

**All Saints Academy
Dunstable**

**Annual Report and Financial
Statements**

31 August 2020

Company Limited by Guarantee
Registration Number
06853140 (England and Wales)

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Reference and administrative information

Members	D Fraser (Chair) P Hughes (to 19 December 2019) J Reynolds J Griffiths (from 19 December 2019) Archdeacon of Bedford (from 19 December 2019) Diocese of St Albans
Governors	D Fraser (Chair) M Collins (resigned 31 December 2019) B Copson (resigned 31 December 2019) J Fellows E Furber B George (Vice Chair) P Hughes P Knight A Perkins C Room (resigned 11 November 2019) J Leer (appointed 19 December 2019) L Worswick (appointed 19 December 2019) K Lawlor (appointed 19 December 2019)
Clerk to the Governors	J Brasier
Senior Leadership Team	
Principal and Accounting Officer	E Furber
Assistant/Deputy Principals	E Boyd A O'Rourke S Miller (part then Deputy Principal) K Searle (part then Deputy Principal) B Baines (appointed Deputy Principal)
Business Manager	C Golding (until 27 September 2019) Sara Harris (Finance Manager)
Registered office	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative information

Principal address	Houghton Road Dunstable Bedfordshire LU5 5AB
Company registration number	06853140 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank plc 22-24 Upper Marlborough Road St Albans Hertfordshire AL1 3AL

Governors' report: Year to 31 August 2020

The Governors of All Saints Academy Dunstable ('the Academy') present their annual report together with the financial statements and the auditor's reports of the charitable company for the year to 31 August 2020. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 34 to 39 of the attached financial statements and comply with the Academy's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Principal activities

All Saints Academy Dunstable's principal activity is specifically restricted to the following:

To advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balanced curriculum.

Constitution

The Academy is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy.

The memorandum and articles of association contain the provisions for the appointment of the members of the charitable company. The members of the charitable company comprise up to four persons appointed by the Diocesan Board of Education, one person who may be appointed by the Secretary of State for Education and the Chairman of the Governors.

The articles of association require the members of the charitable company to appoint at least three Governors to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Academy. The Governors act as Trustees for the charitable activities of All Saints Academy Dunstable ("All Saints") and as shown on page 1 are also the directors of the charitable company for the purposes of company law.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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 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.

Governors' indemnities

In accordance with normal commercial practice, the Academy has purchased insurance through the DfE's RPA scheme to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim.

Method of recruitment and appointment or election of governors

The articles of association stipulate that there shall be eleven Governors to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Academy. The articles of association contain provisions for the appointment of up to six Governors appointed by the Principal Sponsor; one Governor appointed by the University of Bedfordshire; two parent Governors, and a staff Governor. The Governing Body may co-opt a two further Governors. In addition, the Principal is an ex-officio Governor.

Governors' term of office is four years, but they are eligible for re-election at the meeting at which they retire. At the first full governing body meeting each academic year the Governors will elect a Chairman and a Vice-Chairman

The Governors who served during the year are listed on page 1.

Policies and procedures adopted for the induction and training of governors

The training and induction provided for new Governors will depend on their existing experience. Where necessary, induction will provide training on charity and educational legal and financial matters. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be done informally and is tailored specifically to the individual. During 2019-2020, an annual appraisal system for governors was due to be introduced but because of a significant change in membership and the impact of COVID-19, this did not happen.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure

From the outset a unified leadership structure was introduced to ensure the effective and efficient running of the Academy. This structure has been modified over time and now consists of three levels: the Governors, the Senior Leadership Team and the Middle Leadership Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets, student outcome data and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments in consultation with the Principal.

During the year under review the Governors held five Full Governing Body meetings and nine Committee meetings. From April 2020, meetings were held virtually.

Until February 2020, the Senior Leadership Team was led by the Principal and four Assistant Principals, four Deputy Assistant Principals and the Academy Services Manager. These senior leaders led the Academy at an executive level implementing the policies agreed by the Governors and reporting back to them on progress. This changed in February to a structure reflecting the new Ofsted framework to incorporate 3 Deputy Principals and seven assistant principals. The Principal and other key senior leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff. Some spending control is devolved to members of the Middle Leadership Team, which all must be countersigned by the Finance Manager and then the Principal.

The middle leadership team has been rebuilt to comprise fewer middle leaders with more experience now consisting of 4 Directors of Learning in STEM, Languages, Social Sciences and the Arts. Two new roles of Directors of Literacy and Oracy (Careers too) have been created. Heads of Year are middle leaders also. These middle managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students. The following roles are overseen by members of the senior leadership team: Site Manager, ICT Network Manager, Kitchen Manager, Finance Manager, HR Manager, Exams Manager, Data Manager and Learning Resource Centre Manager.

