

**THE TED WRAGG MULTI ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2019**

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**CONTENTS**

---

	Page
<b>Reference and Administrative Details</b>	1 - 2
<b>Trustees' Report</b>	3 - 16
<b>Governance Statement</b>	17 - 22
<b>Statement on Regularity, Propriety and Compliance</b>	23
<b>Statement of Trustees' Responsibilities</b>	24
<b>Independent Auditors' Report on the Financial Statements</b>	25 - 27
<b>Independent Reporting Accountant's Report on Regularity</b>	28 - 29
<b>Statement of Financial Activities Incorporating Income and Expenditure Account</b>	30 - 31
<b>Balance Sheet</b>	32
<b>Statement of Cash Flows</b>	33
<b>Notes to the Financial Statements</b>	34 - 69

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

---

<b>Members</b>	Exeter College University of Exeter Chair of the Trust Vice Chair of the Trust
<b>Trustees</b>	Robert Bosworth, Chair <sup>1,2</sup> David Hall, Vice Chair <sup>2,3</sup> Andrew Mulcock (appointed 13 February 2019) <sup>3</sup> Philip Bostock <sup>1</sup> Rosie Denham (resigned 18 September 2019) <sup>3</sup> Elaine Hobson <sup>3</sup> Richard Jacobs <sup>1</sup> Moirra Marder, Chief Executive Officer <sup>1,2,3</sup> Rebecca Mitchell <sup>1</sup> Lee-Elliot Major (appointed 3 July 2019) Sarah O'Meara (appointed 12 December 2018) <sup>3</sup> Saxon Spence <sup>3</sup> Alex Walmsley <sup>1,2</sup> Linda Donellan (resigned 11 June 2019)
	<sup>1</sup> Audit, Finance and Resources Committee <sup>2</sup> Pay and Conditions Committee <sup>3</sup> Performance and Standards Committee
<b>Company registered number</b>	08545109
<b>Company name</b>	The Ted Wragg Multi Academy Trust
<b>Principal and registered office</b>	Cranbrook Education Campus Tillhouse Road Cranbrook Exeter EX5 7EE
<b>Company secretary</b>	Alison Layton-Hill
<b>Accounting Officer</b>	Moirra Marder
<b>Senior management team</b>	Moirra Marder, Chief Executive Officer Jon Lunn, Director of Education and Performance Josie Medforth, Director of Operations Sue Pym, Director of Finance Alison Layton-Hill, Company Secretary
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

---

<b>Bankers</b>	Lloyds Bank Exeter EX4 3NL
<b>Solicitors</b>	Michelmores LLP Woodwater House Pynes Hill Exeter EX2 5WR

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2019**

---

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2019. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 3 primary academies, 3 secondary academies and 1 all through academy in Exeter . It's academies have a combined pupil capacity of 5,883 and had a roll of 4,062 in the school census on 4 October 2018. The Trust is supporting a number of other schools (2,839 pupils) through partnership arrangements (3 secondaries and 1 primary), with the potential to join the Trust.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Charitable Company operates as The Ted Wragg Multi-Academy Trust and currently includes:

- Cranbrook Education Campus
- Exwick Heights Primary School
- Isca Academy
- St James School
- West Exe School
- Whipton Barton Infants and Nursery School
- Whipton Barton Juniors School

The Trustees of The Ted Wragg Multi Academy Trust are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

**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 £Nil, for the debts and liabilities contracted before they ceased to be a member.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**Trade Union Facility time**

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Trust must publish information set out in Schedule 2 of the Regulations. The information to be published consists of the following:

**Relevant union officials**

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

\* We have no official representative notifications from employees or Professional Associations for this reporting period.

**Percentage of time spent on facility time**

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

**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	£3,120.50
Provide the total pay bill	£15,553,635.05
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.02%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	Nil  Note: No facilities time is allocated to support the work of any employees, this support is offered by regional officials supported by a facilities arrangement administered by Devon County Council on behalf of the Trust.
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**Trustees' Indemnities**

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

**TRUSTEES**

**Method of Recruitment and Appointment or Election of Trustees**

The Academy Trust shall have the following trustees as set out in its Articles of Association and funding agreement:

- up to 11 trustees who are appointed by members of the Ted Wragg Multi Academy Trust.
- the Chief Executive Officer who is treated for all purposes as being an ex officio trustee.
- Additional co-opted trustees appointed by the Board of Trustees.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

Trustees are appointed for a four year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of trustee, any trustee can be re-appointed or re-elected.

When appointing new trustees, the Board will give consideration to the skills and experience mix of existing trustees in order to ensure that the Board has the necessary skills to contribute fully to the Multi Academy Trust's development.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

The training and induction provided for new trustees will depend upon their existing experience. Where necessary, induction will provide training on charity, educational, legal and financial matters. All trustees are provided with access to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as directors. As there are normally only two or three new trustees a year, induction tends to be done informally and is tailored specifically to the individual. Trustees are kept updated through the annual conference, which includes updates on relevant developments.

**Organisational Structure**

The key elements of the governance structure are:

Board of Trustees & committees

The Board of Trustees currently meets five times a year. The Board establishes an overall framework for the governance of the Multi-Academy Trust and determines, membership, terms of reference and procedures of committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

There are three main committees as follows:

- Audit, Finance and Resources Committee. This meets at least five times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management; compliance with reporting and regulatory requirements; receiving reports from the internal auditor and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Performance and Standards Committee. This meets once a term to monitor, evaluate and review academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.
- Pay and Conditions Committee.

The following decisions are reserved to the Board of Trustees: to review and approve the Trust governance structure, to agree trustee appointments for ratification by members and to approve the Trust Strategic Plan including the Trust vision and values. The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the academies by the use of budgets and other data, and making major decisions about the direction of the academies, capital expenditure and staff appointments.

Chair of Local Governing Body Group

At academy level, each school has its own LGB.

The chairs of local governing bodies meet with the Chair of the Trust once a term to discuss the strategic direction of the Trust, supporting discussion of cross school issues and enabling the Group to report up to the Board and to report down to the Local Governing Body. The Group is also used as a platform for the Executive Team to consult on proposals and for chairs to make recommendations and raise issues or concerns. The Group does not have any decision-making power under the Scheme of Delegation.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

Local Governing Body Committees

The academy schools' Local Governing Bodies are committees of the Board of Trustees and have delegated decision making powers in accordance with the Scheme of Delegation. Each school has a Local Governing Body Committee which meets eight times per year, five meetings focusing on performance and standards and three meetings focusing on finance and resources. LGB meeting minutes are tabled at the relevant Board of Trustees committee for approval facilitating feedback and communication.

The Senior Leadership Team

The Chief Executive Officer is the Accounting Officer for the Trust and appointed by the Board. The executive leadership of the Trust is overseen by Moira Marder, the Chief Executive Officer and the Senior Leadership Team comprising of the headteachers and Executive Team. Each academy also has a Senior Leadership Team, responsible for the strategic and operational decision making at academy level, with responsibility for implementing the individual academy's annual improvement plan, organising teaching and learning, facilities, and student support framework. The SLT meets as:

a) The Education Leadership Group (focussing on educational priorities)

This group enables the Chief Executive Officer and headteachers of the schools within the Trust to meet, discuss and recommend the strategic direction for the Trust in terms of school improvement. The group does not have any decision making power under the Scheme of Delegation. Recommendations from the group are taken to the Performance and Standards Committee.

b) The Executive Team (comprising of the CEO, Director of Finance, Director of Operations and Director of Education and Performance and Company Secretary)

The Executive Team meet fortnightly on a formal basis to support the delivery of the Trust strategy. The operational and strategic risk register is reviewed, along with the delivery of the Trust's Growth Plan, school improvement, central services, Trust budgets, governance, HR and major projects. The key actions are then raised in the one to one meetings between the Chief Executive Officer and the Chair of the Trust.

The Chief Executive Officer is the Accounting Officer.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The trustees consider that the Board of Trustees and the senior executive team comprise the key management personnel of the Ted Wragg Multi-Academy Trust (MAT) in charge of directing and controlling, running and operating the Trust on a day to day basis. All trustees give their time freely and no trustee received remuneration in the year except for the Chief Executive Officer. The Chief Executive Officer's remuneration is set and agreed by the trustees and is not paid in relation to their role as trustee.

Details of trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The Trust sets all pay and remuneration for all other posts in line with an approved policy which has been consulted upon through the recognised Trade Unions and professional associations. These policies recognise the School Teachers Pay and Conditions and Burgundy Book for those in teaching positions and NJC terms and conditions for those in non teaching posts. The Trust recognises a job evaluation scheme under a collective agreement protected by TUPE, which was set by the local authority. Each academy within the Multi Academy Trust has their own pay committee who will approve pay determinations at a local level. This is moderated by the Headteacher in discussions with the CEO.

The MAT Pay and Conditions Committee is responsible for determining the pay of all Key Management Personnel including each Headteacher. The trustees benchmark against pay levels in other academies of a similar size to ensure effective recruitment and retention.



**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**Connected Organisations, including Related Party Relationships**

The University of Exeter and Exeter College are the members of the Ted Wragg Multi-Academy Trust. The Trust also works closely with the National College of Teaching and Learning, Education and Skills Funding Agency, the Department for Education, and the local authorities within which academy and supported schools operate. Transactions with the University and Exeter College are at arm's length and disclosed in these financial statements.

The Trust has strong collaborative links with two Plymouth based Trusts and provides support under management partnership agreements, consistent with the support provided to Exeter schools. This relationship is in harmony with the Trust's ethos and moral imperative to support schools that are struggling.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The Charitable Company's objectives are to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, managing and developing a school offering that includes a broad and balanced curriculum for all students. The sole activity of the Charitable Company is the operation of academies, both within the Trust and through collaborative arrangements.

The Ted Wragg Multi Academy Trust's ambition is to raise the aspirations of young people and enable them to become fulfilled, life-ready, confident and motivated citizens, able to contribute actively to a democratic society. All pupils within the Ted Wragg Multi Academy Trust, regardless of social or cultural background, are motivated to succeed and make outstanding progress because their needs are met through creative, relevant and innovative provision.

The aims of the Multi Academy Trust are summarised below:

- Work in genuine partnership to strengthen schools and their communities.
- Foster a culture of positive challenge and continual school improvement.
- Provide a common sense of purpose with a focus on outstanding teaching and learning.
- Offer an excellent educational experience so that every student fulfils their potential
- Encourage a rich, dynamic and purposeful range of learning opportunities for all students.
- Develop life enhancing values so that students leave school with a sense of self worth and a determination to succeed.

