the survival and continuation of the Trust. This includes responsibility for ensuring funding is available to support the activities of the organisation.

While Trustees may delegate many of the operations of fundraising to other parts of the organisation, the Executive Leadership team retains the responsibility for inspiring other fundraisers, demonstrating the perceived importance of fundraising to the organisation, and demonstrating their leadership in this area.

The Trustees are committed to ensuring that fundraising activities are carried out in an ethical manner. The guiding fundraising principle is – we will only use an ethical fundraising approach that we would be comfortable with being used on our own Trust.

In doing so, the organisation will adhere to the following standards:

- The Trustees will have regard to the Charity commissions publication 'Charity Fundraising' (CC20)
- Fundraising activities carried out by the schools will comply with all relevant laws.
- Any communications to the public made in the course of carrying out a fundraising activity shall be truthful and non-deceptive.
- All monies raised via fundraising activities will be for the stated purpose of the appeal and will comply with the school's stated mission and purpose.
- All personal information collected by the school is confidential and is not for sale or to be given away or disclosed to any third party without consent.
- No general solicitations shall be undertaken by telephone or door-to-door.
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of the Trust.
- Financial contributions will only be accepted from companies, organisations and individuals the Board considers ethical.
- All Trustees, Governors, casual, permanent and contract staff and volunteers are responsible for adhering to these procedures.
- Fundraising activities should not be undertaken if they will expose the organisation to significant financial risk.
- Complaints will be dealt with in accordance with the Charity Commissions guide CC20

Plans for future periods

Ventrus has a strong track record of school improvement. Trustees have approved a responsible and measured growth strategy that will support educational improvements across Devon whilst securing sustainability of the Trust. The Trust's growth strategy is targeted to areas of existing provision. Trustees continue to invest in securing a high quality central business support function. Trustees are committed to minimising the cost of central support with growth models that will deliver year on year reductions in the cost per pupil of central services.

Funds held as custodian on behalf of others

No funds held for others as Custodian Trustee.

VENTRUS LIMITED
(A company limited by guarantee)

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

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The academy carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The academy has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the academy's equal opportunities policy, the academy has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the academy's offices.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all steps that 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' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 11 December 2019 and signed on its behalf by:



H Whittaker
Chair of Trustees

VENTRUS LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Ventrus Limited 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 Ventrus Limited and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 6 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
H Whittaker, Chair	6	6
G Chown, Chief Executive	6	6
R Roberts, Vice Chair	2	2
A Gicquel	0	1
C Thomas	6	6
J Norton	4	6
D Edwards	5	6
M Muzvimwe	4	5
C Luke	4	5
N Ingles	5	5
T Jafrate	3	4

The key changes in the composition of the Board were as follows:

- Adrian Gicquel resigned with effect 12/11/2018
- Rebecca Roberts resigned with effect 12/12/2018
- David Edwards member appointed with effect 03/10/2019
- Mac Muzvimwe member appointed with effect 12/12/2018
- Clare Luke member appointed with effect 12/12/2018
- Nathalie Ingles member appointed with effect 12/12/2018
- Tina Jafrate co-opted Trustee appointed with effect 30/01/2019

The full Board of Trustees met 6 times during the year with the Finance and Audit Committee meeting 4 times during the year. The Pay Committee met twice during the year. In addition to sitting on these committees Trustees also have portfolio responsibilities for HR, Premises and School Improvement; they report on these areas on a termly basis at Trustees' meeting.

In March 2019 the Board members each visited a school within the Trust. They met the Headteacher of the School to learn first-hand about the school's performance and the effectiveness of the Trust in supporting the school in its day to day operations. The Board has a rolling programme of school visits and attendance at local governing body meetings.

VENTRUS LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Governance Review

The Board receive the vast majority of papers and data dashboards a week in advance of their meeting and pre-tabled questions are invited. The board offer high quality challenge and support drawing on their varied and complimentary backgrounds and skills.

Trustees have completed a Trust checklist drawn from 'Building better trust boards' produced by the Academy Ambassadors in relation to their own individual effectiveness. The Chair of the Board has conducted individual performance meetings with all Trustees to develop their skills and build on their strengths and to support a robust succession plan that ensures the Board continues to be able to offer high quality challenge from trustees who have the appropriate skills and knowledge.

The Board receive termly reports on School improvement which offer both "Headline" information but also the ability to "drill down" to explore further information.

The Board of Trustees are planning to undertake their next self-review in January 2020.

