

Company Registration Number: 09064864 (England & Wales)

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**THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING  
ACADEMY TRUST)**

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ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

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## **THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)**

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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### REFERENCE AND ADMINISTRATIVE DETAILS

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#### Members

G Tyler  
P Smart  
D Pawlowski-Andrews  
L Taylor

#### Trustees

R Chapman, Principal and Accounting Officer  
S Sherman, Chair  
P Smart  
D Pawlowski-Andrews  
G Tyler (resigned 5 December 2018)  
A Lynch-Pasztor  
P Haggett  
H Mohamed  
A Tenn (appointed 3 April 2019)

#### Company registered number

09064864

#### Company name

Thrive Education Partnership

#### Principal and registered office

Darwin Street  
Highgate  
Birmingham  
B12 0TP

#### Senior management team

R Chapman, Principal  
C Bennett, Deputy Headteacher  
M Meghalsi, Deputy Headteacher  
A Zaman, Acting Deputy Headteacher  
A Miles, Strategic Business Manager  
C McCartney, Assistant Headteacher  
G Nicholls, Assistant Headteacher  
T Ward, Acting Assistant Headteacher

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**THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE  
TEACHING ACADEMY TRUST)**

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

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**Independent auditors**

BDO LLP  
Two Snowhill  
Birmingham  
B4 6GA

**Bankers**

Lloyds  
114-116 Colmore Row  
Birmingham  
B3 3SF

**Solicitors**

Brown Jacobson LLP  
44 Castle Gate  
Nottingham  
NG1 7BJ

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# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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The Trustees present their Annual Report together with the financial statements and auditor's report of the Charitable Company for the 1 September 2018 to 31 August 2019. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' report under company law.

The academy trust operates an Academy for pupils aged 2-19, serving the catchment area of Birmingham and the surrounding area. It has a pupil capacity of 450 and had a roll of 391 in the school census on October 2019.

### **Structure, governance and management**

#### **Constitution**

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Thrive Education Partnership are also the directors of the charitable company for the purposes of company law. During the year the charitable company changed its name from Calthorpe Teaching Academy Trust to Thrive Education Partnership. The academy within the trust is known as Calthorpe Academy.

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

#### **Members' liability**

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

#### **Trustees' indemnities**

The trustees benefit from indemnity insurance purchased by the Academy Trust to cover the liability of the trustees arising from negligent acts, errors or omissions occurring whilst on academy trust business. The limit of this indemnity is £5,000,000.

#### **Method of recruitment and appointment or election of trustees**

The management of the Academy Trust is the responsibility of the trustees who are elected and co opted under the terms of the Trust deed. The trustees are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of the charity legislation.

The term of office for any trustee shall be four years, save that this time limit shall not apply to the principal. Subject to remaining eligible to be a particular type of trustee, any trustee may be re-appointed or re-elected. The trustees who were in office at 1 September 2019 and who served during the year are listed on page 1.

The members (listed on page 1) of the Academy Trust are entitled to appoint 7 trustees. The Chief Executive Officer (or Principal of Calthorpe Academy if there is no Chief Executive Officer (CEO)), shall be a trustee. Additionally, a minimum of 2 parent trustees shall be appointed by the trustees via an election process, or directly, should the number of parents standing for election be less than the number of vacancies.

Where recruitment of new trustees is required, the Academy advertises this on its website and via letters home to parents. The academy trustees and members also use their extensive networks in order to obtain applications for potential specific new trustee positions.

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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#### Structure, governance and management (continued)

##### Policies adopted for the induction and training of trustees

The training and induction provided for new trustees will depend on their existing experience. Where required, induction will include training on educational, legal, safeguarding and financial matters. All new trustees will be given the opportunity of a tour of Calthorpe Academy, have the chance to meet with staff and students and are provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents they need to undertake their role as trustees. As there is expected to be only a small number of new trustees each year, induction is generally carried out informally and will be tailored specifically to the individual.

##### Organisational structure

Thrive Education Partnership was set up with a management structure to support its education brief. The trust's management structure consists of three levels: the members, the trustees and the Senior Leadership Teams (SLT).

The trust members set the operational strategy of the trust. The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring its financial and operational performance and making strategic decisions about the direction of the Trust, approving major items of expenditure and making senior staff appointments. The SLT have delegated authority to manage day to day school operations within Calthorpe Academy.

The full trustee body meets on a half-termly basis. As Calthorpe Academy is presently the only academy within the trust, the local governing body structure is not currently in place. The trust is now looking seriously at the opportunity for expansion and has submitted its application to become a sponsor (approved October 2019), the trustees have implemented a committee structure to improve the efficiency of governance, along with ensuring that the trust is set up appropriately for Multi Academy Trust (MAT) growth.

During the course of the 2018/19 year, the Board of Trustees formally met 6 times.

The trustees have approved a financial procedures manual/scheme of delegation, which clearly sets out the level of financial authority delegated to the principal of Calthorpe Academy (who is the Accounting Officer) and other members of staff.

The Calthorpe Academy SLT comprises the principal, two Deputy Headteachers, one Acting Deputy Headteacher, three Assistant Headteachers, one Acting Assistant Headteacher and the Strategic Business Manager. The acting posts have been created to backfill roles of those who are deployed elsewhere in MAT expansion related roles. The SLT are responsible for day-to-day operation of Calthorpe Academy, in particular organising and directing the teaching staff, facilities and students. Heads of Departments have delegated budget and management responsibilities and the SLT cascade management of the academy down through the Heads of Departments.

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### Structure, governance and management (continued)

#### Arrangements for setting pay and remuneration of key management personnel

Performance management and pay of the principal is determined by the trustees of the organisation during their annual performance management review. The Academy Leadership Team are subject to performance management by the principal, who sets annual objectives and reviews performance against those objectives at the end of each year. The academy leadership team remuneration (including the principal) is based upon nationally recognised School Teachers Pay scales, which are reviewed by the trustees from time-to-time to ensure that these scales remain appropriate. All key personnel remuneration changes are communicated to the trustees.

No trustees (other than the principal) are in receipt of any remuneration, other than the refund of out of pocket expenses incurred in the line of performing their duties for the Trust. Details of these expenses are included in note 15.

#### . Trade union facility time

##### Relevant union officials

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

##### Percentage of time spent on facility time

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

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

	£000	
Total cost of facility time	-	
Total pay bill	7,171	
Percentage of total pay bill spent on facility time	-	%

##### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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#### Structure, governance and management (continued)

##### Related parties and other connected charities and organisations

Thrive Education Partnership works closely with Heart of Birmingham Vocational College, an ESFA funded 19-25 Centre, providing employment and self assisted living educational opportunities to young people with special needs. A loan has been provided to Heart of Birmingham Vocational College (which has been made at favourable commercial rates of interest), and is due to be repaid annually on 1 September. At the year-end an amount of £65,000 is outstanding and expenses of £17,000 were recharged to the college during the year. A member of the SLT team is one of the directors of Heart of Birmingham Vocational College.

During the year Thrive Education Partnership established a wholly owned subsidiary company, Calthorpe Academy Transport Services Limited, to run a school transport service. A member of Thrive Education Partnership is also a director of Calthorpe Academy Transport Services Limited.

Calthorpe Academy joined the Birmingham Special Schools Co-operative Trust (BSSCT) as an associate member in 2018. Calthorpe Academy is not a member of this trust and cannot be for legal reasons, but is an active member of this group which was formed for the betterment of the life of students at the 7 Co-operative schools.

##### Objectives and activities

##### Objects and aims

The Trust's objects are set out in its Articles of Association and referred to specifically on page 6 of its Articles. In summary its objective is to establish, maintain, manage and develop a school specially organised to make special educational provision for pupils with special educational needs (SEN). The academy aims to promote, for the benefit of the inhabitants of Birmingham and the surrounding area, the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare and with the object of improving the condition of life of said inhabitants. It seeks to deliver this objective through Calthorpe Academy.

In accordance with the Articles of Association the Academy has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things, the basis for admitting students to the academy and the conditions of grant funding.