With the support of our members, Exeter College and the University of Exeter, we have an inspirational progression route from an outstanding primary, through an outstanding FE college, to a world-class, top 100 Russell Group University.

**Objectives, Strategies and Activities**

As the Trust enters its seventh year since inception, it has reached a position where it is able to plan more proactively to achieve sustainable educational excellence on behalf of the approximately 7,000 pupils it now serves. The ongoing commitment to local communities and the shared moral purpose to support schools that have been struggling, means that the trust is defined by its willingness to take on schools in the most challenging circumstances and achieve transformational change.

The key strategic priorities for 2018/19 are contained within our 2017-20 strategic plan. Improvement focusses identified for 2018/19 included:

1. To secure additional capacity, and structure activity around providing quality business support and accelerated school improvement. Increasingly, the Trust is seeking to develop a Plymouth hub, mirroring the success of Exeter whilst retaining the benefits of collaboration and shared learning. The capacity of our trust is growing and augmented through the identification of key roles including that of Deputy Chief Executive (0.4fte) and the inclusion of primary executive expertise from the two outstanding primaries - Exwick Heights and Marine Academy Primary (our supported school in Plymouth). Director-level roles (English, Maths, Education and Education Performance) are in place supporting 'transformation' and the retention of key leaders.

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

---

2. Supporting schools in Greater Exeter, achieving sustainability through measured growth. 2018/19 has seen considerable growth within our Trust due to growing popularity of the academies as standards improve, and the reputation of the academies with local communities and families strengthens. The positive experiences of current pupils and their parents and carers has led to strong word-of-mouth approval and over-subscription in a growing number of our academies, notably Isca and St James. The year has also seen substantial progress towards the academisation of St Lukes which is expected to academise over the Autumn 2019 term. Work with Plymouth partnerships has supported growth in improvement capacity.
3. To manage the Exeter schools' Private Finance Initiative to bring operational improvements and commercial benefits to the six participant schools (working in collaboration with the three non-trust schools). Contract management is now provided in-house improving prioritisation, co-ordination and focus.
4. Embedding and integrating financial planning with curriculum design refocussing resource and maintaining sustainability. The Trust has secured increased funding for pupil growth in liaison with the ESFA achieving recognition for the quality of central services functions and transformational outcomes within supported schools. Economies have been secured through collaboration.
5. To continue the improvement of all our schools supporting academic achievement. The Trust is continuing its relentless drive for school improvement including the establishment of "The Bridge", an inclusion unit supporting schools in the identification and support of children at risk of disengagement. Since The Bridge's establishment there have been zero permanent exclusions. Peer-review and challenge continues with focus on pupil premium spend and impact; challenge through external validation (Ofsted and Challenge Partners) and networking with outstanding MATs nationally.
6. Supporting and integrating Whipton Infants and Whipton Junior Schools which formally academised on 1 March 2019, working towards the academisation of St Lukes.
7. Improving recruitment, to include empowering and retaining leaders through growth and increased opportunity; developing teacher training provision through South West Teacher Training (SWTT) including work in collaboration with Exeter Consortium for primary teacher training, and development of the Leadership Development Programme for aspirational leaders.

Key priorities for the upcoming 2019/20 year include:

1. Ongoing school improvement including challenging the use and impact of pupil premium funding; prioritising support for SEND and disadvantaged pupils; supporting first class teaching across ability ranges; and developing a personalised and aspirational curriculum that supports employability.
2. Developing a systematic programme for leadership succession planning across all schools with a particular focus on the leadership of SEND, inclusion and behaviour.
3. Developing the governance structure to respond to growth and the changing shape of the Trust including the identification and embedding of core competencies.
4. To manage growth and maintain financial sustainability.
5. To formally academise St Lukes and achieve rapid school improvement, supporting the Headteacher and Senior Leadership teams in their conversion to a Ted Wragg school
6. To effectively manage the school estate including the ongoing review of PFI arrangements to secure optimal value, management of the refurbishment of Whipton Barton Juniors under the Priority School Building Programme, and planning for the construction of the new Exeter Creative School (September 2022 opening).

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**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 Trust's aims and objectives and in planning its future activities.

**STRATEGIC REPORT**

**Achievements and Performance**

The Trust is now in its seventh year of operation and has continued to make strong progress throughout 2018/19 with exceptional growth at Isca Academy and St James (+6%), the admission of new cohorts at Cranbrook Education Campus and through the academisation of Whipton Infants and Junior Schools.

The conversion of All Saints Academy Plymouth and Marine Academy Plymouth (comprising of All Saints secondary, Marine secondary and Marine primary schools) is also agreed. However, these schools will not formally join the Trust until the funding agreements are signed, which remains dependent on due diligence process. The schools are doing well and the positive impact of the Trust's involvement has brought local and national recognition. The schools are also positive contributors to the financial and overall health of the Trust through management partnership agreements and cross-trust collaboration (with the Trust's primary leadership supported by the outstanding Marine Primary School).

The academisation of St Lukes is pending and the Trust is moving ahead with plans for Exeter Creative, with planned opening in September 2022.

Growth within the Trust has been balanced with the need to retain Trust capacity and connections to ensure the maintenance of high standards including:

- The appointment of Tim Rutherford as the Deputy Chief Executive Officer to increase Moira Marder (CEOs) capacity and as part of succession planning.
- Growing and building school networks. Both the CEO and Deputy are Leaders of Education nationally and regionally, respectively. The Trust continues collaborations with Reach Academy and other successful trusts.
- The involvement of Trust leaders in key initiatives including the development of 'the Bridge inclusion unit', and work through the local Teaching School Alliance.

2018/19 also saw the establishment of 'The Bridge', a dual hub intervention provision committed to supporting students within a partnership of seven secondaries, to be successful and remain in mainstream education. The aim of the provision was to ensure no child is permanently excluded. Led by Aimee Mitchell (Isca headteacher), the project has been successful leading to the extension of the pilot through to July 2021.

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

---

**Key Performance Indicators**

The following tabulation provides a brief summary of key indicators and achievements across the Trust.

<b>KPI</b>	<b>Key Headlines:</b>
2018 results (Exeter secondaries)	<ul style="list-style-type: none"><li>• The Trust is performing very strongly for all key performance measures against other schools in Devon. These include Progress 8 (the key performance indicator of school effectiveness at Key Stage 4), 4+Basics and 5+Basics (attainment measures) and number of Ebacc (English Baccalaureate) entries.</li><li>• Four out of the five Trust schools all improved in KS1, KS2 and KS3, at a time when the rest of Devon schools declined.</li><li>• St James is the top performing non-selective school for Ebacc in Devon.</li><li>• St James and West Exe are within the top ten high-performing schools for progress in Devon.</li><li>• St James is in the top three for progress in maths in Devon</li><li>• Isca and St James are within the top five performing schools for MFL in Devon</li><li>• St James is the top performing school for Basics 5+ in Exeter and one of the top performing schools in Devon</li></ul>
2019 provisional results	<ul style="list-style-type: none"><li>• West Exe has achieved positive progress in all Progress 8 buckets (English and Maths, Ebaac and other subjects) which is a major achievement. English has performed particularly well and West Exe overall performance appears one of the best in Devon.</li><li>• Attainment across the Trust has improved.</li><li>• Attainment of high ability students across the Trust has improved.</li><li>• The number of students achieving a 4+ and a 5+ in English and Maths has improved.</li><li>• St James Ebacc is one of the best in Devon and compares well nationally.</li></ul>
Pupil Premium – impact (Exeter secondaries)	The actual disadvantaged outcomes across the Trust were generally strong with St James and West Exe above the national average.
	Exwick
KS2 combined (National – 64%)	81%
KS2 reading (National - 75%)	89%
KS2 writing (National – 78%)	89%
KS2 maths (National – 75%)	91%

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

Ofsted outcomes	<p>West Exe – Requires improvement (RI) November 2017 External validation (Challenge Partner peer review Nov 18 – Good)</p> <p>St James – Good February 2018 Cranbrook - Good May 2018 Isca – Good October 2016 Exwick Heights – Outstanding 2011 Whipton Infants – Good March 2017 Whipton Juniors – RI March 2018</p>
Financial management	<p>Year-end position of £1,294,362 with unspent capital of £1,282,912 and designated reserves totalling £104,000 (2018: £724,015 and £333,344 respectively). The current year includes substantial capital commitments notably in relation to the expansion of primary provision at Cranbrook (£439,130).</p> <p>Cash balances - £3,127,355 (2018: £1,840,550) Average salary - £39,484 (2018: £39,221) Premises spend 7.7% compared to 6% nationally due to the PFI context and diseconomies at Cranbrook Education campus (low capacity)</p>
Pupil Numbers	<p>Figures for the three years (2017,2018 and 2019 predicted)</p> <p>Cranbrook: 289, 449, 598 (Growing school with new cohorts).</p> <p>Exwick; 537, 559, 561 (Geographical location, outskirts and hilltop location, limit growth despite outstanding reputation. Market profile to be raised).</p> <p>Isca; 751, 825, 905 (Popular growth, with a waiting list and significant in-year admissions).</p> <p>St James; 877, 898, 940 (Popular growth with a waiting list and significant in-year admissions)</p> <p>West Exe: 962, 942, 993 (Growth following significant improvements under Trust leadership).</p> <p>Whipton 304, 389, 388</p> <p>Overall growth from 4062 to 4385 (8%) envisaged next year.</p>
Pupil Demographics	<p>Free School Meal entitlement – 16.7% (towards the high-end of the medium disadvantage bracket, being 5-20%)</p> <p>Levels of SEN / SEN support Cranbrook 3.8% / 33.3% Exwick 1.9% / 14.7% Isca 3.3% / 19.5% St James 2.4% / 10.7% West Exe 1.5% / 12.3% Whipton 2.5% / 11.8%</p> <p>National comparators 1.6% SEN / 12.5% SEN support in secondaries 1.4% SEN / 11.5% SEN support in primaries.</p>

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

The Bridge inclusion unit                      The absence of permanent exclusions (PEX) and reduction in FTEs in Exeter have driven the overall exclusion figures down for Devon, which reflects positively on the Trust and local authority who provide match-funding for the partnership, as well as saving on the costs of alternative provision for PEX students.

Initial Teacher Training provision (South West Teacher Training)      Achievements:

- Recruitment: This was positive despite a challenging national picture. (34 secondary recruited compared to 25 in 2017. Intake of 32 next year). Primary trainee provision secured in partnership with Exeter Consortium (25 in 2018; predicted 33 in 2019).
- Finance: Financial stability has now been secured building the reserve to £67k.
- Partnerships: The SWITT is now working closely with the local Teaching School Alliances to ensure best quality and value for money.