Purpose of the finance and audit committee

The Finance and Audit Committee is a sub-committee of the Board and its roles are to maintain an oversight of the Trust's finances and financial management and investment strategy and to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework. It reports its findings annually to the Board of Trustees and the Accounting Officer as a critical element of the Trust's annual reporting requirements.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C Thomas	3	3
H Whittaker	3	3
G Chown	2	3
J Norton	2	3

Review of value for money

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

The Trust has continued to run detailed Term 1 and Term 2 financial reviews which is attended by the Executive Leadership team, Head Teachers, school administration and optionally, the Chair of Governors. This has identified key areas for savings and purchases which are explored by Head Teachers as a group, and then Trust deals and savings are negotiated

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and

VENTRUS LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control (continued)

economically. The system of internal control has been in place in Ventrus Limited for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint Bishop Fleming as internal auditor.

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

- Governance
- Payroll
- Strategic and Operational Review
- Bank and Petty Cash
- Charge Card Review
- Expenditure
- Income

On an annual basis, the internal auditor reports to the board of Trustees through the Finance & Audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The internal auditor delivered their schedule of work as intended and a plan is in place to address weaknesses and ensure continuous improvements.

VENTRUS LIMITED
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

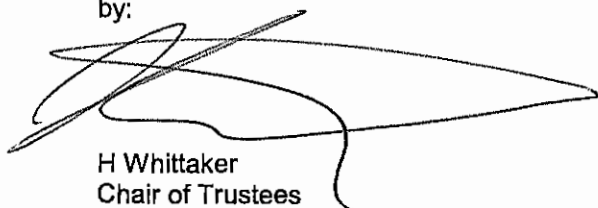
Review of effectiveness

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


- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance & Audit committee 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 11 December 2019 and signed on their behalf by:



H Whittaker
Chair of Trustees



G Chown
Accounting Officer

VENTRUS LIMITED
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



G Chown
Accounting Officer

11/12/2019

VENTRUS LIMITED
(A company limited by guarantee)

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

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

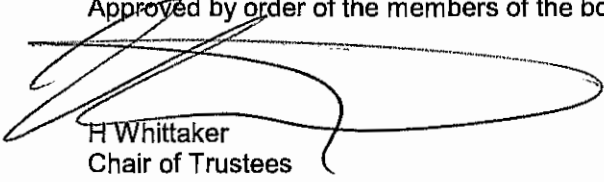
Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources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

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

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

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

Approved by order of the members of the board of Trustees on 11 December 2019 and signed on its behalf by:



H Whittaker
Chair of Trustees

VENTRUS LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VENTRUS LIMITED**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

VENTRUS LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VENTRUS LIMITED (CONTINUED)**

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

VENTRUS LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
VENTRUS LIMITED (CONTINUED)**

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Misty Nickells FCA (Senior statutory auditor)
for and on behalf of

Griffin
Chartered Accountants
Statutory Auditors
Silverdown Office Park
Exeter Airport Business Park
Exeter
EX5 2UX
Date: 13 December 2019

VENTRUS LIMITED
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO VENTRUS LIMITED AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 24 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Ventrus Limited during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Ventrus Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Ventrus Limited's funding agreement with the Secretary of State for Education dated 01 January 2012 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

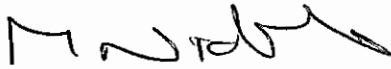
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

VENTRUS LIMITED
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO VENTRUS LIMITED AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

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



Misty Nickells FCA (Senior statutory Auditor)

for and on behalf of

Griffin
Chartered Accountants
Statutory Auditors
Silverdown Office Park
Exeter Airport Business Park
Exeter
EX5 2UX
Date: 13 December 2019

VENTRUS LIMITED
(A company limited by guarantee)

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

	Note	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted Fixed Asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Income from:						
Donations and capital grants	3	463	28	874	1,365	2,603
Charitable activities	4	583	19,686	-	20,269	18,052
Other trading activities		268	-	-	268	395
Investments	7	2	-	-	2	1
Total income		1,316	19,714	874	21,904	21,051
Expenditure on:						
Raising funds		429	-	-	429	350
Charitable activities		69	21,193	821	22,082	20,584
Total expenditure		498	21,193	821	22,512	20,934
Net income/(expenditure)		818	(1,479)	53	(608)	117
Transfers between funds	19	-	149	(149)	-	-
Net movement in funds before other recognised gains/(losses)		818	(1,330)	(96)	(608)	117
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(2,246)	-	(2,246)	2,667
Net movement in funds		818	(3,576)	(96)	(2,854)	2,784
Reconciliation of funds:						
Total funds brought forward		137	(9,725)	31,956	22,368	19,584
Net movement in funds		818	(3,576)	(96)	(2,854)	2,784
Total funds carried forward		955	(13,301)	31,860	19,514	22,368

VENTRUS LIMITED
(A company limited by guarantee)

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

The Statement of financial activities includes all gains and losses recognised in the year:

The notes on pages 30 to 61 form part of these financial statements.