##### Objectives, strategies and activities

The vision of Calthorpe Academy is to continue to teach our learners 'the skills they need for the lives they want'. We will ensure that our curriculum is diverse, personalised and enriched to meet the very individual needs of our learners. We will continue to develop and adapt our curriculum as the needs and aspirations of our children and young people change. We seek to ensure that we accommodate our learners in a safe, highly enriched and vibrant learning environment where everybody's voice is heard and the learner is at the centre of everything we do. Our activities are predicated upon the following aims, values and development priorities;

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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#### Objectives and activities (continued)

##### Aims:

- Meet the needs and aspirations as detailed in the learners Education, Health & Care Plans/Statement of Needs.
- Challenge and inspire students to gain the highest standards in a well resourced and personalised learning environment.
- Encourage and inspire students to develop lively enquiring minds, enjoy learning and develop independent creative ideas to achieve their highest aspirations.
- Provide an educational environment that uses new technology as a mechanism to support learning, aid communication and raise standards.
- Ensure that self evaluation and reflection is an ingrained aspect of practice for all staff and students.
- Encourage and prepare students and staff to become active healthy citizens of the academy and the wider world.
- Work in a collaborative partnership with local, national and international organisations (such as business, industry and educational institutions), to share our resources and expertise and to learn from them.

##### Values:

- We believe that all members of the academy have a responsibility to act in a moral and respectful manner towards themselves, others and their environment, showing care, consideration, co operation and respect for all.
- We believe that all members of the academy have the right to be safe, supported, valued and cared for at all times.
- We believe that all members of the academy should be encouraged to develop their skills, expand their knowledge, embrace challenge and reach their full potential.
- We believe in encouraging students and staff to take pride in their achievements and to celebrate their success.
- We support partnerships between students, parents and school to achieve high quality discipline and learning.
- We value all our staff and students, recognising that they deserve the highest respect and quality of resources in promoting achievement of aspirational targets.
- We believe in being fair, honest and compassionate in all our work as a school.

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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#### Objectives and activities (continued)

##### Public benefit

The trustees have considered the Charity Commission's guidance on public benefit. The key public benefit delivered by Thrive Education Partnership is the maintenance and development of education provided by Calthorpe Academy, to the young people of Birmingham.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

##### Strategic report

##### Achievements and performance

##### Overview

Calthorpe Academy is an all age special school, located on the periphery of Birmingham City Centre. The academy caters for children aged from 2 to 19 years of age with severe, profound and complex learning difficulties. In addition, many have specific sensory, medical, behavioural and autistic spectrum conditions.

- 391 pupils are on role as this report goes to print (October 2019).
- As of October 2019 105 learners have a Behaviour Support Plan (BSP).
- 100% of students have a statement or Education Healthcare Plan (EHCP) and 20% are wheelchair users.
- 44% of students have Severe Learning Difficulties (SLD).
- 18% of students have Physical and Mental Learning Difficulty (PMLD).
- 39% of students have Autism Spectrum Disorder (ASD) combined with SLD.

Pupils are admitted from all areas across the city as well as some out of authority. Approximately a third of the school's population are coming from as far away as 10 kilometres. Birmingham is ranked the third most deprived city and our pupils reflect the diverse range of socio economic backgrounds within Birmingham and the surrounding areas. It is significant that 60% of our pupils come from the most deprived areas of the city.

## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

Strategic report (continued)

Achievements and performance (continued)

Pupil Profile			
Number on roll (2017-18)			
Total pupils	384		
Gender M/F	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; border-right: 1px solid black;"><i>Male: 285</i> 74.48%</td> <td style="width: 50%;"><i>Female: 98</i> 25.52%</td> </tr> </table>	<i>Male: 285</i> 74.48%	<i>Female: 98</i> 25.52%
<i>Male: 285</i> 74.48%	<i>Female: 98</i> 25.52%		
% Pupils in receipt of Pupil Premium			
Calthorpe FSM	89		
LAC	18		
Forces/Other	0%		
% Pupils from minority groups			
ABAN	5.47		
AIND	3.13		
AKPA	1.3		
AMPK	1.3		
AOPK	41.15		
AOTA	2.86		
BAOF	7.03		
BCRB	1.56		
BEUR	0.26		
BGHA	0.26		
BOTB	3.13		
BOTH	0.52		
BSOM	6.51		
MABL	0.26		
MOTM	3.91		
MWBA	0.26		
MWBC	1.82		
MWOE	0.26		
OAFG	0.52		
OARA	0.78		
OIRN	0.26		
OIRQ	0.52		
OKRD	0.26		
OLAM	0.26		
OPEG	1.04		
OVIE	0.26		
OYEM	2.6		
REFU	0.26		
WBRI	10.42		
WEEU	0.26		

Calthorpe Academy is a good school with an outstanding leadership (Ofsted Nov 2017). The following are soundbites from the Ofsted Inspection report – November 2017: "Calthorpe has been transformed, The school is

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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#### Strategic report (continued)

#### Achievements and performance (continued)

extremely well led. The principal, ably supported by leaders, has led the school very effectively through a period of rapid change. All aspects of the school are now good and are improving week by week. The school's work with parents is developing well. Parents are much better informed about their children's education than they have been. Leaders are committed to extending this work to include all parents. The board of directors has been instrumental in enabling and supporting all the positive changes that have taken place in the school over the last 18 months."[SIC]

Calthorpe Academy has a purpose built Vocational Centre for Post 16. The centre accommodates approximately 60 learners and is designed to deliver a bespoke Vocational and Independence Curriculum to help better prepare our children and young people for adulthood and the World of Work; thus helping to achieve local and national targets in relation to young people with LDD in employment. Many of the young people who have accessed this provision have now gone on to access other Post 19 provisions, GFE or directly access other employment opportunities.

The Academy is a National Support School and the principal is National Leader in Education. Thrive Education Partnership, has also recently become an approved Academy Sponsor – Approved by Department for Education (DfE). The role of an Academy Sponsor is to support an underperforming academy or group of academies.

#### Pupil Progress

Pupils' progress is good at Calthorpe Academy no matter what their primary need, socio economic background or starting point:

Judgements on progress are made in relation to the pupils' attainment on entry; initial assessment is recorded in B Squared and measured through P/M Scales and NC/Entry Levels. All of our children and learners have statements of Special Educational Needs or an Educational Health & Care Plan.

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### Strategic report (continued)

### Achievements and performance (continued)

	Literacy			Numeracy		
	Number of Pupils who made expected progress	Number of Pupils who made below expected progress	% Expected progress	Number of Pupils who made expected progress	Number of Pupils who made below expected progress	% Expected progress
<b>Overall</b>	260	49	84.14	267	42	86.41
<b>Free School Meals</b>						
FSM	137	20	87.26	143	14	91.08
Not FSM	123	29	80.92	124	28	81.58
<b>Parental Permission</b>						
PP	156	27	85.25	167	16	91.26
Not PP	104	22	82.54	100	26	79.37
<b>Gender</b>						
Boys	196	40	83.05	204	32	86.44
Girls	64	9	87.67	63	10	86.9
<b>Looked After</b>						
Incare	11	2	84.62	13	0	100
Not Incare	249	47	84.12	254	42	85.81
<b>Primary Need</b>						
PMLD	49	17	74.24	36	20	64.28
SLD	103	22	82.4	105	20	84
AS	106	19	84.8	114	11	91.2
HI	0	2	0	1	1	50
SpLD	1	0	100	0	1	0
<b>Years</b>						
1	8	2	80	8	2	80
2	18	4	81.82	16	6	72.78
KS1	26	6	81.25	24	8	75
3	17	2	89.47	15	4	78.93
4	19	2	90.48	19	2	90.48
5	24	1	96	23	2	92
6	21	7	75	22	6	78.57
KS2	45	8	84.91	45	8	84.91
7	38	5	88.87	37	3	92.3
8	33	12	79.39	37	3	92.5
9	31	6	83.78	29	6	82.86
KS3	64	18	78.05	66	9	88
10	27	5	84.38	27	5	84.38
11	24	13	64.86	34	3	91.89
KS4	51	18	78.91	61	8	88.41
<b> ethnicity</b>						
ABAN	18	0	100	16	2	88.89
AIND	7	2	77.78	8	1	88.89
AKPA	5	0	100	5	0	100
ANPK	3	2	60	5	0	100
AOPK	94	22	81.08	95	21	81.9
AOTA	7	3	70	7	3	70
BAOF	23	2	92	23	2	92
BCRB	3	0	100	3	0	100
BEUR	1	1	50	1	1	50
BGHA	1	0	100	1	0	100
BOTB	5	5	50	6	4	60
BOTH	2	0	100	2	0	100
BSOM	15	3	83.33	16	2	88.89
MABL	1	0	100	1	0	100
MOTM	14	0	100	14	0	100
MWBA	1	0	100	1	0	100
MWBC	6	1	85.71	6	1	85.71
MWDE	1	0	100	1	0	100
OUFG	2	0	100	1	1	50
OUBA	4	1	80	5	0	100
OIRN	1	0	100	1	0	100
OIRQ	2	0	100	2	0	100
OLAM	1	0	100	1	0	100
OOEG	5	0	100	5	0	100
OWIE	1	0	100	1	0	100
OYEM	9	1	90	7	3	70
REFU	1	0	100	1	0	100
WBRI	21	5	80.77	25	1	96.15
WEEL	1	0	100	1	0	100
WFNG	1	1	50	2	0	100
WOTW	3	0	100	3	0	100
WPOP	1	0	100	1	0	100