Arrangements for setting pay and remuneration of key management personnel

The governors and the senior leadership are considered to be the key management personnel of the academy trust. The pay ranges for Key Management personnel is decided by the Governing Body. The Principal's pay group is determined by the Governors but is in line with the current School Teachers' Pay and Conditions document on the Leadership Scale. In accordance with recent changes to the Schools Financial Handbook, the salary band is declared on the Academy's website.

The Governing Body consider the advice of a suitably qualified external consultant when reviewing external pay and the requirements of the Academies Financial Handbook.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trade union facility time

The Academy has nothing to disclose in respect of the Trade Union (Facility Time Publication Requirements) Regulations 2017.

Connected organisations, including related party relationships

The Academy has a Principal sponsor of the Diocese of St Albans and a co- sponsor of the University of Bedfordshire.

Related Party transactions

The Principal is also a governor of the ACB as are all secondary heads in the local area.

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal objects and activity of the charitable company is the operation of All Saints Academy to provide an appropriate education for students of ages 11-19 of different abilities, and more importantly from different socio-economic backgrounds. The Academy aims to share its recreation facilities with the local community where possible through its lettings facilities.

The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum. The catchment area for our students includes Houghton Regis and Dunstable.

The Academy welcomes students from all backgrounds.

The main objectives of the Academy during the year ended 31 August 2020 are summarised below:

Objectives, strategies and activities

The Academy's main strategy is encompassed in its mission statement and vision, which are set out below.

Academy Vision

Living Well Together with Dignity, Faith and Hope.

Mission Statements

To establish an aspirational culture of high expectations for all whilst fully embracing the vision of Living Well Together with Dignity, Faith and Hope.

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities (continued)

Living Well Together with Hope

- ◆ Students and staff are inspired to become life-long learners with the highest **hopes** for themselves and their futures.
- ◆ Staff instil a love of learning in their students; enabling them to meet the challenges of an ever-changing world.
- ◆ The curriculum is designed to support the needs of all students in the belief and **hope** that students will experience a broad and balanced curriculum. The Academy has a brave vision of exceeding the government targets for EBacc participation and currently 80% of Year 10 and Year 11 follow this pathway.
- ◆ The Academy is committed to ensuring the aspirations of its students are met and that opportunities for all occur, expanding horizons in the **hope** that the community will flourish.

Living Well Together with Dignity

The Academy aims to develop **dignified** students to become resilient, respectful young citizens.

- ◆ Staff model **dignity** in all aspects of their professional life which in turn translates into dignified responses in even the most challenging of staff and student, interactions.
- ◆ Staff embrace feedback with **dignity** and enthusiastically engage in CPD opportunities to further improve their practice.
- ◆ Dignity is one of the many aspects developed during inspirational lessons, enrichment activities and all other learning opportunities.
- ◆ Our senior students are **dignified** role models who embody our mission to **live well together**.

Living Well together with Faith

- ◆ The impact staff make on a day to day basis promotes **faith** in their ability to diminish the differences between learners.
- ◆ Students have **faith** in the Academy which values the whole person and nurtures the development of self-esteem..
- ◆ Parents value the work that Academy staff undertake and have **faith** that all staff will place their children at the centre of everything they do.
- ◆ The community benefits from the **faith** they have in the Academy to produce dignified and accomplished young people.

OBJECTIVES AND ACTIVITIES (continued)

Public benefit

In setting the objectives and planning the activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

STRATEGIC REPORT

Achievements and performance

The Principal sets challenging data driven improvement targets for all staff including the Leadership Team. Due to the pandemic these targets have been compromised by the need to produce Centre Assessed Grades (CAGs). Whilst all senior leaders recognise the grades may be over-inflated across the country the Academy ran a process underpinned by a strong sense of integrity. All CAGs were backed by evidence from two mock series held within the year. The percentages for EM Levels 4 and 5 are 55% and 28 % respectively. P8 from the CAGs gave a positive P8 score as has been predicted for this year group since following their progress from Year 8 onwards English and Maths continue to secure a large amount of intervention funding the Academy annually surpasses £50K.

Review of activities

The Academy still remains aspirational with its teaching staff with all RI teachers moving on or improving last year. Whilst difficult to ensure top quality staff due to limitations of face to face interviews and inability to observe lessons, the Academy has still managed to secure staff who can provide Good or better learning. In this last year staff CPD has been carefully considered to embed the use of iPads and encourage use of AfL techniques. This has proved to be vital in continuing blended learning from academy to home, supported by a robust IT infrastructure and repair scheme. During lockdown the curriculum model was reviewed and a new creative curriculum was embarked upon. Resources were produced by all staff in the forms of booklets and PowerPoints to improve the Quality of Education across the Academy. The booklets provide an opportunity to ensure blended learning can occur seamlessly from school to home in the event of further episodes of bubbles being sent home. The PowerPoints embody a structured six-part lesson to maintain pace, ensure retrieval and practise reading skills in every lesson, closely adhering to Ofsted 2019 framework.