VENTRUS LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 07821367

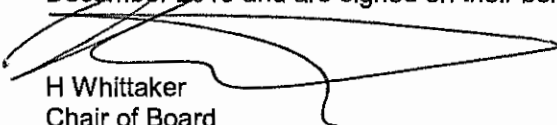
BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £000	2018 £000
Fixed assets			
Tangible assets	15	30,701	30,959
		<u>30,701</u>	<u>30,959</u>
Current assets			
Stocks	16	8	8
Debtors	17	416	749
Cash at bank and in hand		3,628	2,219
		<u>4,052</u>	<u>2,976</u>
Creditors: amounts falling due within one year	18	(1,515)	(1,559)
		<u>2,537</u>	<u>1,417</u>
Net current assets		<u>2,537</u>	<u>1,417</u>
Total assets less current liabilities		<u>33,238</u>	<u>32,376</u>
Net assets excluding pension liability		<u>33,238</u>	<u>32,376</u>
Defined benefit pension scheme liability	24	(13,724)	(10,008)
Total net assets		<u><u>19,514</u></u>	<u><u>22,368</u></u>
Funds of the academy			
Restricted funds:			
Fixed asset funds	19	31,860	31,956
Restricted income funds	19	423	283
		<u>32,283</u>	<u>32,239</u>
Restricted funds excluding pension asset	19	32,283	32,239
Pension reserve	19	(13,724)	(10,008)
		<u>18,559</u>	<u>22,231</u>
Total restricted funds	19	18,559	22,231
Unrestricted income funds	19	955	137
		<u>19,514</u>	<u>22,368</u>
Total funds		<u><u>19,514</u></u>	<u><u>22,368</u></u>

VENTRUS LIMITED
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

The financial statements on pages 25 to 61 were approved by the Trustees, and authorised for issue on 11 December 2019 and are signed on their behalf, by:



H Whittaker
Chair of Board

The notes on pages 30 to 61 form part of these financial statements.

VENTRUS LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £000	2018 £000
Cash flows from operating activities			
Net cash provided by operating activities	21	1,034	270
Cash flows from investing activities	22	375	897
Change in cash and cash equivalents in the year		1,409	1,167
Cash and cash equivalents at the beginning of the year		2,219	1,052
Cash and cash equivalents at the end of the year	23	<u>3,628</u>	<u>2,219</u>

The notes on pages 30 to 61 from part of these financial statements

VENTRUS LIMITED
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Ventrus Limited meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

• **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the academy has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the academy, can be reliably measured.

• **Donations**

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

VENTRUS LIMITED
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure

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

• **Expenditure on raising funds**

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

VENTRUS LIMITED
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.6 Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight line and reducing balance basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Leasehold land	- 125 year straight line
Long-term leasehold property	- 50 year straight line
Furniture and equipment	- 4 year straight line
Computer equipment	- 3 year straight line
Motor vehicles	- 25% reducing balance

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

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

VENTRUS LIMITED
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.10 Liabilities

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

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

VENTRUS LIMITED
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.13 Fund accounting

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

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

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

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

VENTRUS LIMITED
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

VENTRUS LIMITED
(A company limited by guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Transfer from local authority on conversion	(6)	-	(6)	482
	(6)	-	(6)	482
Donations	469	45	514	388
Capital Grants	-	857	857	1,733
Subtotal	469	902	1,371	2,121
	463	902	1,365	2,603
Total 2018	534	2,069	2,603	

Included above is £23,715 received from acquisition of Hemyock Pre-School into the Academy Trust which has previously been reported as a separate subsidiary (see note 28).

4. Income from charitable activities

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Education	527	19,607	20,134	17,910
Nursery	56	-	56	40
Teaching school	-	79	79	102
Total 2019	583	19,686	20,269	18,052
Total 2018	534	17,518	18,052	

VENTRUS LIMITED
(A company limited by guarantee)

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

5. Funding for the academy's educational operations

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
DfE/ESFA grants				
General Annual Grant	-	16,341	16,341	14,622
Other DfE/ESFA Grants	-	887	887	719
Pupil Premium	-	1,112	1,112	954
	-	18,340	18,340	16,295
Other government grants				
Special Educational Needs	-	447	447	374
Other government grants non capital	-	818	818	691
	-	1,265	1,265	1,065
Other funding				
Other	527	2	529	550
	527	19,607	20,134	17,910
Total 2018	494	17,416	17,910	

6. Income from other trading activities

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Hire of facilities	183	-	183	325
Other	85	-	85	70
Income from other charitable activities	56	79	135	142
	324	79	403	537
Total 2018	435	102	537	

VENTRUS LIMITED
(A company limited by guarantee)