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### Strategic report (continued)

### Achievements and performance (continued)

CODE	ETHNICITY
ABAN	BANGLADESHI
AIND	INDIAN
AKPA	KASHMIRI PAKISTANI
AMPK	MIRPURI PAKISTANI
AOPK	OTHER PAKISTANI
AOTA	OTHER ASIAN
BAOF	OTHER BLACK AFRICAN
BCRB	CARIBBEAN
BEUR	BLACK EUROPEAN
BGHA	BLACK GHANAIAN
BOTB	OTHER BLACK BACKGROUND
BOTH	ANY OTHER BLACK BACKGROUND
BSOM	SOMALI
MABL	ASIAN AND BLACK
MOTM	OTHER MIXED BACKGROUND
MWBA	WHITE AND BLACK AFRICAN
MWBC	WHITE AND BLACK CARIBBEAN
MWOE	WITH AND ANY OTHER ETHNIC GROUP
DAFG	AFGHANISTANI
DARA	ARAB
OIRN	IRANIAN
OIRQ	IRAQI
OLAM	LATIN SOUTH CENTRAL AMERICAN
DOEG	OTHER ETHNIC GROUP
OVIE	VIETNAMESE
OYEM	YEMENI
REFU	REFUSED
WBRI	BRITISH
WEEU	WHITE EASTERN EUROPEAN
WENG	WHITE ENGLISH
OKRD	KURDISH
WPOR	WHITE PORTUGUESE

The data presented demonstrates the progress made for all pupils of school age at Calthorpe Academy. Targets were set at the beginning of the year based on the progress made by the top 25% of pupils of the same need on CASPA (Most up to date database of 140 000 pupils).

#### **Strengths (SEF future items):**

The overall progress for both literacy and numeracy is good and the Academy is aspiring to reach 90% over the next 2 years which will represent an excellent performance.

The additional funding such as Incare or pupil premium has been spent strategically to support further progress for our most vulnerable pupils and both groups have made similar or better progress than their peers for both Literacy and Numeracy.

Middle leaders have focused on strategies to improve progress for Girls in Numeracy and the gap has been closed between Boys and Girls.

#### **Areas of development (ADP future items):**

The progress for pupils with PMLD as primary need is not as good as their peers (SLD / AS) in both literacy and numeracy. Further analysis has shown that a specific class has brought the progress data down for this cohort (Most able PMLD pupils following the SLD curriculum). Progress in Literacy for KS4 (particularly year 11) is lower than other Key Stages. Progress in Numeracy for KS1 (particularly year 2) is lower than other Key Stages. Boys are underachieving compared to Girls in Literacy (4.62% gap).

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# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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### Strategic report (continued)

#### Achievements and performance (continued)

##### Local Context

The Local Authorities need for SEN school placements is above our school capacity and is a growing concern for the region as a whole. It is envisaged that by 2019, the demand for SEN placements will have outgrown the available supply across the Birmingham region. There continues to be a significant number of children with SEN without a school placement across the Local Authority. This scenario has led to many complex young people being educated outside of the Local Authority at great cost.

##### Going concern

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

##### Financial review and key performance indicators

The budget for the year ended 31 August 2019 was set in June 2018 with projected revenue carry forward reserves of £216,000 (having had a forecast revenue carry forward balance from 2017/18 of £547,000). The final audited accounts for 2018/19 resulted in an actual revenue carry forward of £1,217,000, of which £273,000 is committed leaving an actual revenue carry forward of £944,000. Therefore the academy managed to deliver a significantly better than predicted outcome by £728,000. The reasons for this improvement were:

- Further natural wastage managed through careful staff/curriculum planning.
- Significant increase in income from Birmingham Local Authority High Needs funding owing to a 20 pupil increase in number of pupils attracting 1 to 1 funding.
- Increase in number of pupils on roll.

2019/20's revenue budget has been set with a projected £131,000 in-year deficit, which will be funded from the above accumulated reserves. The predicted deficit is due to unfunded staff salary increases. With a £7.8M annual staff salary bill, pay settlements of 2.75% and pay incremental increases, an in-year deficit is inevitable. Despite actual per pupil funding reducing yet again in 2019/20, we have managed to reduce the full impact of salary increases mainly owing to increased pupil numbers, but also owing to banding changes as our cohort complexity levels increase.

##### Key performance indicators

	2019	2018
Delegated high needs funding % of total income	90%	92%
Other funding % of total income	10%	8%
Teaching staff costs as % of GAG/High needs funding	34%	36%
Non-teaching staff costs as % of GAG/High needs funding	52%	48%
Total staff costs as % of GAG/High needs funding	86%	84%

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# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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### Strategic report (continued)

#### Achievements and performance (continued)

The reduction in 2018/19 teaching staff costs ratio is down to circumstantial changes in our teaching staff. Several senior and experienced teachers left during the year. Replacement staff for those individuals were younger and therefore more inexpensive. Two staff members who left have only been partially replaced and the academy have found innovative ways to cover some of the gaps with instructors, who while skilled, do not cost the same as highly experienced teaching staff.

Delegated funds as a proportion of total income reduced slightly in 2018/19 mostly due to an increase in funding from other/trading activity. Staff absence insurance claims were high during the year and income was generated from transport operations. The academy has been operating 5 Home/School routes for the Local Authority during 2018/19 as a trial. This trial continues into 2019/20.

Expenditure for the period covered by this report was covered by the GAG received from the ESFA, Local Authority Top up funding, Pupil Premium funding and other income including, transport, insurance claims income.

The trustees remain concerned with the deficit that the Local Government Pension Fund is reporting (See Note 31). This year's actuarial valuations made under FRS 102 show an increase in the liability of £1.633M, to £7.419M (2018 - £5.786M). The continuing volatility and sometimes extreme fluctuations in the actuarial valuations, creates for very uncertain deficit repayment predictions. Repayments for the next three years commencing April 2020 will be confirmed during 2019/20.

#### Financial review

#### Reserves policy

The trustees Finance and Personnel Committee believe that reserves should provide sufficient working capital to cover delays between spending and receipt of grants and also allow for unexpected situations such as urgent maintenance work. The trustees ideally aim to maintain reserves of 7.5% of delegated funding as an appropriate contingency against unknown future funding settlements. Actual per pupil income has been reducing for several years as ESG Funding is removed and the Local Authority had been reducing High Needs top up by 1.5% per annum. As of 2018/19 Local Authority High Needs funding has fortunately not been further reduced and we are expectant that this figure will actually increase in the near future as the National Funding formula indicates that Birmingham should receive significantly more than it does presently in its High Needs Block (in excess of 10% more). Owing to an unanticipated rise in the number of our extremely vulnerable pupils receiving the highest level of funding, our reserves increased during 2018/19. However, unless the much needed per pupil funding increase materialises, it is clear that current reserve policy will be difficult to achieve/maintain.

As at 31 August 2019 the academy had total funds carried forward of £5.128M (2018: £7.190M), of which £944k were expendable reserves consisting of cash and other reserves of the academy trust, which are available for the academy to fulfil its objects. The majority of our true cash reserves have been generated from predecessor school funds.

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# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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### Strategic report (continued)

### Financial review (continued)

Under Accounting Standard FRS102 it is necessary to charge projected deficits on the Local Government Pension Scheme that is provided for non teaching staff to a specific restricted reserve. As at 31 August 2019 the deficit on this reserve amounted to £7.419M. Repayments required to reflect the deficit are anticipated to increase from April 2020 and will continue to place additional financial strain on academy finances.