**Going Concern**

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

**FINANCIAL REVIEW**

**Financial Review**

The Trust's accounting period is from 1 September 2018 to 31 August 2019.

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA 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 ESFA and via the local authority. In accordance with Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (Charities (FRS102) SORP 2015), such grants 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 expected useful life of the assets concerned.

During the year ended 31 August 2019, total expenditure of £23,910,598 (2018: £17,203,182) (excluding depreciation and pensions fund expenditure) was covered by recurrent grant funding together with other incoming resources of £24,647,581 (2018: £17,973,798). The excess of income over expenditure of the year (excluding restricted fixed asset funds and pension adjustments) was £736,983 (2018: £770,616).

Upon conversion, the land and buildings at Whipton were transferred to the Trust. The estimated value (drawn from the local authority accounts) is £6,983,553. The balance of the former school's budget share was transferred across on conversion and is shown as Unrestricted Funds (£274,412 of the £570,347 reported surplus).

At 31 August 2019, the total net book value of tangible fixed assets was £28,414,520 and movements in fixed assets are shown in note 19 to the financial statements. The value of fixed assets includes the value of assets donated by Devon County Council (i.e. Cranbrook Education Campus, Exwick Heights Primary, and Whipton Infants and Junior Schools – as reported above).

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

Other than donated assets, the major items of expenditure on fixed assets during the year related to:

- The expansion of primary provision at Cranbrook Education Campus to form two additional ground floor classrooms to accommodate bulge year groups of 90 pupils expected in the next few years (this remains work in progress at year-end). The total of this and associated projects will be in the order of £695k.
- Remodelling works at Isca and St James due to the Trust's rapid growth.
- Additional furniture and equipment at Cranbrook with the growth of the campus and following the release of tranche funding by Devon County Council in May 2018.
- Grant funded works to support children with SEND.
- IT hardware renewals.

The deficits in the Local Government Pension Scheme (LGPS) are recognised on the balance sheet in accordance with the provisions of FRS102. It is noted that the pension liability deficit has increased from £4,739,000 to £7,768,000. This is primarily due to the additional staff transferred on conversion of Whipton Barton, plus changes in the actuarial assumptions used.

Key financial policies adopted or reviewed during the year include the Finance Regulations and Control Manual which lays out the framework for financial management, including financial responsibilities of the Board, headteacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included the Trust's expenses policy and asset management plan.

**Reserves Policy**

The policy of the trust is to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies.

Individual academies aim to break even each year, although the Trust recognises that this is not feasible in some cases, for example at Cranbrook where the school has significant levels of educational need and low pupil numbers, or where schools are early in their school improvement journey. In these cases, the trust supports those academies in deficit and works with them to ensure longer term sustainability. The adequacy of overall reserves is considered corporately and cash is pooled for the benefit of our schools as a whole. Corporately, we aim to produce a balanced budget annually.

The reserves of the Academy are broken down into Fixed Asset Reserves (restricted), Restricted Reserves (restricted), Unrestricted Reserves (free reserves), and the Pensions reserve.

Restricted income funds are the restricted reserves used purely for the provision of education, or to help fund capital projects for the education of students and children. Unrestricted income funds are those funds that the trust can spend how they believe appropriate. During the current year, the Trust has elected to retain some unspent capital to support known projects in the pipeline including increased hardware and other needs arising from our exceptional growth.

The Trustees have reconsidered the appropriate level of free reserves this year, and confirmed these should approximate to one month's pay. This equates to around £1.5m. The reason for reserves are to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies. The combined reserves of the Trust for restricted income funds and unrestricted funds excluding the fixed asset and pension fund are £1,398,363 (2018: £724,015). This provides some security against unforeseen conditions, enabling continued and effective service delivery. The Trustees review reserve levels annually, mindful of the need to build capacity and invest as schools grow.

In conjunction with reserves, the trust is also watchful of the level of cash required to ensure the ongoing liquidity and success of the trust. The balance of the current cash (£3,125,933 including funds on deposit) is adequate and no cashflow problems are foreseen within twelve months.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**Financial Position**

The Trust held fund balances at 31 August 2019 of £23,327,792 comprising: £29,697,429 of restricted fixed asset funds, £731,897 of restricted funds (before including the pension deficit of £7,768,000) and £666,466 of unrestricted general funds.

The Trust made an operating surplus before depreciation for the year of £686,983 after excluding the pension deficit, the donated assets and capital grants.

**Investment Policy**

The general policy objective is to invest surplus funds prudently. The investment priorities are security of the invested capital, liquidity and commensurate with these, securing a return.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Chief Executive Officer and Director of Finance within strict guidelines approved by the Board of Trustees.

**Principal Risks And Uncertainties**

The Board of Trustees has assessed the major risks to which the Trust is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Trust, and its finances. The key areas of focus are:

**Governance and legal:** The key risks in this area relate to the capacity and performance of the Board and the maintenance of a strong internal control framework. Governance reviews are on-going and skills audits undertaken. Internal auditors have been appointed to advise the Board on issues regarding financial control.

**Strategic:** the key risks in this area relate to the delivery of the Trust's medium-term strategic plan whilst ensuring attention is maintained on our core business and performance. Capacity within the central team is continually reviewed to ensure the correct skillset and sufficient capacity. Leadership roles within the schools have been augmented to allow increased focus on school improvement and to support professional development and retention.

**Educational:** the key risk in this area relates to under performance of academies and underachievement against student outcomes and progress, with adverse Ofsted judgements. The Trust has an inclusive ethos with high levels of disadvantage and additional needs. Significant Board and Executive time is spent focussing on the delivery of the key strategic objectives of the Trust of which achievement is paramount. Pupil premium reviews are planned to ensure appropriate challenge and optimal funding allocation.

**Financial:** the Academies have considerable reliance on continued Government funding and suffer shortfalls in funding year on year due to deficiencies within the lagged funding model. With the added constraint of PFI and high costs attached, the Trust has limited ability to manage this without additional funding. The Trust is managing this risk through dialogue with the Education and Skills Funding Agency, highlighting its position nationally, and through contract management and procurement initiatives to ensure optimum deployment of non staff resource.

**Human Resources:** key risks relate to recruitment and retention of employees, and succession. There is regular review of strategy, terms and conditions and increasingly shared opportunities through secondment. The trust invests in leadership, empowering leaders through development.

**PFI:** The trust currently has three PFI schools and consequentially high premises spend. The Trust is managing this by assuming responsibility for contract management and by setting aside resources to challenge costs through benchmarking.



**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

School place planning: there is significant pressure on spaces within Exeter, and limited remaining capacity within schools. Schools are consequently working with the local authority place planning team to agree a protocol for handling oversubscription.

Other legal and operational: The risks in this area relate to non-compliance with the Freedom of Information Act, General Data Protection Regulations (GDPR) and data quality. Comprehensive training and audits are in place.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 27 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Trust can meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

The Trustees have implemented a number of systems to assess the risks that the Trust faces, especially in operational areas and financial controls. There are systems in place to minimise risks, including operational procedures (e.g. vetting of new staff and visitors, access control to school grounds) and internal financial controls. Where significant financial risk still remains, the trustees have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

**FUNDRAISING**

The Academy Trust carries out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The trust is conscious of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. Complaints are handled and monitored through the Trust's complaints procedure.

**PLANS FOR FUTURE PERIODS**

The priority of the Multi Academy Trust is to develop its academies in order to continue to support children, many of whom come from challenging backgrounds. We aim to provide a high standard of education and educational opportunity, as well as providing professional development for all teaching and support staff so that the Trust can continue to develop sustainably.

Capacity and growth are important to secure sustainability, and the Multi Academy Trust will continue to work with its partner and supported schools in Exeter and beyond improving opportunities. Full details of our plans for the following academic year and beyond can be found on our website and through the links to our schools.

Key for 2019/20 will be achieving rapid improvement at St Lukes and supporting the Headteacher and Senior Leadership teams in their conversion to a Ted Wragg school. Work in relation to due diligence with the Plymouth schools will continue whilst in spirit we work with them as Trust schools.

**EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED**

**Staff Consultation and Disability for Employees**

The Governing Board has worked tirelessly to ensure that staff of the Academy are always consulted on fundamental issues impacting upon their employment and conditions of service. To this end the Board worked jointly with staff and their representatives to prepare a 'Statement of Intent' which cover all such aspects.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**Disability**

The governing board is committed to the elimination of discrimination and equal treatment in employment. This applies to all stages of employment including recruitment, selection, learning and training, pay, working relationships, carer development, redundancy and retirement. This commitment is clearly demonstrated and referred to in the many of the Academy Trust policies. No one will unlawfully be disadvantaged on the grounds of age, race or ethnicity, disability, gender and marital status, gender identity, sexual orientation, religion or belief under the operation of this policy.

**AUDITORS**

In so far as the Trustees are aware:

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

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

Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on 4 December 2019 and signed on the board's behalf by:

**Robert Bosworth**  
**Chair of Trustees**

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT**

---

**Scope of responsibility**

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Ted Wragg Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 5 times during the year and is supported in its work by three Board committees – Audit, Finance and Resources Committee, Performance and Standards Committee and Pay and Conditions Committee. Trustee and Executive Working Groups provide further support to the Board.

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

Trustee	Meetings attended	Out of a possible
Robert Bosworth, Chair	5	5
Moira Marder, Chief Executive Officer	5	5
David Hall, Vice Chair	5	5
Alex Walmsley	5	5
Philip Bostock	5	5
Richard Jacobs	3	5
Elaine Hobson	5	5
Rebecca Mitchell	5	5
Saxon Spence	4	5
Rosie Denham	1	5
Linda Donellan	3	4
Sarah O'Meara	5	5
Andrew Mulcock	3	3
Lee-Elliot Major	1	1

In the seventh year of the Ted Wragg Multi-Academy Trust's operation, there have been the following changes to the composition of the Board of Trustees:

- Sarah O'Meara was appointed in December 2018
- Andrew Mulcock was appointed in February 2019
- Lee Elliot-Major was appointed in July 2019
- Lin Donnellan resigned in June 2019

**GOVERNANCE STATEMENT (CONTINUED)**

---

**Governance (CONTINUED)**

The Board has faced the challenge of formally academising Whipton Barton Infants and Whipton Barton Junior schools on 1 March 2019 and working towards academisation of St Luke's school early in the 2019/20 academic year, planned for the Autumn term 2019. The Board has also given oversight to the design and governance for the planned new school on the west of Exeter, with construction due to commence in the Summer of 2020. This is combined with:

- the development of "The Bridge", a facility to support the most disadvantaged pupils in Exeter;
- taking responsibility for managing the PFI contract for all Exeter PFI schools, both within and outside of the Trust;
- continuing to expand the central services function of the Trust, including assuming responsibility for the payroll function, expanding IT support to new schools, and ensuring effective oversight of procurement, HR, estates and asset management planning.
- continuing to support two inadequate Plymouth schools through partnership management agreements;
- managing pupil growth within the secondary schools;
- managing the all through school at Cranbrook, with the complexities of operating a new school with growing numbers.