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

7. Investment income

	Unrestricted funds 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Bank interest	2	2	1
	2	2	1

8. Expenditure

	Staff Costs 2019 £000	Premises 2019 £000	Other 2019 £000	Total 2019 £000	<i>Total 2018 £000</i>
Expenditure on raising voluntary income:					
Direct costs	-	-	429	429	350
Educational operations:					
Direct costs	12,019	446	909	13,374	12,323
Allocated support costs	5,660	964	1,956	8,580	8,167
Nursery:					
Allocated support costs	56	-	-	56	40
Teaching school:					
Direct costs	12	-	18	30	11
Allocated support costs	41	-	2	43	43
	17,788	1,410	3,314	22,512	20,934
<i>Total 2018</i>	16,408	1,185	3,341	20,934	

VENTRUS LIMITED
(A company limited by guarantee)

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

9. Analysis of expenditure by activities

	Activities undertaken directly 2019 £000	Support costs 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Educational operations	13,374	8,580	21,954	20,490
Nursery	-	56	56	40
Teaching school	30	43	73	54
	<u>13,404</u>	<u>8,679</u>	<u>22,082</u>	<u>20,584</u>
<i>Total 2018</i>	<u>12,334</u>	<u>8,250</u>	<u>20,584</u>	

Analysis of direct costs

	Educational operations 2019 £000	Teaching school 2019 £000	Total funds 2019 £000	<i>Total funds 2018 £000</i>
Staff costs	11,848	13	11,861	11,000
Depreciation	540	-	540	541
Educational supplies	281	-	281	211
Examination fees	89	-	89	75
Staff development	106	9	115	99
Other costs	296	3	299	260
Supply teachers	171	5	176	101
Recruitment and other staff costs	12	-	12	32
Technology costs	31	-	31	15
	<u>13,374</u>	<u>30</u>	<u>13,404</u>	<u>12,334</u>
<i>Total 2018</i>	<u>12,323</u>	<u>11</u>	<u>12,334</u>	

VENTRUS LIMITED
(A company limited by guarantee)

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

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations	Nursery	Teaching school	Total funds	Total funds
	2019	2019	2019	2019	2018
	£000	£000	£000	£000	£000
Pension income	254	-	-	254	262
Staff costs	5,660	56	41	5,757	5,307
Depreciation	203	-	-	203	205
Other costs	19	-	-	19	4
Maintenance of premises and equipment	260	-	-	260	162
Cleaning	98	-	-	98	66
Rent and rates	171	-	-	171	148
Heat and light	266	-	-	266	225
Insurance	92	-	-	92	87
Security and transport	37	-	-	37	29
Catering	692	-	-	692	614
Technology costs	280	-	-	280	286
Office overheads	256	-	2	258	266
Legal and professional	176	-	-	176	164
Bank interest and charges	12	-	-	12	11
Governance costs	27	-	-	27	18
Expenditure on church school building	77	-	-	77	396
	<u>8,580</u>	<u>56</u>	<u>43</u>	<u>8,679</u>	<u>8,250</u>
<i>Total 2018</i>	<u>8,167</u>	<u>40</u>	<u>43</u>	<u>8,250</u>	

VENTRUS LIMITED
(A company limited by guarantee)

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

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019	2018
	£000	£000
Operating lease rentals	28	24
Depreciation of tangible fixed assets	749	746
Fees paid to auditors for:		
- audit	11	11
- other services	4	5
	792	791

11. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019	2018
	£000	£000
Wages and salaries	13,039	12,113
Social security costs	1,110	1,074
Pension costs	3,401	3,088
	17,550	16,275
Agency staff costs	171	101
Staff restructuring costs	67	32
	17,788	16,408

Staff restructuring costs comprise:

	2019	2018
	£000	£000
Redundancy payments	56	26
Severance payments	11	6
	67	32

VENTRUS LIMITED
(A company limited by guarantee)

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

11. Staff costs (continued)

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £11,246 to two individuals (2018: £6,200 to one individual). There was also non-statutory/non-contractual redundancy payments totalling £Nil (2018: £5,929 to seven individuals).

c. Staff numbers

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

	2019 No.	2018 No.
Teachers	512	517
Administration and support	225	220
Management	23	24
	760	761

The average headcount expressed as full-time equivalents was:

	2019 No.	2018 No.
Teachers	325	341
Administration and support	103	98
Management	22	23
	450	462

d. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	1	2
In the band £70,001 - £80,000	3	2
In the band £80,001 - £90,000	1	-
In the band £110,001 - £120,000	1	1
	1	1

VENTRUS LIMITED
(A company limited by guarantee)

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

11. Staff costs (continued)

d. Higher paid staff (continued)

Five of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2019 employer's pension contributions for these staff amounted to £68,940 (2018: £53,779). One of the above employees participated in the Local Government Pension Scheme. During the year ended 31 August 2019 employer's pension contributions for this member of staff amounted to £10,864 (2018: £10,110).