### Investment policy

The investment policy during the past 12 months continues to have been based upon considering minimal risk short term treasury deposits (3 months to one year), which would be made based upon cash flow projections. The requirement to avoid any significant risk with academy cash means that at present, the investment policy remains limited.

Future cash-flow projections suggest a further reduction in investment opportunity as predicted in year deficits diminish the amounts of cash to available to invest.

### Principal risks and uncertainties

The academy trust currently identifies its principal risks and uncertainties as follows:

- Failure to maintain an adequate Ofsted rating.
- Funding reduction as a result of below inflation funding settlements and loss of Education Services Grant (ESG) and potential reduction in LA Exceptional Special Needs (ESN) funding. Both of these elements are subject to a potential reduction.
- Threat of illness/infectious disease to our pupil cohort who are by their very nature, subject to heightened vulnerability.
- Brexit.
- Potential loss of key staff.
- Financial failure/failure to meet predicted/planned pupil numbers.
- Failure to meet required pupil progress targets.
- Extreme Safeguarding related incidents.
- Health and Safety compliance failure /protection of pupils (and staff).
- Flood/Fire/Terrorism or other peril.
- Failure to safeguard Academy assets.
- GDPR breach.

As a result of our most recent Ofsted inspection of June 2017, the academy was found to be Good in every aspect of judgement and as Outstanding in terms of its Leadership and Management. This was a significant achievement in less than 18 months, having received an Unsatisfactory Ofsted rating in early 2016, as a result of specific safeguarding concerns which were unearthed by the incoming principal and his team regarding previous practice. The 2017 Ofsted outcome has significantly reduced one of our main identified risks in the short/medium term.

Funding remains an area of concern as the general trend of per pupil income has been flat or slightly reducing and costs increasing. With employer costs for Pension and National Insurance increasing coupled with progression and nationally agreed inflation increments, the additional annual costs to our £7M payroll bill are significant. While the Government has indicated that significant increases in High Needs funding are forthcoming, we await to see what that means for per pupil funding for the trust. After 2 years of funding Teacher inflationary pay, this has been withdrawn from April 2020 and the 7% hike in Teacher pensions contributions (up from 16.4%) is only guaranteed for the next year. Furthermore, the arbitrary and imprecise nature of allocation of

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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#### Strategic report (continued)

#### Financial review (continued)

rebate for teacher pension cost increases by the DfE according to its published formula, mean that there is a £55,000 shortfall in the DfE rebate, compared to the actual cost increase we will sustain. The academy will have to work with the Local Authority to obtain the differential, but there will be a £6,000 shortfall, as the DfE will only fund this above a minimum threshold and they also only take the increase into account as at November 2019. Therefore we will not be funded for the increase in staff pension contributions which result from any annual increments, which are only awarded from December annually and are subsequently backdated to September.

We have been constantly focused upon all options for natural wastage since commencing a detailed review of staffing in 2016. Despite this action resulting in savings of over £1M in the teacher annual salary bill, much of this has been offset by the requirement to increase non teaching headcount in order to ensure the effective education, safety and wellbeing of our young people.

Further measures are likely to be required and are under consideration, in order to ensure that our academy remains financially viable long term. We are hopeful that the recently announced 18% High Needs funding increase for Birmingham from 2020/21 will result in the first increase in per pupil funding in many years. Should this result in a significant increase, we will be able to switch our focus from continued annual cost cutting to investment in the education of our learners, which would be a hugely welcome shift.

#### Fundraising

The academy applied for and obtained several grants during the year. All bids submitted were prepared in accordance with the guidelines of the grant making trust. Otherwise the academy did not engage in any other types of formal fundraising. There have been no complaints received in 2018-19.

#### Funds held as custodian on behalf of others

The academy and its trustees do not act as the Custodian Trustee on behalf of any other charity.

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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#### Plans for future periods

Our future development priorities are:

- Ensure that all mandatory safeguarding policies and procedures are continually met; including safer recruitment and embedding safeguarding into the curriculum.
- Ensure that the curriculum offer is diverse, personalised, enriched and regularly reviewed to meet the needs and aspirations of our learners; particularly those learners with most complex needs.
- To continue to develop the academy's learning environment, in order to support and enhance the academy's curriculum offer.
- To develop curriculum leadership; ensuring effective monitoring delivery of their subjects with a specific focus on feedback, accessibility of curriculum and accountability.
- To oversee the build of our additional premises in order to support the growing intake of Primary ASC learners.
- To continue to develop and expand the Board of Trustees through ongoing skills analysis, informed CPD and targeted recruitment.
- Further improve the quality of teaching and ensuring it is consistently good or better, ensuring all students make expected or better than expected progress.
- To develop our mental health strategy, assessment and staffing capacity in order to support learner/staff mental health and resilience.
- Develop our learning community by; growing our Multi Academy Trust, through our membership via BSSCT and through our National Support School designation.

#### Employee involvement and employment of the disabled

The policy that has been applied in the year for giving full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. The policy that has been applied in the year for continuing the employment of, and arranging appropriate training for, employees who have become disabled during their period of employment. The policy that has been applied in the year otherwise for the training, career development and promotion of disabled person.

#### Disclosure of information to auditors

Insofar as the trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of trustees, as the company directors, on 19 December 2019 and signed on its behalf by:



**S Sherman**  
(Chair of Trustees)

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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### GOVERNANCE STATEMENT

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#### Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Thrive Education Partnership (formerly Calthorpe Teaching 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 principal, 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 Thrive Education Partnership (formerly Calthorpe Teaching 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 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
R Chapman, Principal and Accounting Officer	6	6
S Sherman, Chair	5	6
P Smart	3	6
D Pawlowski-Andrews	4	6
G Tyler	1	6
A Lynch-Pasztor	4	6
P Haggett	4	6
H Mohamed	2	6
A Tenn	1	3

Our trustee board self evaluation process is ongoing and the board are taking care to identify gaps and direct recruitment to specified areas of need.

As the board of trustees has steadily begun to grow, the process of creating sub committees commenced during the 2018/19 academic year. Up until then, a monthly meeting of the board covered all aspects of Academy Governance (including Finance).

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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### GOVERNANCE STATEMENT (CONTINUED)

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#### Governance (continued)

The Finance and Personnel Committee is a sub-committee of the main board of trustees. Its purpose is to:

- Oversee the management of the human and financial resources of the trust with the aim of securing the best possible outcomes for our learners.
- Receive, review and recommend the annual budget of the trust to the Full Board for approval.
- Oversee ongoing budget prediction /projections via termly analysis of the approved budget against actual/predicted expenditure to ensure effective management of all financial resources available.
- Monitor the finances of the Academy Trust, including regular review of budgetary control reports.
- Review resource management of the Academy Trust.
- Receive and review of external enhanced assurance testing reports.
- Review premises and health & safety matters of the Academy Trust.

During the year A Tenn, who is a qualified accountant, joined the committee. Attendance in meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
D Pawlowski (resigned 3 April 2019)	2	2
P Haggett	4	4
R Chapman	4	4
A Tenn (appointed 3 April 2019)	0	2

#### Review of value for money

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

The 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:

- Investment in a trial with Birmingham City Council for the transportation of students to and from school ( 5 school routes). This resulted in a much better experience for our young people, who arrived at school more ready to learn and also better utilised our fleet of school minibuses.
- Negotiating with the Local Authority to obtain funding to refurbish additional premises, in order to provide additional spaces for the young people of Birmingham with Special Educational Needs, currently without a school place.
- Overseeing a successful bid for funding during the year which resulted in the Lords Taverners providing a new accessible minibus for the academy which permits us to further increase the opportunity for our young people to access greater outdoor learning experiences. This can now be done more easily without the academy incurring the cost of external transport providers.
- Submitted our application to become a MAT Sponsor (approved October 2019), which will allow us to support and develop a Multi Academy Trust which will provide the best possible educational opportunities for our young people. We have also provided support to a School in Coventry which we propose will join our MAT during 2019/20. Again we expect this to provide educational benefit to young people and also permit us to retain/recruit/develop the best staff and opportunities for those staff.

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# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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## GOVERNANCE STATEMENT (CONTINUED)

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### 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 Thrive Education Partnership Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

### Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal on-going 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.