**Governance Review**

A governance review was undertaken in the Autumn term 2018. The focus of the 2018/19 academic year has remained on reviewing and embedding the Governance Framework across the Trust, which incorporates the following:

- To continue the focus on embedding the Scheme of Delegation across the Trust.
- Reviewing the Local Governing Body Cycle of Business to allow for some autonomy at a local level.
- Reviewing the meeting schedule to ensure it is fit for purpose.
- To further develop the governor training programme.
- Promotion of cross-Trust governance in terms of formulating a cross-Trust HR Appeal Committee and a cross-Trust Complaints Committee.
- The implementation of governance software.
- Further embed the Clerk Network Group and incorporate new local governing body clerks into the Trust.

The Governance review had the following key principles:

- Ensure clarity of vision, ethos and strategic direction at both a Trust and local governance level.
- Enable everyone in the Trust to do the right thing, in the right way, for the right people, in a timely, open, honest and accountable way.
- Strong governance is developed which challenges and supports school leadership.
- Accountability and responsibility is clearly defined.
- Local governance retains a sense of earned autonomy.
- Meeting flows and linkages provide for effective communication, participation and consultation.
- Roles and responsibilities are defined, and duplication is avoided.
- Delegated decision-making powers are defined and understood.
- Reporting structures bottom up and top down are defined and effective.
- Governance is in line with the Articles of Association and the Academies Financial Handbook.

The Board did not undertake a self-evaluation during the Summer term 2019. It does however intend to engage an appropriately qualified and experienced consultant during the Spring term 2020 to undertake an independent review of the processes, shape and direction of the Trust. The Board is keen to receive an external evaluation of its practice to ensure that governance across the Trust is well managed, robust and fit for purpose.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)**

---

**Governance (CONTINUED)**

The Board is confident that it receives excellent qualitative and quantitative data to enable it to fulfil its statutory responsibilities. Trustees receive regular and detailed financial information including monthly management accounts and dashboard, budget forecasts and cash flow reports. These reports are provided by a fully qualified and experienced Director of Finance and are subject to internal and external audit scrutiny. Trustees also receive performance data from the Director of Education Performance, which is regionally and nationally recognised as innovative and ground-breaking. The Director of Education Performance is an expert in understanding how to utilise key data to support and stretch individual students.

The Audit, Finance and Resources Committee is a committee of the main Board of Trustees.

Membership

The Board of Trustees appoints the Committee from the non executive trustees of the Trust. The Committee consists of not less than three trustees, one of whom must have relevant and recent financial experience.

The Chair of the Trust, Chief Executive Officer, Director of Finance, Director of Operations and selected trustees, ROs or other persons attend meetings at the invitation of the Committee. The Committee invites the external auditors to attend the November meeting each year.

Authority

The Committee is authorised by the Board of Trustees to:

- Investigate any activity within its terms of reference;
- Seek any information that it requires from any trustee, governor or employee of the Trust and its schools;
- Obtain outside legal or independent professional advice.

Meetings

Meetings are held not less than five times a year to coincide with key dates in the financial reporting cycle. Additional meetings may be requested by the Chair of the Audit, Finance and Resources Committee.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Robert Bosworth	3	5
Richard Jacobs	5	5
Alex Walmsley, Principal Financial Officer	5	5
Rebecca Mitchell	4	5
Philip Bostock	5	5
Moira Marder, Chief Executive Officer	5	5

## **GOVERNANCE STATEMENT (CONTINUED)**

---

### **Review of value for money**

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

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

- Supporting inclusion through 'The Bridge' intervention unit committed to assisting MAT and partnership schools to support their students to be successful and remain in mainstream education.
- Supporting schools through management partnership arrangements; developing collaboration through the modern language hub (St James School); improving school leadership and outcomes by providing the support of National and Subject Leaders in Education (NLEs/SLEs), director-level support and peer-to-peer learning. School to school support includes a project focussed on improved curriculum design and the Trust-led Leadership Development Programme).
- Internal secondments to optimise staff deployment.
- Growing internal talent through the growth of South West Teacher Training school (25 to 32 secondary trainees).
- Benchmarking and challenge utilising the integrated curriculum planning tools to support curriculum design and ensure resource is aligned with educational priorities.
- Centralised procurement of trust-wide contracts (IT, stationery, multi-functional devices etc.)
- Assuming responsibility for in-house payroll bringing improved efficiency and control.
- Centralising asset management and estates functions to ensure effective management of the Trust's assets and capital programme; to optimise the use of physical resource space and implement pro-active maintenance of the estate.
- Assuming responsibility for the contract management of the Exeter PFI contract (six schools, including three non-trust schools) to improve operations and effective prioritisation of resource.

### **The purpose of the system of internal control**

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

### **Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 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.

## **GOVERNANCE STATEMENT (CONTINUED)**

---

### **The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by each school's Local Governing Body and the Board of Trustees.
- regular reviews by the Audit, Finance and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- the identification of success factors and key performance target monitoring.
- 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 continued the appointment of Thomson Jenner LLP as internal auditor.

The internal auditor's role includes providing independent assurance to the Board that its financial and other controls, and risk management procedures, are operating effectively including:

- evaluating the suitability of, and level of compliance with, financial and other controls across Trust schools. This includes both evaluating whether controls and procedures are effective and efficient, and checking transactions to confirm that controls and procedures are being followed.
- advice and insight to the Board on how to address weaknesses in financial and other controls, recommending improvement, but without diluting the responsibility of management for the day to day running of the Trust.
- ensuring risks are adequately identified, reported and managed.
- scrutinising the governance and accountability framework acting as a 'critical friend', reviewing policies systems and operations and identifying areas where efficiencies or changes could be made.
- other matters impacting on the effective operation, to include eg. management information, succession / business continuity issues, value for money considerations and cyber security.

On a termly basis, the internal auditor reports to the board of Trustees through the Audit, Finance and Resources Committee committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The internal auditor has delivered their schedule of work as planned. Issues identified are relatively minor and relate to the challenge of growth within the Trust. The Trust has now reviewed and updated its financial regulations and expenses policies (September 2019) to reflect growth and support growing consistency.

### **Review of effectiveness**

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

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

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

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)**

---

Approved by order of the members of the Board of Trustees on 4 December 2019 and signed on their behalf by:

Robert Bosworth  
Chair of Trustees

Moira Marder  
Accounting Officer



**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

---

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

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

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

Moira Marder  
Accounting Officer

Date: 4 December 2019

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

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

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

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

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

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

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

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

Robert Bosworth  
Chair of Trustees

Date: 4 December 2019

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
TED WRAGG MULTI ACADEMY TRUST**

---

**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
TED WRAGG MULTI ACADEMY TRUST (CONTINUED)**

---

**Other information**

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

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of trustees**

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

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

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE  
TED WRAGG MULTI ACADEMY TRUST (CONTINUED)**

---

**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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

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

Tim Borton FCA DChA (Senior Statutory Auditor)  
for and on behalf of

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
2nd Floor Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS

19 December 2019

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE TED WRAGG MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

---

In accordance with the terms of our engagement letter dated 25 May 2014 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 The Ted Wragg Multi Academy Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Ted Wragg Multi Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Ted Wragg Multi Academy Trust's funding agreement with the Secretary of State for Education dated 19 September 2013 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**Conclusion**

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

**Tim Borton FCA DChA (Reporting Accountant)**

**Bishop Fleming LLP**  
2nd Floor Stratus House  
Emperor Way  
Exeter Business Park  
Exeter  
EX1 3QS

Date: 19 December 2019

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>INCOME FROM:</b>						
Donations and capital grants:	3					
Assets transferred on conversion		274,412	(772,000)	7,017,760	6,520,172	-
Other donations and capital grants		190,686	360,228	1,248,824	1,799,738	971,437
Charitable activities	4,5	1,608,395	21,852,330	161,092	23,621,817	17,251,360
Teaching schools	35	-	513,233	-	513,233	112,893
Other trading activities	6	116,096	-	-	116,096	112,953
Investments	7	6,613	-	-	6,613	777
<b>TOTAL INCOME</b>		<b>2,196,202</b>	<b>21,953,791</b>	<b>8,427,676</b>	<b>32,577,669</b>	<b>18,449,420</b>
<b>EXPENDITURE ON:</b>						
Charitable activities	8	1,672,460	22,801,041	747,762	25,221,263	18,481,120
Teaching schools	35	-	461,097	-	461,097	114,959
Transfer from Local Authority on Conversion		-	-	-	-	1,488,765
<b>TOTAL EXPENDITURE</b>	8	<b>1,672,460</b>	<b>23,262,138</b>	<b>747,762</b>	<b>25,682,360</b>	<b>20,084,844</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>523,742</b>	<b>(1,308,347)</b>	<b>7,679,914</b>	<b>6,895,309</b>	<b>(1,635,424)</b>
Transfers between funds	20	-	(337,047)	337,047	-	-
<b>NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)</b>		<b>523,742</b>	<b>(1,645,394)</b>	<b>8,016,961</b>	<b>6,895,309</b>	<b>(1,635,424)</b>
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Actuarial losses on defined benefit pension schemes	28	-	(1,233,000)	-	(1,233,000)	1,229,000
<b>NET MOVEMENT IN FUNDS</b>		<b>523,742</b>	<b>(2,878,394)</b>	<b>8,016,961</b>	<b>5,662,309</b>	<b>(406,424)</b>



**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Restricted fixed asset funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward	<b>142,724</b>	<b>(4,157,709)</b>	<b>21,680,468</b>	<b>17,665,483</b>	18,071,907
Net movement in funds	<b>523,742</b>	<b>(2,878,394)</b>	<b>8,016,961</b>	<b>5,662,309</b>	(406,424)
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>666,466</b>	<b>(7,036,103)</b>	<b>29,697,429</b>	<b>23,327,792</b>	17,665,483

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

The notes on pages 34 to 69 form part of these financial statements.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:08545109**