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the executive leadership team as listed on page 1. The total of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £490,911 (2018: £466,622).

12. Central services

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

- human resources
- financial services
- legal services
- educational support services
- property maintenance programme
- IT licensing
- governance support

The academy charges for these services on the following basis:

The cost of the central services, including centralised purchases, is apportioned between the schools based upon 8% of their GAG income.

VENTRUS LIMITED
(A company limited by guarantee)

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

12. Central services (continued)

The actual amounts charged during the year were as follows:

	2019 £000	2018 £000
Ashleigh	77	13
Bickleigh	39	38
Bratton Fleming	38	3
The Duchy	57	58
Hemyock	56	55
Holywell	35	3
Orchard Vale	100	102
Pilton	476	488
Sampford Peverell	31	33
Sidbury	45	43
South Brent	62	61
St Andrew's	87	86
St David's	41	38
Wilcombe	58	58
Woodwater	93	96
Total	1,295	1,175

13. Trustees' remuneration and expenses

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

		2019 £000	2018 £000
G Chown, Chief Executive	Remuneration	115 - 120	110 - 115
	Pension contributions paid	15 - 20	15 - 20

During the year ended 31 August 2019, expenses totalling £1,056 were reimbursed or paid directly to 1 Trustee (2018 - £NIL to Trustee).

VENTRUS LIMITED
(A company limited by guarantee)

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

14. Trustees' and Officers' insurance

The trust has opted into the Department of Education risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £250,000 on any one claim. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership (2018 - £3,260).

15. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation					
At 1 September 2018	33,054	576	368	9	34,007
Additions	415	49	19	2	485
At 31 August 2019	<u>33,469</u>	<u>625</u>	<u>387</u>	<u>11</u>	<u>34,492</u>
Depreciation					
At 1 September 2018	2,269	465	307	7	3,048
Charge for the year	615	74	53	1	743
At 31 August 2019	<u>2,884</u>	<u>539</u>	<u>360</u>	<u>8</u>	<u>3,791</u>
Net book value					
At 31 August 2019	<u><u>30,585</u></u>	<u><u>86</u></u>	<u><u>27</u></u>	<u><u>3</u></u>	<u><u>30,701</u></u>
At 31 August 2018	<u><u>30,785</u></u>	<u><u>111</u></u>	<u><u>61</u></u>	<u><u>2</u></u>	<u><u>30,959</u></u>

16. Stocks

	2019 £000	2018 £000
Finished goods and goods for resale	<u><u>8</u></u>	<u><u>8</u></u>

VENTRUS LIMITED
(A company limited by guarantee)

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

17. Debtors

	2019	2018
	£000	£000
Due within one year		
Trade debtors	33	199
Prepayments and accrued income	296	460
Tax recoverable	87	90
	416	749
	416	749

18. Creditors: Amounts falling due within one year

	2019	2018
	£000	£000
Trade creditors	461	470
Other taxation and social security	266	263
Other creditors	294	298
Accruals and deferred income	494	528
	1,515	1,559
	1,515	1,559

	2019	2018
	£000	£000
Deferred income		
Deferred income at 1 September 2018	330	323
Resources deferred during the year	355	330
Amounts released from previous periods	(330)	(323)
	355	330
Deferred income at 31 August 2019	355	330

At the balance sheet date the academy was holding funds received in advance of the 2019/20 financial year.

VENTRUS LIMITED
(A company limited by guarantee)

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

19. Statement of funds

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Unrestricted funds						
General Funds	137	1,316	(498)	-	-	955
Restricted general funds						
General Annual Grant	-	16,341	(16,333)	149	-	157
Pupil Premium	-	1,112	(1,112)	-	-	-
Higher Needs	-	447	(447)	-	-	-
Other DfE/ESFA grants	150	887	(911)	-	-	126
Other government grants	-	818	(818)	-	-	-
ATP sinking fund	85	-	-	-	-	85
Other restricted	-	30	(30)	-	-	-
Ventrus Teaching School	48	79	(72)	-	-	55
Pension reserve	(10,008)	-	(1,470)	-	(2,246)	(13,724)
	(9,725)	19,714	(21,193)	149	(2,246)	(13,301)
Restricted fixed asset funds						
Transfer on conversion	15,148	-	(302)	-	-	14,846
Transfer on schools joining the trust	13,088	-	(302)	-	-	12,786
Capital expenditure from GAG	194	-	(26)	7	-	175
DfE/ESFA capital grants	2,216	799	(102)	(156)	-	2,757
Other capital grants	1,310	75	(89)	-	-	1,296

VENTRUS LIMITED
(A company limited by guarantee)

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

19. Statement of funds (continued)

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
	31,956	874	(821)	(149)	-	31,860
Total Restricted funds	22,231	20,588	(22,014)	-	(2,246)	18,559
Total funds	22,368	21,904	(22,512)	-	(2,246)	19,514

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

General Annual Grant (GAG)

Income from the ESFA which is to be used for the normal running costs of the academy, including education and support costs.