### The risk and control framework

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

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

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

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

- Testing of monthly payroll and related procedures
- Checking of purchasing procedures
- Ensuring income is correctly accounted for
- Checking bank reconciliations
- Review of control accounts
- Reimbursed expenses

On a semi-annual basis, the external auditors report to the board of trustees through the Finance and Personnel committee on the operation of the systems of control and on the discharge of the trustees' financial responsibilities.

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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### GOVERNANCE STATEMENT (CONTINUED)

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#### The risk and control framework (continued)

During the year two additional checks were carried out. Their visit reports are available and have been tabled at trustee meetings. There are no irregular or material findings to report. The external auditor has visited site a number of times over the past 12 months and has provided advice and guidance where necessary.

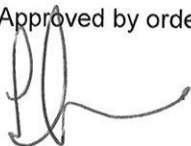
#### Review of effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Personnel committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 19 December 2019 and signed on their behalf by:



**S Sherman**  
Chair of Trustees



**R Chapman**  
Accounting Officer

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**THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE  
TEACHING ACADEMY TRUST)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Thrive Education Partnership (formerly Calthorpe Teaching Academy Trust) I have considered my responsibility to notify the academy board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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



**R Chapman**  
Accounting Officer

Date: 19/12/2019

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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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 Group and the charitable company and of their incoming resources and application of resources, including their 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 group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and 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 their conduct and operation the Group and the charitable company apply 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 group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 19 December 2019 and signed on its behalf by:



**S Sherman**

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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### INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE OF THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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#### Opinion

We have audited the financial statements of Thrive Education Partnership Trust ("the Academy") for the year ended 31 August 2019 which comprise the Statement of Financial Activities (incorporating income and expenditure account), Balance Sheet, statement of cash flows] and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency (ESFA).

In our opinion, the financial statements:

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

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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### INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE OF THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST) (CONTINUED)

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#### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

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

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

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

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

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

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

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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### INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE OF THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST) (CONTINUED)

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#### Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.


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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

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

#### Use of our report

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



Nicholas Simkins  
For and on behalf of BDO LLP, Statutory Auditor  
Birmingham  
United Kingdom

Date: 20/12/2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

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## **THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)**

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### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST) AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 18 February 2019 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 Thrive Education Partnership (formerly Calthorpe Teaching 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 Thrive Education Partnership (formerly Calthorpe Teaching 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 Thrive Education Partnership (formerly Calthorpe Teaching 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 Thrive Education Partnership (formerly Calthorpe Teaching Academy Trust) and ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Thrive Education Partnership (formerly Calthorpe Teaching Academy Trust)'s accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Thrive Education Partnership (formerly Calthorpe Teaching Academy Trust)'s funding agreement with the Secretary of State for Education dated 27 August 2014 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Approach**

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

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

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

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

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**THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE  
TEACHING ACADEMY TRUST)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THRIVE  
EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST) AND THE  
EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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**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.

*BDSW*

**Nicholas Simkins**

**BDO LLP**

Date: *20.12.2019.*

## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

	Note	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
<b>Income from:</b>						
Donations and capital grants	4	2	-	102	104	266
Charitable activities		-	8,956	-	8,956	8,540
Other trading activities		1	-	-	1	58
Investments	7	7	-	-	7	15
Other income	8	223	-	38	262	42
<b>Total income</b>		<b>233</b>	<b>8,956</b>	<b>140</b>	<b>9,329</b>	<b>8,921</b>
<b>Expenditure on:</b>						
Raising funds		24	-	-	24	-
Charitable activities	10	138	9,120	967	10,225	9,827
<b>Total expenditure</b>		<b>162</b>	<b>9,120</b>	<b>967</b>	<b>10,249</b>	<b>9,827</b>
<b>Net income/(expenditure)</b>		<b>71</b>	<b>(164)</b>	<b>(827)</b>	<b>(920)</b>	<b>(906)</b>
Transfers between funds	24	(59)	-	59	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>12</b>	<b>(164)</b>	<b>(768)</b>	<b>(920)</b>	<b>(906)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	31	-	(1,144)	-	(1,144)	1,016
<b>Net movement in funds</b>		<b>12</b>	<b>(1,308)</b>	<b>(768)</b>	<b>(2,064)</b>	<b>110</b>

**THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE  
TEACHING ACADEMY TRUST)**

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

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Note					
<b>Reconciliation of funds:</b>					
Total funds brought forward	644	(5,551)	12,097	7,190	7,080
Net movement in funds	12	(1,308)	(768)	(2,064)	110
<b>Total funds carried forward</b>	<b>656</b>	<b>(6,859)</b>	<b>11,329</b>	<b>5,126</b>	<b>7,190</b>

**THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE  
TEACHING ACADEMY TRUST)**  
REGISTERED NUMBER: 09064864

**CONSOLIDATED BALANCE SHEET  
AS AT 31 AUGUST 2019**

	Note	2019 £000	2018 £000
<b>Fixed assets</b>			
Tangible assets	17	11,387	12,045
		<u>11,387</u>	<u>12,045</u>
<b>Current assets</b>			
Debtors	19	492	436
Investments	20	250	550
Cash at bank and in hand		1,377	228
		<u>2,119</u>	<u>1,214</u>
Creditors: due within one year	21	(896)	(220)
<b>Net current assets</b>		<u>1,223</u>	<u>994</u>
<b>Total assets less current liabilities</b>		<u>12,610</u>	<u>13,039</u>
Creditors: due after one year	22	(63)	(63)
<b>Net assets excluding pension liability</b>		<u>12,547</u>	<u>12,976</u>
Defined benefit pension scheme liability	31	(7,419)	(5,786)
<b>Total net assets</b>		<u><u>5,128</u></u>	<u><u>7,190</u></u>

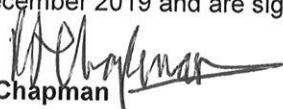
## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

### CONSOLIDATED BALANCE SHEET (CONTINUED) AS AT 31 AUGUST 2019

	Note	2019 £000	2018 £000
<b>Funds of the academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	24	11,330	12,097
Restricted income funds	24	560	235
Restricted funds excluding pension asset	24	<u>11,890</u>	<u>12,332</u>
Pension reserve	24	(7,419)	(5,786)
<b>Total restricted funds</b>	24	<b>4,471</b>	6,546
<b>Unrestricted income funds</b>	24	<b>657</b>	644
<b>Total funds</b>		<u><b>5,128</b></u>	<u><b>7,190</b></u>

The financial statements on pages 29 to 68 were approved by the trustees, and authorised for issue on 19 December 2019 and are signed on their behalf, by:

R Chapman



The notes on pages 36 to 68 form part of these financial statements.

**THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE  
TEACHING ACADEMY TRUST)**  
REGISTERED NUMBER: 09064864

**ACADEMY STATEMENT OF FINANCIAL POSITION  
AS AT 31 AUGUST 2019**

	Note	2019 £000	2018 £000
<b>Fixed assets</b>			
Tangible assets	17	11,387	12,045
		<u>11,387</u>	<u>12,045</u>
<b>Current assets</b>			
Debtors	19	563	436
Investments	20	250	550
Cash at bank and in hand		1,298	228
		<u>2,111</u>	<u>1,214</u>
Creditors: due within one year	21	(890)	(220)
<b>Net current assets</b>		<u>1,221</u>	<u>994</u>
<b>Total assets less current liabilities</b>		<u>12,608</u>	<u>13,039</u>
Creditors: due after one year	22	(63)	(63)
<b>Net assets excluding pension liability</b>		<u>12,545</u>	<u>12,976</u>
Defined benefit pension scheme liability	31	(7,419)	(5,786)
<b>Total net assets</b>		<u><u>5,126</u></u>	<u><u>7,190</u></u>

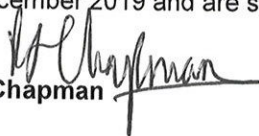
## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

### ACADEMY STATEMENT OF FINANCIAL POSITION (CONTINUED) AS AT 31 AUGUST 2019

	Note	2019 £000	2018 £000
<b>Funds of the academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	24	11,329	12,097
Restricted income funds	24	558	235
Restricted funds excluding pension liability	24	<u>11,887</u>	<u>12,332</u>
Pension reserve	24	(7,419)	(5,786)
<b>Total restricted funds</b>	24	<b>4,468</b>	6,546
<b>Unrestricted income funds</b>	24	<b>658</b>	644
<b>Total funds</b>		<u><b>5,126</b></u>	<u><b>7,190</b></u>

The financial statements on pages 29 to 68 were approved by the trustees, and authorised for issue on 19 December 2019 and are signed on their behalf, by:

R Chapman



The notes on pages 36 to 68 form part of these financial statements.

## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £000	2018 £000
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	26	1,058	(71)
<b>Cash flows from investing activities</b>	28	91	(934)
<b>Cash flows from financing activities</b>	27	-	72
<b>Change in cash and cash equivalents in the year</b>		<b>1,149</b>	<b>(933)</b>
Cash and cash equivalents at the beginning of the year		228	1,161
<b>Cash and cash equivalents at the end of the year</b>	29	<u><u>1,377</u></u>	<u><u>228</u></u>

The notes on pages 36 to 68 form part of these financial statements

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# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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### 1. General information

Thrive Education Partnership (previously Calthorpe Teaching Academy Trust) is a private company limited by guarantee, incorporated in England and registered in England and Wales, the company registration number is 09064864. The company's registered office is Darwin Street, Highgate, Birmingham, B12 0TP.

### 2. 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.

#### 2.1 Basis of preparation of financial statements

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

Thrive Education Partnership (formerly Calthorpe Teaching Academy Trust) meets the definition of a public benefit entity under FRS 102.

The functional and presentation currency for the company during the year was sterling and the accounts are rounded to the nearest £1.

The Consolidated Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The academy has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

#### 2.2 Going concern

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

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# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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### 2. Accounting policies (continued)

#### 2.3 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**

Grants are included in the Consolidated 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 Consolidated Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

#### 2.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

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# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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### 2. Accounting policies (continued)

#### 2.4 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

#### 2.5 Interest receivable

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

#### 2.6 Taxation

The academy 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 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.

#### 2.7 Tangible fixed assets

Assets costing £1,500 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 Consolidated 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 Consolidated Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

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# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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### 2. Accounting policies (continued)

#### 2.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold land	- 125 years straight line basis
Long-term leasehold property	- 5% - 10% straight line basis
Furniture and equipment	- 10% straight line basis
Plant and machinery	- 20% straight line basis
Computer equipment	- 20% straight line basis
Motor vehicles	-

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 Consolidated Statement of Financial Activities.

#### 2.8 Debtors

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

#### 2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Where investments have a maturity of more than three months but less than a twelve months they are disclosed as current asset investments in the balance sheet.

#### 2.10 Liabilities

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

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# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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### 2. Accounting policies (continued)

#### 2.11 Financial instruments

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group 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 19. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 21 and 22. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

#### 2.12 Operating leases

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

#### 2.13 Fund accounting

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

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

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

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

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# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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### 2. Accounting policies (continued)

#### 2.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 26, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

#### 2.15 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds and vulnerable bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 35.

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### 3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 31, 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.

### 4. Income from donations and capital grants

	Unrestricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Donations	2	47	49
Capital Grants	-	55	55
	<u>2</u>	<u>102</u>	<u>104</u>

	Unrestricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Donations	2	64	66
Capital Grants	-	200	200
	<u>2</u>	<u>264</u>	<u>266</u>

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### 5. Funding for the academy's educational operations

	Restricted funds 2019 £000	Total funds 2019 £000
General annual grant	3,850	3,850
Other DfE/ESFA grants	99	99
Pupil premium	182	182
Local authority grants	4,766	4,766
Catering	59	59
	8,956	8,956
	8,956	8,956

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000
General annual grant	-	3,850	3,850
Other DfE/ESFA grants	-	136	136
Pupil premium	-	193	193
Local authority grants	-	4,298	4,298
Catering	8	55	63
	8	8,532	8,540
	8	8,532	8,540

### 6. Income from other trading activities

	Unrestricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Hire of Facilities	-	-	55
Consultancy	1	1	3
	1	1	58
	1	1	58

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### 7. Investment income

	Unrestricted funds 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Bank interest received	7	7	2
Loan interest	-	-	13
	<u>7</u>	<u>7</u>	<u>15</u>

### 8. Other incoming resources

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000
Recharges to Heart of Birmingham Vocational College	17	-	17
Other income	54	38	92
Calthorpe Academy Transport Services Limited - income	152	-	152
	<u>223</u>	<u>38</u>	<u>261</u>

	Unrestricted funds 2018 £000	Total funds 2018 £000
Recharges to Heart of Birmingham Vocational College	18	18
Other income	24	24
	<u>42</u>	<u>42</u>

## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

#### 9. Expenditure

	Staff Costs 2019 £000	Premises 2019 £000	Other 2019 £000	Total 2019 £000
Expenditure on fundraising trading activities:				
Calthorpe Academy Transport Services Limited - expenditure	-	-	24	24
Educational operations:				
Direct costs	6,270	657	853	7,780
Allocated support costs	1,348	445	652	2,445
	7,618	1,102	1,529	10,249
	7,618	1,102	1,529	10,249
	Staff Costs 2018 £000	Premises 2018 £000	Other 2018 £000	Total 2018 £000
Educational operations:				
Direct costs	5,570	815	373	6,758
Allocated support costs	1,612	472	985	3,069
	7,182	1,287	1,358	9,827
	7,182	1,287	1,358	9,827

#### 10. Analysis of expenditure on charitable activities

##### Summary by fund type

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000
Educational operations	138	10,087	10,225
	138	10,087	10,225
	138	10,087	10,225

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### 10. Analysis of expenditure on charitable activities (continued)

#### Summary by fund type (continued)

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000
Educational operations	74	9,753	9,827

### 11. Analysis of expenditure by activities

	Activities undertaken directly 2019 £000	Support costs 2019 £000	Total funds 2019 £000
Educational operations	7,780	2,445	10,225

	Activities undertaken directly 2018 £000	Support costs 2018 £000	Total funds 2018 £000
Educational operations	6,758	3,069	9,827

## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

#### 11. Analysis of expenditure by activities (continued)

##### Analysis of support costs

	Educational operations 2019 £000	Total funds 2019 £000	Total funds 2018 £000
Pension interest	147	147	155
Staff costs	1,348	1,348	2,063
Depreciation	101	101	100
Technology costs	14	14	10
Staff development	61	61	43
Travel and subsistence	6	6	7
Maintenance of premises and equipment	149	149	184
Cleaning	100	100	91
Rent & rates	13	13	15
Energy costs	82	82	82
Insurance	90	90	74
Security & Transport	30	30	6
Catering	112	112	101
Other support costs	110	110	71
Auditors remuneration	13	13	5
(Profit)/loss on disposal	-	-	(8)
Legal and professional fees	59	59	55
Recruitment costs	7	7	12
Hospitality	3	3	3
	<u>2,445</u>	<u>2,445</u>	<u>3,069</u>

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### 12. Net income / (expenditure)

Net income/(expenditure) for the year includes:

	2019 £000	2018 £000
Operating lease rentals	18	8
Depreciation of tangible fixed assets	967	915
Gain on disposal of fixed assets	-	(8)
Fees paid to auditors for:		
- audit	10	9
- other services	11	4
	11	4

### 13. Auditors' remuneration

	2019 £000	2018 £000
Fees payable to the academy's auditor for the audit of the academy's annual accounts	10	9
Fees payable to the academy's auditor in respect of:		
Non-audit services not included above	11	4
	11	4

## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

#### 14. Staff costs

##### a. Staff costs

Staff costs during the year were as follows:

	Group 2019 £000	Group 2018 £000	Academy 2019 £000	Academy 2018 £000
Wages and salaries	5,880	5,528	5,880	5,528
Social security costs	507	461	507	461
Pension costs	1,067	1,003	1,067	1,003
	<u>7,454</u>	<u>6,992</u>	<u>7,454</u>	<u>6,992</u>
Agency staff costs	164	165	164	165
Staff restructuring costs	-	25	-	25
	<u><u>7,618</u></u>	<u><u>7,182</u></u>	<u><u>7,618</u></u>	<u><u>7,182</u></u>

Staff restructuring costs comprise:

	Group 2019 £000	Group 2018 £000
Severance payments	-	25
	<u>-</u>	<u>25</u>

##### b. Staff numbers

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

	Group 2019 No.	Group 2018 No.	Academy 2019 No.	Academy 2018 No.
Teachers	46	49	46	49
Administration and support	256	225	256	225
Management	7	6	7	6
	<u>309</u>	<u>280</u>	<u>309</u>	<u>280</u>

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### 14. Staff costs (continued)

#### c. Higher paid staff

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

	Group 2019 No.	Group 2018 No.
In the band £60,001 - £70,000	1	2
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	1	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
	1	-

#### d. Key management personnel

The key management of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £602,982 (2018 - £578,207)

### 15. Trustees' remuneration and expenses

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

	2019 £000	2018 £000
R Chapman, Principal and Accounting Officer	120 - 125	115 - 120
Remuneration		
Pension contributions paid	20 - 25	15 - 20

During the year ended 31 August 2019, travel expenses totalling £1,237 were reimbursed to 2 trustees (2018 - £828 to 2 trustees).