**BALANCE SHEET  
AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	15	<b>28,414,520</b>	21,347,127
<b>CURRENT ASSETS</b>			
Stocks		<b>22,028</b>	22,258
Debtors	16	<b>2,346,497</b>	1,114,141
Cash at bank and in hand		<b>3,127,355</b>	1,840,550
		<u><b>5,495,880</b></u>	<u>2,976,949</u>
Creditors: amounts falling due within one year	17	<b>(2,703,862)</b>	(1,756,449)
		<u><b>2,792,018</b></u>	<u>1,220,500</u>
<b>NET CURRENT ASSETS</b>		<b>2,792,018</b>	1,220,500
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>31,206,538</b></u>	<u>22,567,627</u>
Creditors: amounts falling due after more than one year	18	<b>(110,746)</b>	(163,144)
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>		<u><b>31,095,792</b></u>	<u>22,404,483</u>
Defined benefit pension scheme liability	28	<b>(7,768,000)</b>	(4,739,000)
<b>TOTAL NET ASSETS</b>		<u><u><b>23,327,792</b></u></u>	<u><u>17,665,483</u></u>
<b>FUNDS OF THE ACADEMY TRUST</b>			
<b>Restricted funds:</b>			
Fixed asset funds	20	<b>29,697,429</b>	21,680,468
Restricted income funds	20	<b>731,897</b>	581,291
		<u><b>30,429,326</b></u>	<u>22,261,759</u>
Restricted funds excluding pension asset	20	<b>30,429,326</b>	22,261,759
Pension reserve	20	<b>(7,768,000)</b>	(4,739,000)
		<u><b>22,661,326</b></u>	<u>17,522,759</u>
<b>Total restricted funds</b>	20	<b>22,661,326</b>	17,522,759
<b>Unrestricted income funds</b>	20	<b>666,466</b>	142,724
		<u><b>23,327,792</b></u>	<u>17,665,483</u>
<b>TOTAL FUNDS</b>		<u><u><b>23,327,792</b></u></u>	<u><u>17,665,483</u></u>

The financial statements on pages 30 to 69 were approved by the Trustees, and authorised for issue on 04 December 2019 and are signed on their behalf, by:

Robert Bosworth  
Chair of Trustees

The notes on pages 34 to 69 form part of these financial statements.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2019**

---

	<b>Note</b>	<b>2019 £</b>	2018 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by operating activities	22	<b>609,723</b>	835,434
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	24	<b>423,835</b>	116,714
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	23	<b>253,247</b>	196,725
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>1,286,805</b>	1,148,873
Cash and cash equivalents at the beginning of the year		<b>1,840,550</b>	691,677
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	25	<b><u>3,127,355</u></b>	<u>1,840,550</u>

The notes on pages 34 to 69 form part of these financial statements

**THE TED WRAGG MULTI ACADEMY TRUST  
(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), judgements and key sources of estimation uncertainty, is set out below.

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

The Ted Wragg Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

**1.2 GOING CONCERN**

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

**1. ACCOUNTING POLICIES (continued)**

**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.

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

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

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

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

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

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

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 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 assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Freehold property	- 2% straight line
Long-term leasehold property	- 2% straight line
Furniture and fixtures	- 20% straight line
Computer equipment	- 33% straight line
Motor vehicles	- 25% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

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

---

**1. ACCOUNTING POLICIES (continued)**

**1.6 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on the cost of purchases on a first in first out basis.

**1.7 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**1.8 CASH AT BANK AND IN HAND**

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

**1.9 LIABILITIES**

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

**1.10 FINANCIAL INSTRUMENTS**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.11 TAXATION**

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

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

**1. ACCOUNTING POLICIES (continued)**

**1.12 PENSIONS**

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

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

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

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

**1.13 FUND ACCOUNTING**

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

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

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

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

**1.14 OPERATING LEASES**

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



**1. ACCOUNTING POLICIES (continued)**

**1.15 PRIVATE FINANCE INITIATIVE (PFI)**

The Academy Trust has in place an agreement with Devon County Council (DCC) for West Exe School, Isca Academy and St. James School concerning a Private Finance Initiative (PFI) agreement for those academies dated 26 March 2004. The principal PFI agreement which includes an annual charge for rent and services is between DCC and the PFI provider. The duration of that agreement is 30 years. There is then a secondary agreement to which the Trust is a party and this arrangement is treated in these accounts as an operating lease, charged to the Statement of Financial Activities on a straight line basis over the lease term. The full liability over the life of the lease has been included in the operating lease commitment note 28, with the value based on the current annual charge without any inflationary adjustment.

**1.16 ACADEMY CONVERSION**

The conversion of Whipton Barton Junior School and Whipton Barton Infants and Nursery School from state maintained schools to part of the Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the schools for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Whipton Barton Junior School and Whipton Barton Infants and Nursery School to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 26.

**1.17 AGENCY ARRANGEMENTS**

The Academy Trust acts as an agent when collecting money from some trips which are organised by third parties. Payments received from students and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The funds received, paid and any balances held at the period end are disclosed in note 33.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

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

Critical accounting estimates and assumptions:

The Academy Trust 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 28, 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 judgement:

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

**3. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Assets transferred on conversion	274,412	6,245,760	<b>6,520,172</b>	-
Donations	190,686	360,228	<b>550,914</b>	495,815
Government grants	-	1,248,824	<b>1,248,824</b>	475,622
<b>SUBTOTAL</b>	<b>190,686</b>	<b>1,609,052</b>	<b>1,799,738</b>	971,437
<b>TOTAL 2019</b>	<b>465,098</b>	<b>7,854,812</b>	<b>8,319,910</b>	971,437
TOTAL 2018	1,582	969,855	971,437	

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**4. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Income from charitable activities - Education	1,005,205	22,013,422	<b>23,018,627</b>	16,787,565
Income from charitable activities - Nursery	603,190	-	<b>603,190</b>	463,795
<b>TOTAL 2019</b>	<u>1,608,395</u>	<u>22,013,422</u>	<u><b>23,621,817</b></u>	<u>17,251,360</u>
TOTAL 2018	<u>1,285,565</u>	<u>15,965,795</u>	<u>17,251,360</u>	

**5. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
<b>DFE/ESFA GRANTS</b>				
General Annual Grant	-	18,949,046	<b>18,949,046</b>	14,115,293
Start up Grants	-	16,000	<b>16,000</b>	167,500
Other DfE/EFSA grants	-	2,173,043	<b>2,173,043</b>	1,143,610
	<u>-</u>	<u>21,138,089</u>	<u><b>21,138,089</b></u>	<u>15,426,403</u>
<b>Other Government grants</b>				
High Needs	-	439,037	<b>439,037</b>	308,648
Other government grants: capital	-	128,132	<b>128,132</b>	171,592
	<u>-</u>	<u>567,169</u>	<u><b>567,169</b></u>	<u>480,240</u>
<b>Other funding</b>				
Internal catering income	113,995	-	<b>113,995</b>	73,353
External Education Support*	523,786	-	<b>523,786</b>	609,348
Sales to students	107,064	-	<b>107,064</b>	61,221
Other	260,360	308,164	<b>568,524</b>	137,000
<b>TOTAL 2019</b>	<u>1,005,205</u>	<u>22,013,422</u>	<u><b>23,018,627</b></u>	<u>16,787,565</u>
TOTAL 2018	<u>821,770</u>	<u>15,965,795</u>	<u>16,787,565</u>	

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**5. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS (CONTINUED)**

\* This income arises from support services provided to other schools under partnership management agreements.

**6. INCOME FROM OTHER TRADING ACTIVITIES**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	Total funds 2018 £
Lettings	116,096	<b>116,096</b>	85,140
External Catering	-	-	27,813
<b>TOTAL 2019</b>	<u>116,096</u>	<u><b>116,096</b></u>	<u>112,953</u>

**7. INVESTMENT INCOME**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	Total funds 2018 £
Bank interest	<u>6,613</u>	<u><b>6,613</b></u>	<u>777</u>

All prior year income related to unrestricted funds.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**8. EXPENDITURE**

	<b>Staff Costs 2019 £</b>	<b>Premises 2019 £</b>	<b>Other 2019 £</b>	<b>Total 2019 £</b>	<b>Total 2018 £</b>
EDUCATION:					
Direct costs	15,520,581	384,413	1,762,182	<b>17,667,176</b>	12,668,110
Support costs	2,359,999	2,657,522	2,033,048	<b>7,050,569</b>	5,453,178
NURSERY:					
Direct costs	493,548	-	5,300	<b>498,848</b>	331,930
Support costs	-	-	4,670	<b>4,670</b>	27,902
TEACHING SCHOOL	85,934	-	375,163	<b>461,097</b>	114,959
<b>TOTAL 2019</b>	<b>18,460,062</b>	<b>3,041,935</b>	<b>4,180,363</b>	<b>25,682,360</b>	<b>18,596,079</b>
TOTAL 2018	13,494,247	2,369,953	2,731,879	18,596,079	

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Education	17,667,176	7,050,569	<b>24,717,745</b>	18,121,288
Nursery	498,848	4,670	<b>503,518</b>	359,832
<b>TOTAL 2019</b>	<b>18,166,024</b>	<b>7,055,239</b>	<b>25,221,263</b>	<b>18,481,120</b>
TOTAL 2018	13,000,040	5,481,080	18,481,120	

**THE TED WRAGG MULTI ACADEMY TRUST  
(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 direct costs**

	<b>Education 2019 £</b>	<b>Nursery 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Pension income	129,000	-	<b>129,000</b>	112,000
Staff costs	15,233,236	493,548	<b>15,726,784</b>	11,182,532
Depreciation	655,372	-	<b>655,372</b>	625,546
Educational supplies	781,260	5,275	<b>786,535</b>	396,455
Staff development	160,827	25	<b>160,852</b>	77,027
School trips	390,838	-	<b>390,838</b>	385,262
Supply, seconded and specialist teachers	287,345	-	<b>287,345</b>	201,004
Uniform costs	29,298	-	<b>29,298</b>	20,214
<b>TOTAL 2019</b>	<b>17,667,176</b>	<b>498,848</b>	<b>18,166,024</b>	<b>13,000,040</b>
<b>TOTAL 2018</b>	<b>12,668,110</b>	<b>331,930</b>	<b>13,000,040</b>	