Pupil Premium

Funding received from the ESFA for children that qualify for free school meals to enable the academy to address the current underlying inequalities between those children and their wealthier peers.

Higher Needs funding

Income received from the Local Authority to fund further support for pupils with additional needs.

Other DfE/ESFA grants

This includes, Universal Infant Free School Meals, Sports funding, rates relief and start up grants.

Other government grants

This includes, Early Years and Nursery Plus funding.

ATP sinking fund

The astroturf pitch at Pilton Community College was part funded by The Big Lottery Fund in 2004. A condition of the grant was to set up a sinking fund to cover the cost of replacing the carpet after approximately 12 years.

Fixed assets transferred on conversion

This represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

Transfer on schools joining the trust

This represents buildings and equipment donated to the school from academies joining the trust.

DfE/ESFA capital grants include:

Devolved Formula Capital funding from the ESFA to cover the maintenance and purchase of the academy's assets.

VENTRUS LIMITED
(A company limited by guarantee)

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

19. Statement of funds (continued)

Capital expenditure from GAG

Funds transferred from the restricted GAG fund to purchase fixed assets.

Startup Grant

Funding received from the ESFA for the costs associated with conversion to an academy.

Other capital grants

This includes funding received from the Local Authority for the purchase of the trust's assets.

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

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019	2018
	£000	£000
Ashleigh	173	98
Bickleigh	23	33
Bratton Fleming	67	40
The Duchy	42	(20)
Hemyock	183	103
Holywell	60	41
Orchard Vale	429	339
Pilton	(20)	(218)
Sampford Peverell	(231)	(213)
Sidbury	(252)	(237)
South Brent	279	252
St Andrew's	30	2
St David's	118	68
Wilcombe	(18)	(64)
Woodwater	104	33
Central	391	163
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,378	420
Restricted fixed asset fund	31,860	31,956
Pension reserve	(13,724)	(10,008)
	<hr/>	<hr/>
Total	19,514	22,368
	<hr/> <hr/>	<hr/> <hr/>

VENTRUS LIMITED
(A company limited by guarantee)

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

19. Statement of funds (continued)

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £000
Pilton	(20)
Sampford Peverell	(231)
Sidbury	(252)
Wilcombe	(18)
	<hr/> <hr/>

Pilton

The school suffered from overstaffing and an unaffordable curriculum model.

Sampford Peverell

The school has less than 100 pupils and faces challenges around the number of classes and optimal pupil numbers per class. This is likely to be an ongoing challenge and the Trust is working to find creative solutions.

Sidbury

The school is experiencing growth and continues to suffer from the effects of lagged funding.

Wilcombe

The school is currently disproportionately affected by a significant reduction in the funding for SEND due to the high volume of children who need support in advance of the receipt of the funding. The school is in a deprived area and there is often a requirement to support beyond the GAG funding in terms of meeting their complex needs.

The academy is taking the following action to return the academies to surplus:

Pilton

The school has a new Head Teacher, it has restructured its TA model and reviewed its curriculum. In the year ended 31 August 2019 significant progress has been made towards returning the school to a surplus position.

Sampford Peverell

The school has a more stable staffing structure, it is likely to face ongoing financial challenge due to size in the current funding model, the Trust will work creatively to try and mitigate this where possible.

Sidbury

The school is experiencing growth and continues to suffer from the effects of lagged funding, the Directors of School Improvement are exploring class structure to mitigate this where possible.

Wilcombe

The school has reviewed and amended its staffing structure and introduced a hub for children with complex needs. In the year ended 31 August 2019 significant progress has been made towards returning the school to a surplus position.