Other related party transactions involving Trustees are set out in note 34.

## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

#### 16. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Group has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the insurance scheme and the cost for the year ended 31 August 2019 was £13,704 (2018 - £12,655).

#### 17. Tangible fixed assets

##### Group

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>					
At 1 September 2018	13,482	822	499	120	14,923
Additions	203	40	5	61	309
At 31 August 2019	13,685	862	504	181	15,232
<b>Depreciation</b>					
At 1 September 2018	2,018	435	368	57	2,878
Charge for the year	658	172	101	36	967
At 31 August 2019	2,676	607	469	93	3,845
<b>Net book value</b>					
At 31 August 2019	11,009	255	35	88	11,387
At 31 August 2018	11,464	387	131	63	12,045

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### 17. Tangible fixed assets (continued)

#### Group (continued)

#### Academy

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>					
At 1 September 2018	13,482	822	499	120	14,923
Additions	203	40	5	61	309
At 31 August 2019	<u>13,685</u>	<u>862</u>	<u>504</u>	<u>181</u>	<u>15,232</u>
<b>Depreciation</b>					
At 1 September 2018	2,018	435	368	57	2,878
Charge for the year	658	172	101	36	967
At 31 August 2019	<u>2,676</u>	<u>607</u>	<u>469</u>	<u>93</u>	<u>3,845</u>
<b>Net book value</b>					
At 31 August 2019	<u><u>11,009</u></u>	<u><u>255</u></u>	<u><u>35</u></u>	<u><u>88</u></u>	<u><u>11,387</u></u>
At 31 August 2018	<u><u>11,464</u></u>	<u><u>387</u></u>	<u><u>131</u></u>	<u><u>63</u></u>	<u><u>12,045</u></u>

### 18. Fixed asset investments

#### Subsidiary undertakings

During the year the company acquired 100% of the issued share capital of Calthorpe Academy Transport Services Limited, a private limited company, limited by shares, incorporated in England and Wales and domiciled in England. Its registered office is Darwin Street, Highgate, Birmingham, B12 0TP and its principal activity is the provision of the transport services. The total value of the investment in the subsidiary company is £1.

## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

#### 19. Debtors

	Group 2019 £000	Group 2018 £000	Academy 2019 £000	Academy 2018 £000
<b>Due after more than one year</b>				
Other debtors	33	55	33	55
	<u>33</u>	<u>55</u>	<u>33</u>	<u>55</u>
<b>Due within one year</b>				
Trade debtors	117	30	76	30
Amounts owed by group undertakings	-	-	113	-
Prepayments and accrued income	276	217	276	217
VAT recoverable	32	100	32	100
Other debtors	34	34	33	34
	<u>492</u>	<u>436</u>	<u>563</u>	<u>436</u>

The Academy Trust has a loan outstanding from the Heart of Birmingham Vocational College at the year end of £65,007 (2018 - £86,675). Interest is charged on this loan at 1% above HSBC bank base rate. The loan is repayable in minimum annual installments of £32,000.

#### 20. Current asset investments

	Group 2019 £000	Group 2018 £000	Academy 2019 £000	Academy 2018 £000
Cash deposits	250	550	250	550
	<u>250</u>	<u>550</u>	<u>250</u>	<u>550</u>

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### 21. Creditors: Amounts falling due within one year

	Group 2019 £000	Group 2018 £000	Academy 2019 £000	Academy 2018 £000
Trade creditors	738	88	732	88
Other creditors	1	3	1	3
Other loans	9	9	9	9
Accruals and deferred income	148	120	148	120
	<u>896</u>	<u>220</u>	<u>890</u>	<u>220</u>
	Group 2019 £000	Group 2018 £000	Academy 2019 £000	Academy 2018 £000
Deferred income at 1 September 2018	5	19	5	19
Resources deferred during the year	4	5	4	5
Amounts released from previous periods	(5)	(19)	(5)	(19)
	<u>4</u>	<u>5</u>	<u>4</u>	<u>5</u>

At the balance sheet date the Academy Trust was holding £4,000 (2018 - £5,000) in advance for Universal Infant Free School Meals.

Other loans represent the amount outstanding from Salix Finance which is provided at 0% interest and repayable in equal instalments over 8 years,

### 22. Creditors: Amounts falling due after more than one year

	Group 2019 £000	Group 2018 £000	Academy 2019 £000	Academy 2018 £000
Other loans	63	63	63	63

Other loans represent the amount outstanding from Salix Finance which is provided at 0% interest and repayable in equal instalments over 8 years,

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### 23. Financial instruments

	Group 2019 £000	Group 2018 £000	Academy 2019 £000	Academy 2018 £000
<b>Financial assets</b>				
Financial assets measured at fair value through income and expenditure	1,627	778	1,548	778
Financial assets that are debt instruments measured at amortised cost	457	401	528	401
	<b>2,084</b>	1,179	<b>2,076</b>	1,179
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	(869)	(278)	(863)	(278)

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

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, other debtors, accrued income, amounts owed by group undertakings and VAT recoverable.

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

## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

#### 24. Statement of funds

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
<b>Unrestricted funds</b>						
Unrestricted funds	644	233	(161)	(59)	-	657
<b>Restricted general funds</b>						
General Annual Grant	-	3,850	(3,850)	-	-	-
Pupil Premium	-	182	(182)	-	-	-
Other restricted	235	4,924	(4,599)	-	-	560
Pension reserve	(5,786)	-	(489)	-	(1,144)	(7,419)
	<u>(5,551)</u>	<u>8,956</u>	<u>(9,120)</u>	<u>-</u>	<u>(1,144)</u>	<u>(6,859)</u>

## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

#### 24. Statement of funds (continued)

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
<b>Restricted fixed asset funds</b>						
Transfer on conversion	8,306	-	(496)	-	-	7,810
Df/E/ ESFA capital grants	664	55	(117)	-	-	602
Capital grant from local authority	1,166	-	(8)	-	-	1,158
Donated fixed assets	145	47	(26)	-	-	166
Assets purchased from academy funds	1,816	39	(320)	59	-	1,594
	<u>12,097</u>	<u>141</u>	<u>(967)</u>	<u>59</u>	<u>-</u>	<u>11,330</u>
<b>Total Restricted funds</b>	<u>6,546</u>	<u>9,097</u>	<u>(10,087)</u>	<u>59</u>	<u>(1,144)</u>	<u>4,471</u>
<b>Total funds</b>	<u>7,190</u>	<u>9,330</u>	<u>(10,248)</u>	<u>-</u>	<u>(1,144)</u>	<u>5,128</u>

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

General Annual Grant (GAG) has been provided by the DfE in order to fund the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

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

Other restricted funds related to income that has been received for specific reasons.

Pension reserve represents the Academies share of the assets and liabilities in the Local Government Pension Scheme (LGPS). As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over the scheme assets which was inherited on conversion to the Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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#### 24. Statement of funds (continued)

Assets transferred on conversion represents the buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

DfE/ESFA capital grants are funds received from the DfE/ESFA for direct expenditure on fixed asset projects. The balance at the year end represents the NBV of assets and any unspent grant amounts.

Donated fixed assets represent assets donated to the Academy.

Assets purchased from Academy funds represent fund transfers to purchase tangible fixed assets purchased using restricted or unrestricted funds.