**THE TED WRAGG MULTI ACADEMY TRUST  
(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**

	<b>Education 2019 £</b>	<b>Nursery 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Staff costs	2,359,999	-	<b>2,359,999</b>	2,056,307
Depreciation	92,390	-	<b>92,390</b>	115,076
Examination fees	245,864	-	<b>245,864</b>	139,090
Other costs	40,518	-	<b>40,518</b>	44,154
Recruitment and support	139,706	-	<b>139,706</b>	71,880
Maintenance of premises and equipment	274,368	3,238	<b>277,606</b>	96,150
Cleaning	128,388	-	<b>128,388</b>	96,759
Rates and leasing costs	274,671	-	<b>274,671</b>	211,609
Energy costs	485,311	-	<b>485,311</b>	292,592
Insurance	177,032	-	<b>177,032</b>	179,890
Security and transport	37,981	-	<b>37,981</b>	14,266
Catering	333,087	499	<b>333,586</b>	265,680
Technology costs	298,737	-	<b>298,737</b>	226,401
Office overheads	208,774	933	<b>209,707</b>	182,932
Legal and professional	225,136	-	<b>225,136</b>	159,100
Bank interest and charges	9,466	-	<b>9,466</b>	4,696
PFI agreement costs	1,680,377	-	<b>1,680,377</b>	1,283,862
Governance costs	38,764	-	<b>38,764</b>	40,636
<b>TOTAL 2019</b>	<b>7,050,569</b>	<b>4,670</b>	<b>7,055,239</b>	<b>5,481,080</b>
<b>TOTAL 2018</b>	<b>5,453,178</b>	<b>27,902</b>	<b>5,481,080</b>	

**THE TED WRAGG MULTI ACADEMY TRUST  
(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:

	<b>2019</b>	2018
	£	£
Operating lease rentals	<b>44,189</b>	40,065
Depreciation of tangible fixed assets	<b>747,762</b>	740,621
PFI Agreement costs	<b>1,680,377</b>	1,283,862
Fees paid to auditors for:		
- audit	<b>11,800</b>	10,500
- other services	<b>7,150</b>	9,400
	<b>=====</b>	<b>=====</b>

**11. STAFF COSTS**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	<b>2019</b>	2018
	£	£
Wages and salaries	<b>13,676,623</b>	10,000,560
Social security costs	<b>1,264,081</b>	924,200
Pension costs	<b>3,133,618</b>	2,255,930
	<b>=====</b>	<b>=====</b>
	<b>18,074,322</b>	13,180,690
Apprenticeship levy	<b>53,452</b>	35,063
Staff restructuring costs	<b>44,943</b>	77,490
Supply, seconded and specialist teacher costs	<b>287,345</b>	201,004
	<b>=====</b>	<b>=====</b>
	<b>18,460,062</b>	13,494,247



**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**11. STAFF COSTS (CONTINUED)**

**a. STAFF COSTS (CONTINUED)**

Staff restructuring costs comprise:

	<b>2019</b>	2018
	£	£
Redundancy payments	<b>33,493</b>	23,590
Severance payments	<b>11,100</b>	53,000
Other restructuring costs	<b>350</b>	900
	<u><b>44,943</b></u>	<u>77,490</u>

**b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £11,100 (2018: £53,000). Individually, the payments were £2,100, £3,000, and £6,000 (2018: £10,000, £2,000, £4,000, £10,000, £5,000, £7,000 and £15,000).

**c. STAFF NUMBERS**

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

	<b>2019</b>	2018
	No.	No.
Teachers	<b>260</b>	192
Administration and support	<b>272</b>	197
Management	<b>5</b>	4
	<u><b>537</b></u>	<u>393</u>

The increases in staff costs and numbers are primarily the result of new academies operated by the Trust.

The average headcount expressed as full-time equivalents was:

	<b>2019</b>	2018
	No.	No.
Teachers	<b>238</b>	176
Administration and support	<b>194</b>	140
Management	<b>4</b>	4
	<u><b>436</b></u>	<u>320</u>

**THE TED WRAGG MULTI ACADEMY TRUST  
(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**

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	<b>2019</b>	2018
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>5</b>	4
In the band £70,001 - £80,000	<b>3</b>	2
In the band £80,001 - £90,000	<b>1</b>	1
In the band £90,001 - £100,000	<b>1</b>	1
In the band £110,001 - £120,000	<b>1</b>	-
	<b>=====</b>	<b>=====</b>

**e. KEY MANAGEMENT PERSONNEL**

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £423,565 (2018: £405,245).

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**12. CENTRAL SERVICES**

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

- School improvement support (leadership, CPD, access to research, data and analytics)
- Financial management
- Funded apprentice training
- Operational support (policies, procurement, asset and premises management)
- Insurance and risk management services
- Central governance and governing body support
- Legal and professional services
- HR and Payroll
- IT Support

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

Central recharges, with the exception of IT support, are based on a 5% contribution of General Annual Grant (GAG). IT Support is allocated based on demand for IT resources and IT costs in the nature of overheads are apportioned approximately based on pupil and staff numbers.

The actual amounts charged during the year were as follows:

	<b>2019</b>	2018
	<b>£</b>	£
ISCA Academy	<b>442,004</b>	284,629
St James School	<b>439,910</b>	336,678
Cranbrook Education Campus	<b>227,355</b>	96,598
Exwick Heights Primary School	<b>202,778</b>	177,229
West Exe School	<b>437,444</b>	393,794
Whipton Barton Junior School	<b>52,742</b>	-
Whipton Barton Infants and Nursery School	<b>36,034</b>	-
<b>TOTAL</b>	<b>1,838,267</b>	1,288,928

**13. TRUSTEES' REMUNERATION AND EXPENSES**

During the year, no Trustees received any benefits in kind (2018: £Nil).

During the year ended 31 August 2019, expenses totalling £1,423 (2018: £1,194) were reimbursed to 1 Trustee (2018: 1).

The Chief Executive Officer and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: M Marder: Remuneration £110,000 - £115,000 (2018: £100,000 - £105,000), Employer's pension contributions £15,000 - £20,000 (2018: £15,000 - £20,000).

Other related party transactions involving the Trustees are set out in note 32.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**14. TRUSTEES' AND OFFICERS' INSURANCE**

The Academy Trust procure their Directors and Officers Liability Insurance from the commercial market, through their Brokers, Arthur J Gallagher. The cover indemnifies Directors or Officers against any claim first made against them during the policy period for any Wrongful Act in their capacity as a Director, Officer or Employee of the Academy Trust up to £5,000,000 (2018: £5,000,000) in the annual aggregate and for any one loss. The cost of the policy was £6,434 (2018: £5,634).

**15. TANGIBLE FIXED ASSETS**

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2018	13,324,744	8,559,536	45,806	540,355	557,025	23,027,466
Additions	7,132,250	198,785	-	159,530	324,590	7,815,155
Disposals	-	-	(20,250)	-	(375,940)	(396,190)
At 31 August 2019	<u>20,456,994</u>	<u>8,758,321</u>	<u>25,556</u>	<u>699,885</u>	<u>505,675</u>	<u>30,446,431</u>
<b>DEPRECIATION</b>						
At 1 September 2018	799,913	170,052	33,269	239,680	437,425	1,680,339
Charge for the year	267,070	171,536	6,389	134,209	168,558	747,762
On disposals	-	-	(20,250)	-	(375,940)	(396,190)
At 31 August 2019	<u>1,066,983</u>	<u>341,588</u>	<u>19,408</u>	<u>373,889</u>	<u>230,043</u>	<u>2,031,911</u>
<b>NET BOOK VALUE</b>						
At 31 August 2019	<u><u>19,390,011</u></u>	<u><u>8,416,733</u></u>	<u><u>6,148</u></u>	<u><u>325,996</u></u>	<u><u>275,632</u></u>	<u><u>28,414,520</u></u>
At 31 August 2018	<u><u>12,524,831</u></u>	<u><u>8,389,484</u></u>	<u><u>12,537</u></u>	<u><u>300,675</u></u>	<u><u>119,600</u></u>	<u><u>21,347,127</u></u>

The Academy Trusts transactions relating to land and building included:

- the donation of a property on conversion of schools to the Trust at a value of £6,983,553.
- building improvements to freehold property at a value of £148,697.
- building improvements to leasehold property at a value of £198,785.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**16. DEBTORS**

	2019 £	2018 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	270,471	144,428
VAT recoverable	222,867	204,947
Other debtors	2,609	10,644
Prepayments and accrued income	1,850,550	754,122
	<u>2,346,497</u>	<u>1,114,141</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Other loans	55,372	58,346
Trade creditors	782,451	354,478
Other taxation and social security	331,400	270,021
Other creditors	367,963	271,365
Accruals and deferred income	1,166,676	802,239
	<u>2,703,862</u>	<u>1,756,449</u>

	2019 £	2018 £
<b>DEFERRED INCOME</b>		
Deferred income at 1 September 2018	331,938	224,128
Resources deferred during the year	501,776	331,938
Amounts released from previous periods	(331,938)	(224,128)
	<u>501,776</u>	<u>331,938</u>

At the Balance Sheet date the Academy Trust was holding funds received in advance for lettings booked for the autumn term 2019, trips paid in advance and UIFSM income paid in advance.

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019 £	2018 £
Other loans	<u>110,746</u>	<u>163,144</u>

Other loans is a loan inherited from a local authority predecessor school on conversion. This is repayable over 3 years, interest is charged at 1.79%.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**19. FINANCIAL INSTRUMENTS**

	<b>2019</b>	2018
	£	£
<b>FINANCIAL ASSETS</b>		
Financial assets measured at fair value through income and expenditure	<b>3,127,355</b>	1,840,550
Financial assets that are debt instruments measured at amortised cost	<b>1,819,939</b>	700,683
	<u><b>4,947,294</b></u>	<u>2,541,233</u>
	<b>2019</b>	2018
	£	£
<b>FINANCIAL LIABILITIES</b>		
Financial liabilities measured at amortised cost	<u><b>(1,976,540)</b></u>	<u>(1,317,634)</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, other loans and accruals.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**20. STATEMENT OF FUNDS**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>UN-RESTRICTED FUNDS</b>						
Unrestricted funds	142,724	2,196,202	(1,672,460)	-	-	666,466
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	143,974	18,949,046	(18,104,187)	(351,047)	-	637,786
GAG designated for specific purposes	293,000	-	(293,000)	14,000	-	14,000
Pupil Premium	-	1,220,496	(1,220,496)	-	-	-
Other DfE	45,809	672,735	(718,544)	-	-	-
Start up Grant	-	16,000	(16,000)	-	-	-
High Needs	-	427,936	(427,936)	-	-	-
Other LA	-	11,100	(9,200)	-	-	1,900
Other donations and grants	83,547	252,616	(325,051)	-	-	11,112
School trips	-	194,602	(194,602)	-	-	-
UIFSM	-	154,371	(154,371)	-	-	-
Growth Fund	-	126,662	(126,662)	-	-	-
Other	-	186,993	(186,993)	-	-	-
SWTT	14,961	513,234	(461,096)	-	-	67,099
Pension reserve	(4,739,000)	(772,000)	(1,024,000)	-	(1,233,000)	(7,768,000)
	<b>(4,157,709)</b>	<b>21,953,791</b>	<b>(23,262,138)</b>	<b>(337,047)</b>	<b>(1,233,000)</b>	<b>(7,036,103)</b>