VENTRUS LIMITED
(A company limited by guarantee)

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

19. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2019 £000	Total 2018 £000
Ashleigh	677	251	12	179	1,119	164
Bickleigh	411	157	11	75	654	670
Bratton Fleming	364	120	5	90	579	42
The Duchy	481	183	7	97	768	742
Hemyock	523	148	11	156	838	839
Holywell	315	122	7	62	506	35
Orchard Vale	1,019	317	24	197	1,557	1,483
Pilton	4,210	1,425	87	801	6,523	6,842
Sampford Peverell	288	115	6	104	513	500
Sidbury	403	151	13	160	727	1,016
South Brent	570	168	14	114	866	886
St Andrew's	822	310	19	146	1,297	1,264
St David's	297	124	4	111	536	528
Wilcombe	621	162	8	124	915	990
Woodwater	967	301	11	161	1,440	1,445
Central	151	369	11	2,400	2,931	2,742
Academy	12,119	4,423	250	4,977	21,769	20,188

VENTRUS LIMITED
(A company limited by guarantee)

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

19. Statement of funds (continued)

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

	<i>Balance at 1 September 2017 £000</i>	<i>As restated Income £000</i>	<i>As restated Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2018 £000</i>
Unrestricted funds						
General Funds	-	1,516	(1,379)	-	-	137
Restricted general funds						
General Annual Grant	(303)	14,622	(14,397)	78	-	-
Pupil Premium	-	954	(954)	-	-	-
Higher Needs	-	374	(374)	-	-	-
Other DfE/ESFA grants	-	718	(568)	-	-	150
Other government grants	-	691	(691)	-	-	-
ATP sinking fund	85	-	-	-	-	85
Other restricted	-	17	(17)	-	-	-
Ventrus Teaching School	-	102	(54)	-	-	48
Pension reserve	(10,359)	(958)	(1,358)	-	2,667	(10,008)
	<u>(10,577)</u>	<u>16,520</u>	<u>(18,413)</u>	<u>78</u>	<u>2,667</u>	<u>(9,725)</u>
Restricted fixed asset funds						
Transfer on conversion	14,147	1,282	(281)	-	-	15,148
Transfer on schools joining the trust	13,393	-	(305)	-	-	13,088
Capital expenditure from GAG	219	-	(31)	6	-	194
DfE/ESFA capital grants	1,820	590	(110)	(84)	-	2,216

VENTRUS LIMITED
(A company limited by guarantee)

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

19. Statement of funds (continued)

	<i>Balance at 1 September 2017 £000</i>	<i>As restated Income £000</i>	<i>As restated Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2018 £000</i>
Other capital grants	582	1,143	(415)	-	-	1,310
	<u>30,161</u>	<u>3,015</u>	<u>(1,142)</u>	<u>(78)</u>	<u>-</u>	<u>31,956</u>
Total Restricted funds	<u>19,584</u>	<u>19,535</u>	<u>(19,555)</u>	<u>-</u>	<u>2,667</u>	<u>22,231</u>
Total funds	<u><u>19,584</u></u>	<u><u>21,051</u></u>	<u><u>(20,934)</u></u>	<u><u>-</u></u>	<u><u>2,667</u></u>	<u><u>22,368</u></u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	30,701	30,701
Current assets	2,470	423	1,159	4,052
Creditors due within one year	(1,515)	-	-	(1,515)
Provisions for liabilities and charges	-	(13,724)	-	(13,724)
Total	<u><u>955</u></u>	<u><u>(13,301)</u></u>	<u><u>31,860</u></u>	<u><u>19,514</u></u>

VENTRUS LIMITED
(A company limited by guarantee)

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

20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £000</i>	<i>Restricted funds 2018 £000</i>	<i>Restricted fixed asset funds 2018 £000</i>	<i>Total funds 2018 £000</i>
Tangible fixed assets	-	-	30,959	30,959
Current assets	1,696	283	997	2,976
Creditors due within one year	(1,559)	-	-	(1,559)
Provisions for liabilities and charges	-	(10,008)	-	(10,008)
Total	137	(9,725)	31,956	22,368

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

	2019 £000	2018 £000
Net (expenditure)/income for the year (as per Statement of financial activities)	(608)	117
Adjustments for:		
Depreciation	744	746
Capital grants from DfE and other capital income	(857)	(1,733)
Interest receivable	(2)	(1)
Defined benefit pension scheme obligation inherited	-	958
Defined benefit pension scheme cost less contributions payable	1,216	1,096
Defined benefit pension scheme finance cost	254	262
Decrease/(increase) in stocks	-	(4)
Decrease in debtors	330	222
Decrease in creditors	(43)	(111)
Fixed assets from schools joining the trust	-	(1,282)
Net cash provided by operating activities	1,034	270

VENTRUS LIMITED
(A company limited by guarantee)

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

22. Cash flows from investing activities

	2019 £000	2018 £000
Dividends, interest and rents from investments	2	1
Purchase of tangible fixed assets	(484)	(837)
Capital grants from DfE Group	857	1,733
Net cash provided by investing activities	375	897

23. Analysis of cash and cash equivalents

	2019 £000	2018 £000
Cash in hand	3,628	2,219
Total cash and cash equivalents	3,628	2,219

24. Pension commitments

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

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

Contributions amounting to £267,046 were payable to the schemes at 31 August 2019 (2018 - £265,251) and are included within creditors.