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

#### Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £000	2018 £000
Calthorpe Teaching Academy	1,217	879
Restricted fixed asset fund	11,330	12,097
Pension reserve	(7,419)	(5,786)
<b>Total</b>	<b>5,128</b>	<b>7,190</b>

**THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE  
TEACHING ACADEMY TRUST)**

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

**24. Statement of funds (continued)**

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

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
<b>Unrestricted funds</b>						
Unrestricted funds	599	124	(79)	-	-	644
<b>Restricted general funds</b>						
General Annual Grant	50	3,851	(3,901)	-	-	-
Pupil Premium	-	193	(193)	-	-	-
Other restricted	-	4,489	(4,118)	(136)	-	235
Pension reserve	(6,174)	-	(628)	-	1,016	(5,786)
	<u>(6,124)</u>	<u>8,533</u>	<u>(8,840)</u>	<u>(136)</u>	<u>1,016</u>	<u>(5,551)</u>

**THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE  
TEACHING ACADEMY TRUST)**

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

**24. Statement of funds (continued)**

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
<b>Restricted fixed asset funds</b>						
Transfer on conversion	8,787	-	(481)	-	-	8,306
Df/E/ ESFA capital grants	542	200	(78)	-	-	664
Capital grant from local authority	1,232	-	(66)	-	-	1,166
Donated fixed assets	81	64	-	-	-	145
Assets purchased from academy funds	1,963	-	(283)	136	-	1,816
	<u>12,605</u>	<u>264</u>	<u>(908)</u>	<u>136</u>	<u>-</u>	<u>12,097</u>
<b>Total Restricted funds</b>	<u>6,481</u>	<u>8,797</u>	<u>(9,748)</u>	<u>-</u>	<u>1,016</u>	<u>6,546</u>
<b>Total funds</b>	<u><u>7,080</u></u>	<u><u>8,921</u></u>	<u><u>(9,827)</u></u>	<u><u>-</u></u>	<u><u>1,016</u></u>	<u><u>7,190</u></u>

## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

#### 25. Analysis of net assets between funds

##### Analysis of net assets between funds - current year

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	11,387	11,387
Debtors due after more than one year	33	-	-	33
Current assets	629	1,416	41	2,086
Creditors due within one year	(5)	(856)	(35)	(896)
Creditors due in more than one year	-	-	(63)	(63)
Provisions for liabilities and charges	-	(7,419)	-	(7,419)
<b>Total</b>	<b>657</b>	<b>(6,859)</b>	<b>11,330</b>	<b>5,128</b>

##### Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	12,045	12,045
Debtors due after more than one year	55	-	-	55
Current assets	589	421	149	1,159
Creditors due within one year	-	(186)	(34)	(220)
Creditors due in more than one year	-	-	(63)	(63)
Provisions for liabilities and charges	-	(5,786)	-	(5,786)
<b>Total</b>	<b>644</b>	<b>(5,551)</b>	<b>12,097</b>	<b>7,190</b>

## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

#### 26. Reconciliation of net expenditure to net cash flow from operating activities

	2019 £000	2018 £000
Net expenditure for the year (as per Statement of Financial Activities)	(920)	(906)
<b>Adjustments for:</b>		
Depreciation	967	915
Capital grants from DfE and other capital income	(55)	(200)
Interest receivable	(7)	(15)
Defined benefit pension scheme cost less contributions payable	341	473
Defined benefit pension scheme finance cost	147	155
(Increase)/decrease in debtors	(53)	165
Increase/(decrease) in creditors	676	(650)
Profit on sale of fixed assets	(38)	(8)
<b>Net cash provided by/(used in) operating activities</b>	<b>1,058</b>	<b>(71)</b>

#### 27. Cash flows from financing activities

	Group 2019 £000	Group 2018 £000
Salix loan advances	-	72
	-	72

#### 28. Cash flows from investing activities

	Group 2019 £000	Group 2018 £000
Interest received	7	15
Purchase of tangible fixed assets	(309)	(612)
Proceeds from the sale of tangible fixed assets	38	13
Capital grants from DfE Group	55	200
Movements in cash placed on deposit	300	(550)
<b>Net cash provided by/(used in) investing activities</b>	<b>91</b>	<b>(934)</b>

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### 29. Analysis of cash and cash equivalents

	Group 2019 £000	Group 2018 £000
Cash in hand	1,377	228
<b>Total cash and cash equivalents</b>	<b>1,377</b>	<b>228</b>

### 30. Capital commitments

	Group 2019 £000	Group 2018 £000	Academy 2019 £000	Academy 2018 £000
<b>Contracted for but not provided in these financial statements</b>				
Acquisition of tangible fixed assets	-	149	-	149
	-	149	-	149

### 31. Pension commitments

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

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

Contributions amounting to £60,624 were payable to the schemes at 31 August 2019 (2018 - £ -) 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.

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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#### 31. Pension commitments (continued)

##### Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £352,986 (2018 - £363,187).

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 Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group 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 £902,762 (2018 - £812,323), of which employer's contributions totalled £713,267 (2018 - £644,740) and employees' contributions totalled £ 189,495 (2018 - £167,583). The agreed contribution rates for future years are 5.5 - 9.9 per cent for employers and 16 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.

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### 31. Pension commitments (continued)

#### Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	1.00	1.00
Rate of increase for pensions in payment/inflation	2.15	2.30
Discount rate for scheme liabilities	1.90	2.70

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	20.9	21.9
Females	23.2	24.4
<i>Retiring in 20 years</i>		
Males	22.6	24.1
Females	25.1	26.7

#### Sensitivity analysis

	2019 £000	2018 £000
Discount rate +0.1%	(311)	(235)
Discount rate -0.1%	320	242
Mortality assumption - 1 year increase	390	271
Mortality assumption - 1 year decrease	(376)	(262)

## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

#### 31. Pension commitments (continued)

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

	At 31 August 2019 £000	At 31 August 2018 £000
Equities	2,252	1,719
Gilts	355	195
Other bonds	142	101
Property	306	220
Cash	135	102
Other	556	379
<b>Total market value of assets</b>	<b>3,746</b>	<b>2,716</b>

The actual return on scheme assets was £204,000 (2018 - £27,000).

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

	2019 £000	2018 £000
Current service cost	1,041	1,118
Interest income	(84)	(58)
Interest cost	231	212
Administrative expenses	1	1
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	<b>1,189</b>	<b>1,273</b>

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

	2019 £000	2018 £000
<b>At 1 September</b>	<b>8,502</b>	<b>8,074</b>
Current service cost	341	1,118
Interest cost	231	212
Employee contributions	185	167
Actuarial losses/(gains)	1,264	(1,046)
Benefits paid	(58)	(23)
<b>At 31 August</b>	<b>10,465</b>	<b>8,502</b>

# THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

### 31. Pension commitments (continued)

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

	2019 £000	2018 £000
<b>At 1 September</b>	<b>2,716</b>	1,900
Interest income	84	58
Actuarial gains/(losses)	120	(30)
Employer contributions	700	645
Employee contributions	185	167
Benefits paid	(58)	(23)
Administration expenses	(1)	(1)
<b>At 31 August</b>	<b>3,746</b>	2,716

### 32. Operating lease commitments

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

	Group 2019 £000	Group 2018 £000	Academy 2019 £000	Academy 2018 £000
Not later than 1 year	16	12	16	12
Later than 1 year and not later than 5 years	40	33	40	33
	<b>56</b>	45	<b>56</b>	45

### 33. Members' liability

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

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## THRIVE EDUCATION PARTNERSHIP (FORMERLY CALTHORPE TEACHING ACADEMY TRUST)

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

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#### 34. Related party transactions

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

During the year the company recharged expenses totalling £112,538 (2018 - £Nil) to Calthorpe Academy Transport Services Limited, a company that is 100% owned by Thrive Education Partnership. At the balance sheet date amounts of £112,538 (2018 - £Nil) were owed to the company.

during the year amounts of £2,270 (2018 - £350) were paid to Birmingham Education Partnership, a Charitable Company that P Smart, Trustee, is a director. No amounts were outstanding at the year end (2018 - £Nil)

#### 35. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period 31 August 2019 the academy trust received £6,000 (2018 - £19,000) and disbursed 4,000 (2018 - £13,000) from these funds. An amount of £14,000 (2018 - £12,000) is included in other creditors relating to undistributed funds that are repayable to the ESFA, with £12,000 of this relating to undistributed funds brought forward from the prior year.