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**20. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>RESTRICTED FIXED ASSET FUNDS</b>						
LA Fixed Asset fund	536,227	791,063	(128,207)	-	-	1,199,083
Devolved Formula Capital	78,507	249,291	(38,465)	-	-	289,333
Devolved Formula Capital transferred on conversion	61,297	59,207	(1,663)	-	-	118,841
Assets funded by GAG	144,715	-	(140,211)	337,047	-	341,551
Donated Property	12,502,000	-	(266,000)	-	-	12,236,000
Assets transferred on conversion	8,330,000	6,983,553	(170,000)	-	-	15,143,553
Other DfE	7,392	344,562	(2,042)	-	-	349,912
Other ESFA	3,330	-	-	-	-	3,330
Sports Grant	17,000	-	(1,174)	-	-	15,826
	<b>21,680,468</b>	<b>8,427,676</b>	<b>(747,762)</b>	<b>337,047</b>	<b>-</b>	<b>29,697,429</b>
<b>TOTAL RESTRICTED FUNDS</b>	<b>17,522,759</b>	<b>30,381,467</b>	<b>(24,009,900)</b>	<b>-</b>	<b>(1,233,000)</b>	<b>22,661,326</b>
<b>TOTAL FUNDS</b>	<b>17,665,483</b>	<b>32,577,669</b>	<b>(25,682,360)</b>	<b>-</b>	<b>(1,233,000)</b>	<b>23,327,792</b>

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

**RESTRICTED FUNDS**

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

GAG designated for specific purposes - General Annual grant designated in line with the Reserves Policy as described in the Trustees Report

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



**20. STATEMENT OF FUNDS (CONTINUED)**

Other DfE - This represents funding received from the DfE for specific purposes.

Start up Grant – This represents one off funding received from the ESFA to contribute to the cost of converting from a school to an Academy.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Other LA - This relates to other amounts of income received from the Local Authority. The amounts are used for the normal running costs of the Academy, including education and support costs.

Other donations and grants - This represents donations and grant income to be used in the general running of the Academy Trust, including towards education and support costs.

School trips - These are amounts obtained for the purpose of school trips. This money will be used against the relevant school trip expenditure incurred by the Academy Trust.

UIFSM (Universal Infant Free School Meals) - Income from the ESFA which is to be used in the provision of free school meals for all pupils in reception, year 1 and year 2 classes.

DCC Academy Growth Fund - Funding provided by the Local Authority to support schools which are required to provide extra pupil places, in order to meet a basic need within the authority.

Other - This represents restricted income to be used in the general running of the Academy Trust, including towards education and support costs.

SWTT - This represents funds received which are specific to the teaching school.

Pension Reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

**TRANSFERS**

£337,047 of GAG was used to purchase Fixed Assets as represented by a transfer between funds.

**RESTRICTED FIXED ASSET FUNDS**

Local Authority Fixed Asset funding - This represents one off funding received from the Local Authority growth fund to contribute to the cost of setting up a new Academy.

Devolved Formula Capital - This represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

Devolved Formula Capital transferred on Conversion - This represents the devolved formula capital money that was left unspent upon transfer into the Academy Trust. It will be used to cover the maintenance and purchases of Fixed Assets.

Assets funded by GAG - This represents assets purchased through GAG funding.

Donated property - This represents the donated building at Cranbrook Education Campus.

Fixed assets transferred on conversion - This represents the buildings and equipment donated from the Local Authority on initial conversion to an Academy.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**20. STATEMENT OF FUNDS (CONTINUED)**

Other DfE - This represents funding received from the DfE for specific purposes.

Sports Grant – This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

**OTHER INFORMATION**

Under the funding agreement with the Secretary of State, the Academy Trust 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 £
ISCA Academy	(169,642)	(321,363)
Cranbrook Educational Campus	19,079	(58,036)
St James School	475,973	434,225
Exwick Heights Primary School	399,582	316,710
West Exe School	259,298	173,928
Whipton Barton Junior School	179,149	-
Whipton Barton Infants and Nursery School	122,421	-
Central	98,503	178,551
Central Designated	14,000	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,398,363	724,015
Restricted fixed asset fund	29,697,429	21,680,468
Pension reserve	(7,768,000)	(4,739,000)
	<hr/>	<hr/>
<b>TOTAL</b>	<b>23,327,792</b>	<b>17,665,483</b>
	<hr/> <hr/>	<hr/> <hr/>

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

	Deficit £
ISCA Academy	(165,642)
	<hr/> <hr/>

ISCA Academy has a historic deficit due to rapid growth in-year and year-on-year. This is being addressed through a medium-term plan and more recently, helped by the in-year Pupil Number Adjustment.

The Academy Trust is taking the following action to return the academy to surplus:

ISCA Academy's position is reviewed over the medium-term and with growth sees a return to surplus.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**20. 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 £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
ISCA Academy	3,090,926	201,738	120,229	1,134,194	<b>4,547,087</b>	4,139,005
Cranbrook Educational Campus	2,010,458	238,608	66,498	465,762	<b>2,781,326</b>	2,128,075
St James School	3,348,959	232,683	163,905	1,029,893	<b>4,775,440</b>	4,306,417
Exwick Heights Primary School	1,773,827	260,041	100,768	459,406	<b>2,594,042</b>	2,192,250
West Exe School	3,511,093	261,691	468,053	1,852,428	<b>6,093,265</b>	2,407,163
Whipton Barton Junior School	499,245	84,622	33,720	79,810	<b>697,397</b>	-
Whipton Barton Infants and Nursery School	341,156	57,826	23,042	54,537	<b>476,561</b>	-
Central	784,024	639,110	177,706	344,640	<b>1,945,480</b>	1,942,557
<b>ACADEMY TRUST</b>	<b>15,359,688</b>	<b>1,976,319</b>	<b>1,153,921</b>	<b>5,420,670</b>	<b>23,910,598</b>	<b>17,115,467</b>

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**20. STATEMENT OF FUNDS (CONTINUED)**

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>UN- RESTRICTED FUNDS</b>						
Unrestricted funds	(169,096)	1,400,877	(1,089,057)	-	-	142,724
DCC Loan	-	-	(221,490)	221,490	-	-
	<u>(169,096)</u>	<u>1,400,877</u>	<u>(1,310,547)</u>	<u>221,490</u>	<u>-</u>	<u>142,724</u>
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	200,091	14,115,292	(13,534,444)	(636,965)	-	143,974
GAG designated for specific purposes	-	-	-	293,000	-	293,000
Pupil Premium	-	869,185	(869,185)	-	-	-
Other DfE	59,142	110,480	(123,813)	-	-	45,809
Start up Grant	-	167,500	(167,500)	-	-	-
High Needs	-	308,647	(308,647)	-	-	-
Other LA	-	27,366	(27,366)	-	-	-
Other donations and grants	6,900	195,359	(118,712)	-	-	83,547
School trips	-	358,027	(358,027)	-	-	-
UIFSM	-	127,186	(127,186)	-	-	-
Sports grant	-	36,760	(15,597)	(21,163)	-	-
Growth Fund	-	142,643	(142,643)	-	-	-
Corporate grants	-	1,583	(1,583)	-	-	-
Other	-	112,893	(97,932)	-	-	14,961
Pension reserve	(3,764,000)	-	(2,204,000)	-	1,229,000	(4,739,000)
	<u>(3,497,867)</u>	<u>16,572,921</u>	<u>(18,096,635)</u>	<u>(365,128)</u>	<u>1,229,000</u>	<u>(4,157,709)</u>

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**20. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>RESTRICTED FIXED ASSET FUNDS</b>						
LA Fixed Asset fund	304,888	395,181	(163,842)	-	-	536,227
Devolved Formula Capital	42,995	71,201	(35,689)	-	-	78,507
Devolved Formula Capital transferred on conversion	-	-	61,297	-	-	61,297
Assets funded by GAG	122,987	-	(100,747)	122,475	-	144,715
Donated Property	12,768,000	-	(266,000)	-	-	12,502,000
Assets transferred on conversion	8,500,000	-	(170,000)	-	-	8,330,000
Other DfE	-	9,240	(1,848)	-	-	7,392
Other ESFA	-	-	(833)	4,163	-	3,330
Sports Grant	-	-	-	17,000	-	17,000
	<u>21,738,870</u>	<u>475,622</u>	<u>(677,662)</u>	<u>143,638</u>	<u>-</u>	<u>21,680,468</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>18,241,003</u>	<u>17,048,543</u>	<u>(18,774,297)</u>	<u>(221,490)</u>	<u>1,229,000</u>	<u>17,522,759</u>
<b>TOTAL FUNDS</b>	<u><u>18,071,907</u></u>	<u><u>18,449,420</u></u>	<u><u>(20,084,844)</u></u>	<u><u>-</u></u>	<u><u>1,229,000</u></u>	<u><u>17,665,483</u></u>

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	28,414,520	<b>28,414,520</b>
Current assets	3,481,074	731,897	1,282,909	<b>5,495,880</b>
Creditors due within one year	(2,703,862)	-	-	<b>(2,703,862)</b>
Creditors due in more than one year	(110,746)	-	-	<b>(110,746)</b>
Provisions for liabilities and charges	-	(7,768,000)	-	<b>(7,768,000)</b>
<b>TOTAL</b>	<b>666,466</b>	<b>(7,036,103)</b>	<b>29,697,429</b>	<b>23,327,792</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	21,347,127	21,347,127
Current assets	2,062,317	581,291	333,341	2,976,949
Creditors due within one year	(1,756,449)	-	-	(1,756,449)
Creditors due in more than one year	(163,144)	-	-	(163,144)
Provisions for liabilities and charges	-	(4,739,000)	-	(4,739,000)
<b>TOTAL</b>	<b>142,724</b>	<b>(4,157,709)</b>	<b>21,680,468</b>	<b>17,665,483</b>