Teachers' Pension Scheme

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

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

VENTRUS LIMITED
(A company limited by guarantee)

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

24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,310,053 (2018 - £1,263,263).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £1,149,000 (2018 - £1,048,000), of which employer's contributions totalled £881,000 (2018 - £796,000) and employees' contributions totalled £ 268,000 (2018 - £252,000). The agreed contribution rates for future years are 15.4 per cent for employers and 5.5-12.5 per cent for employees.

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

VENTRUS LIMITED
(A company limited by guarantee)

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

24. Pension commitments (continued)

Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	3.70	3.80
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.90	2.65
Inflation assumption (CPI)	2.20	2.30

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	22.5	23.5
Females	24.4	25.6
<i>Retiring in 20 years</i>		
Males	24.2	25.8
Females	26.2	28.0

Sensitivity analysis

	2019 £000	2018 £000
Discount rate +0.1%	(640)	(504)
Discount rate -0.1%	658	518
Mortality assumption - 1 year increase	921	658
Mortality assumption - 1 year decrease	(888)	(637)
CPI rate +0.1%	580	458
CPI rate -0.1%	(565)	(446)

VENTRUS LIMITED
(A company limited by guarantee)

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

24. Pension commitments (continued)

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

	At 31 August 2019	<i>At 31 August 2018</i>
	£000	£000
Equities	8,219	7,248
Gilts	397	307
Corporate bonds	210	189
Property	1,395	1,227
Cash and other liquid assets	149	150
Alternative assets	584	497
Private equity	202	99
Total market value of assets	11,156	9,717

The actual return on scheme assets was £454,000 (2018 - £504,000).

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

	2019	<i>2018</i>
	£000	£000
Current service cost	(1,774)	(1,887)
Interest income	271	214
Interest cost	(525)	(476)
Administrative expenses	(6)	(5)
Total amount recognised in the Statement of financial activities	(2,034)	(2,154)

VENTRUS LIMITED
(A company limited by guarantee)

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

24. Pension commitments (continued)

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

	2019 £000	2018 £000
At 1 September	19,725	18,076
Interest cost	525	476
Employee contributions	268	252
Actuarial losses/(gains)	2,429	(2,377)
Benefits paid	(158)	(201)
Past service costs	317	-
Current service cost	1,774	1,887
Liabilities assumed on settlements	-	1,612
At 31 August	24,880	19,725

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

	2019 £000	2018 £000
At 1 September	9,717	7,717
Interest income	271	214
Actuarial gains	183	290
Employer contributions	881	796
Employee contributions	268	252
Benefits paid	(158)	(201)
Administrative expenses	(6)	(5)
Settlement prices received/(paid)	-	654
At 31 August	11,156	9,717

25. 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.

VENTRUS LIMITED
(A company limited by guarantee)

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

26. Related party transactions

During the year £1,574 was paid to University of Exeter for use of the swimming pool and a further £295 for a caretaker to do a pool operators course, a total of £1,869. The University of Exeter is a member of the Trust. At the balance sheet date £nil was owed to the supplier.

During the year £25,000-£30,000 was paid to K Chown for her services as an employee of St Andrew's Primary School. K Chown is the partner of G Chown, CEO and accounting officer of the Academy Trust. At the balance sheet date the amount owed to K Chown was £nil.

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

27. Teaching school trading account

	2019	2019	2018	2018
	£000	£000	£000	£000
Income				
Other income	79		102	
Total income		79		102
Expenditure				
Other direct costs	30		11	
Other staff costs	41		35	
Other support costs	2		8	
Total other expenditure	43		43	
Total expenditure		73		54
Surplus from all sources		6		48
Teaching school balances at 1 September 2018		48		-
Teaching school balances at 31 August 2019		54		48

VENTRUS LIMITED
(A company limited by guarantee)

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

28. Subsidiary undertaking

Ventrus Limited was the sole trustee and sole member of Hemyock Pre-School until 01 September 2018. Hemyock Pre-School was an independent charity (charity number 1030985), operating as an unincorporated association.

From 01 September 2018 the activities of the Pre-School were transferred into Ventrus Limited. As such, the results from this date have been included within these financial statements.

Previously, the subsidiary was not deemed material to the Academy Trust and as such consolidated accounts for the year ended 31 August 2018 were not prepared in accordance with the exemption under section 405 of the Companies Act 2006.

The aggregate reserves of Hemyock Pre-School for the year ended 31 August 2019 were £nil (2018: £40,000).

	2019	2018
	£000	£000
Turnover	-	119
Cost of sales and administration costs	-	(122)
	<u>-</u>	<u>(3)</u>
	<u><u>-</u></u>	<u><u>(3)</u></u>