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

<b>22. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<b>6,895,309</b>	(1,635,424)
<b>ADJUSTMENTS FOR:</b>		
Depreciation	<b>747,762</b>	740,621
Capital grants from DfE and other capital income	<b>(1,248,824)</b>	(475,622)
Interest Received	<b>(6,613)</b>	(777)
Defined benefit pension scheme obligation inherited	<b>772,000</b>	1,464,000
Defined benefit pension scheme cost less contributions payable	<b>1,024,000</b>	628,000
Net (gain)/loss on assets and liabilities from local authority on conversion	<b>(308,619)</b>	136,765
(Increase) /Decrease in stocks	<b>230</b>	(1,388)
(Increase) /Decrease in debtors	<b>(1,232,426)</b>	(594,678)
Increase in creditors	<b>950,457</b>	573,937
Assets transferred on conversion	<b>(6,983,553)</b>	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>609,723</b>	835,434
<b>23. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Cash transferred on conversion to an Academy Trust	<b>308,619</b>	196,725
Repayments of borrowing	<b>(55,372)</b>	-
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>253,247</b>	196,725
<b>24. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Interest received	<b>6,613</b>	777
Purchase of tangible fixed assets	<b>(831,602)</b>	(359,685)
Capital grants from DfE Group	<b>1,248,824</b>	475,622
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>423,835</b>	116,714

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**25. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2019</b>	2018
	£	£
Cash at bank and in hand	<b>3,127,355</b>	1,840,550
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>3,127,355</b>	1,840,550

**26. CONVERSION TO AN ACADEMY TRUST**

On 1 March 2019 Whipton Barton Junior and Whipton Barton Infants Schools converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Ted Wragg Multi Academy Trust from Devon County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

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

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Restricted fixed asset funds</b>	<b>Total funds</b>
	£	£	£	£
<b>TANGIBLE FIXED ASSETS</b>				
Freehold land and buildings	-	-	6,983,553	<b>6,983,553</b>
<b>CURRENT ASSETS</b>				
Cash - representing budget surplus on LA funds	274,412	-	34,207	<b>308,619</b>
<b>NON-CURRENT LIABILITIES</b>				
LGPS pension surplus/(deficit)	-	(772,000)	-	<b>(772,000)</b>
<b>NET ASSETS/(LIABILITIES)</b>	<b>274,412</b>	<b>(772,000)</b>	<b>7,017,760</b>	<b>6,520,172</b>

**27. CAPITAL COMMITMENTS**

	<b>2019</b>	2018
	£	£
Contracted for but not provided in these financial statements	<b>439,131</b>	22,475



## **28. PENSION COMMITMENTS**

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

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

Contributions amounting to £287,252 were payable to the schemes at 31 August 2019 (2018: £227,172) 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.

### **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 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was prepared by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% 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 £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

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

**28. PENSION COMMITMENTS (CONTINUED)**

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £1,499,786 (2018: £1,109,378).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

**LOCAL GOVERNMENT PENSION SCHEME**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £976,000 (2018: £696,000), of which employer's contributions totalled £738,000 (2018: £528,000) and employees' contributions totalled £238,000 (2018: £168,000). The agreed contribution rates for future years are a monetary amount of £94,000 plus 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.

**Principal actuarial assumptions**

	<b>2019</b>	2018
	%	%
Rate of increase in salaries	<b>3.70</b>	3.80
Rate of increase for pensions in payment / inflation	<b>2.20</b>	2.30
Discount rate for scheme liabilities	<b>1.85</b>	2.65
Inflation assumption (CPI)	<b>2.20</b>	2.30

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

	<b>2019</b>	2018
	Years	Years
<i>Retiring today</i>		
Males	<b>25.5</b>	23.5
Females	<b>24.4</b>	25.6
<i>Retiring in 20 years</i>		
Males	<b>24.2</b>	25.8
Females	<b>26.2</b>	28.0

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**28. PENSION COMMITMENTS (CONTINUED)**

**Sensitivity analysis**

	<b>2019</b>	2018
	<b>£000</b>	£000
Discount rate +0.1%	<b>326,000</b>	217,000
Discount rate -0.1%	<b>(333,000)</b>	(222,000)
Mortality assumption - 1 year increase	<b>(526,000)</b>	(312,000)
Mortality assumption - 1 year decrease	<b>507,000</b>	302,000
CPI rate +0.1%	<b>(296,000)</b>	(197,000)
CPI rate -0.1%	<b>289,000</b>	302,000
	<b>=====</b>	<b>=====</b>

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

	<b>At 31</b>	At 31 August
	<b>August 2019</b>	2018
	<b>£</b>	£
Equities	<b>3,963,000</b>	2,972,000
Gilts and bonds	<b>363,000</b>	251,000
Cash and other liquid assets	<b>578,000</b>	445,000
Cash and other liquid assets	<b>88,000</b>	76,000
Target return portfolio	<b>928,000</b>	703,000
Infrastructure and alternative assets	<b>598,000</b>	429,000
Private equity	<b>120,000</b>	50,000
	<b>=====</b>	<b>=====</b>
<b>TOTAL MARKET VALUE OF ASSETS</b>	<b>6,638,000</b>	4,926,000
	<b>=====</b>	<b>=====</b>

The actual return on scheme assets was £272,000 (2018: £263,000).

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

	<b>2019</b>	2018
	<b>£</b>	£
Current service cost	<b>(1,472,000)</b>	(1,156,000)
Past service cost	<b>(161,000)</b>	-
Interest income	<b>147,000</b>	99,000
Interest cost	<b>(276,000)</b>	(211,000)
<b>TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES</b>	<b>=====</b>	<b>=====</b>
	<b>(1,762,000)</b>	(1,268,000)
	<b>=====</b>	<b>=====</b>

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**28. PENSION COMMITMENTS (CONTINUED)**

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

	2019 £	2018 £
<b>AT 1 SEPTEMBER</b>	<b>9,665,000</b>	6,900,000
Upon conversion	<b>1,363,000</b>	2,343,000
Current service cost	<b>1,472,000</b>	1,156,000
Interest cost	<b>276,000</b>	211,000
Employee contributions	<b>238,000</b>	168,000
Actuarial (gains)/losses	<b>1,355,000</b>	(1,067,000)
Benefits paid	<b>(124,000)</b>	(46,000)
Past service costs	<b>161,000</b>	-
<b>AT 31 AUGUST</b>	<b>14,406,000</b>	9,665,000

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

	2019 £	2018 £
<b>AT 1 SEPTEMBER</b>	<b>4,926,000</b>	3,136,000
Upon conversion	<b>591,000</b>	879,000
Interest income	<b>150,000</b>	101,000
Actuarial gains	<b>122,000</b>	162,000
Employer contributions	<b>738,000</b>	528,000
Employee contributions	<b>238,000</b>	168,000
Benefits paid	<b>(124,000)</b>	(46,000)
Effect of non-routine settlements	<b>(3,000)</b>	(2,000)
<b>AT 31 AUGUST</b>	<b>6,638,000</b>	4,926,000

**29. OPERATING LEASE COMMITMENTS**

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

	2019 £	2018 £
Within 1 year	<b>1,638,376</b>	1,594,771
Between 1 and 5 years	<b>6,474,733</b>	6,277,679
After more than 5 years	<b>14,523,465</b>	15,611,868
	<b>22,636,574</b>	23,484,318

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**30. MEMBERS' LIABILITY**

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

**31. GENERAL INFORMATION**

The Ted Wragg Multi Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Cranbrook Education Campus, Tillhouse Road, Cranbrook, Exeter, EX5 7EE.

### **32. RELATED PARTY TRANSACTIONS**

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

The following related party transactions took place in the year:

Exeter College, which is a member of the Ted Wragg Multi Academy Trust, and of which Trustee Phillip Bostock served as Governor and Trustee Robert Bosworth served as member of the Senior Management Team during the year, charged The Ted Wragg Multi Academy Trust £18,452 for services rendered. The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations. In entering into the transaction the Academy Trust has complied with the requirements of the Academies Financial Handbook 2018. The element above £2,500 has been provided 'at no more than cost' and Exeter College has provided a statement of assurance confirming this.

The University of Exeter, which is a member of The Ted Wragg Multi Academy Trust, and of which Trustee David Hall is an employee, charged the Trust £3,918 for the hire of a University Hall for a proms event. This is not a cost that is ultimately borne by The Ted Wragg Multi Academy Trust, as the cost is covered by ticket sales for the event.

The Audit, Finance and Resources (AFR) committee has formally approved a related party policy and specifically the circumstances surrounding the decision to place 'proms' with the University. The related parties were not present for this discussion and all interests declared within annual declarations. In reaching its decision, the AFR noted that the University of Exeter is an exempt charity within the meaning of the Charities Act 2006, whose legal status derives from a Royal Charter granted in 1955.

When considering a decision on the propriety of the transaction, the AFR noted that the choice of the UoE as venue was based on:

- The quoted cost and quality of provision/venue.
- Open and transparent procurement (in compliance with financial regulations).
- Alignment of the University's strategic priorities.
- Promoting enthusiasm for lifelong learning and raising career aspirations.
- The safe environment offered by the campus.
- Reduced travel costs.

With the exception of the above and those disclosed in note 12, there were no other related party transactions occurring in the period.

### **33. POST BALANCE SHEET EVENTS**

The Academy Order for St Lukes Church of England Science and Sports College to join the Academy Trust was signed during the period. The school has not yet academised at the date of signing the accounts.

**THE TED WRAGG MULTI ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**34. AGENCY ARRANGEMENTS**

The Academy Trust acts as an agent for some trips organised throughout the year. In the accounting period ended 31 August 2019 the Academy Trust received and disbursed an amount of £138,450. No balance was outstanding at the year end.

**35. TEACHING SCHOOL TRADING ACCOUNT**

	2019 £	2019 £	2018 £	2018 £
<b>Income</b>				
<b>DIRECT INCOME</b>				
Income	513,233		112,893	
<b>TOTAL INCOME</b>		<b>513,233</b>		112,893
<b>Expenditure</b>				
<b>DIRECT EXPENDITURE</b>				
Direct staff costs	62,333		42,759	
Educational supplies	330,627		28,774	
Educational consultancy	2,857		10,392	
Staff development	13,001		6,209	
Non-educational supplies	62		4,169	
<b>TOTAL DIRECT EXPENDITURE</b>	<b>408,880</b>		92,303	
<b>OTHER EXPENDITURE</b>				
Other staff costs	23,601		11,645	
Rent & rates	10,550		5,000	
Office supplies	13,141		3,023	
Maintenance	-		2,988	
Accountancy	4,925		-	
<b>TOTAL OTHER EXPENDITURE</b>	<b>52,217</b>		22,656	
<b>TOTAL EXPENDITURE</b>		<b>461,097</b>		114,959
<b>Surplus/(deficit) from all sources</b>		<b>52,136</b>		(2,066)
<b>Teaching school balances at 1 September 2018</b>		<b>14,961</b>		17,027
<b>TEACHING SCHOOL BALANCES AT 31 AUGUST 2019</b>		<b>67,097</b>		14,961