Governors continued to review the leadership structure in line with comments made by Ofsted, recruiting to three new Deputy Principal roles and defining those roles, together with other members of the team, in terms of the new Ofsted Framework. The Governing Body took part in remote interviewing and committee meetings to ensure business continuity.

External Visits

There have been no external visits this year

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Staffing

National lockdown occurred on 20 March 2020. The Academy continued recruiting with at least the Principal meeting the candidates in person and at least the Chair of governors and one other Deputy present or through zoom. Safeguarding checks continued for staff members joining during the lockdown months that followed.

The Academy was fully staffed for September 2020 by the end of July. The ongoing concern is through not being able to undertake lesson observations with students when employing teaching staff however early signs are that all new staff are sound practitioners.

Key financial performance indicators

The Academy monitors a range of key financial performance indicators including the payroll ratio, the Academy's surplus and teacher/pupil ratios.

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. The Academy Trust's free reserves balance at 31 August 2020 stood at £309,000 after a concerted effort to regain the surplus of £300,000 that the endowment policy had previously provided. For this reason, the Academy Trust continues to adopt the going concern basis in preparing the financial statements. The Trustees are confident that suitable measures have been put in place throughout the period of the pandemic and during the financial year 2020-21 to ensure the Academy Trust remains a going concern. Further details regarding adoption of the going concern basis can be found in the principal accounting policies on page 32.

Financial review

Financial report for the year

Almost 100% of the Academy's income is obtained from the Education and Skills Funding Agency ("ESFA") in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

STRATEGIC REPORT (continued)

Financial review (continued)

During the year ended 31 August 2020, total expenditure of £4,703,000 was covered in part by recurrent grant funding from the ESFA together with other income. The excess of expenditure over income for the year (excluding the fixed asset fund and before actuarial adjustments relating to the Academy's share of the liabilities of the Bedfordshire Pension Fund) was £308,000 (2019 – surplus of expenditure over income of £216,000). The pandemic has meant that planned lettings did not take place during the Spring and Summer terms. However, any lack of income is offset against reduced expenditure on staff, energy and maintenance costs. In addition, Trustees do not seek to achieve a balanced budget by factoring in income targets.

At 31 August 2020, the net book value of fixed assets was £20,584,000 (2019 – £20,979,000) and movements in tangible fixed assets are shown in note 10 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

Financial position

The Academy held fund balances at 31 August 2020 of £18,275,000 (2019 – £19,167,000) comprising a restricted fixed asset fund of £20,584,000 (2019 – £20,979,000), a pension reserve deficit of £2,618,000 (2019 – £1,813,000).

Reserves policy

- ♦ The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. An identified financial risk to the school is that of managing its short-term cash flow effectively. The Reserves Policy was reviewed through the Leadership and Management committee and the following levels agreed: ASAD should have a minimum of 3% or £126,000 of its General Annual Grant (GAG) income held back in revenue reserves. This is to provide for any exceptional expenditure which may occur in the following budget year. Other than specific reserves detailed below, the maximum restricted revenue reserve held should be 5% or £210,000 of the GAG (£4.2m).
- ♦ The numbers of teaching staff have remained fairly constant even though the student numbers have grown as the Academy attempts to remain within budget. This is becoming increasingly difficult due to the effect of lagged funding as the number of pupils grow, in line with the Academy's five-year journey to return to its maximum student numbers and Ofsted rating of 'Good'.

Whilst the pandemic has resulted in some increased expenditure that was not anticipated, it has also led to some savings in other areas and the reserves have been restored to a figure that is in line with the reserves policy.

STRATEGIC REPORT (continued)

The deficit of the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers' scheme, separate assets are held to fund future liabilities. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Governors.

Investment policy

The Academy aims to manage its cash balance reserves to provide day to day working capital necessary to cover its liabilities and commitments.

Objectives:

- ◆ to ensure adequate cash reserves are available to cover day to day operational needs;
- ◆ to ensure there is no risk of the capital value of any cash funds invested;
- ◆ to protect the capital value against inflation; and
- ◆ to optimise return on invested funds.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors have assessed the major risks to which the Academy is exposed. These are not only evident in the Governors' Risk Assessment but also, since March 2020, were reflected in specific Risk Assessments relating to COVID-19 requirements.

The Governors have implemented a system to assess risks that the school faces, especially in the operational areas which includes Quality of Education and health and safety, and in relation to the control of finance. The Governors have introduced systems, including operational procedures and internal finance controls such as a scheme of delegation and adherence to AFH practices in order to minimise risk. Where significant financial risk remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Statement of Internal Control.

The Academy has undertaken further work during the period to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Academy's assets and reputation. Planned external controls have not taken place due to COVID restrictions.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Based on its mission, the Governors undertake a comprehensive review of the risks to which the Academy is exposed. They identify systems and procedures, including specific preventable actions, which should mitigate any potential impact on the Academy. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Governors will also consider any risks which may arise as a result of a new area of work being undertaken by the Academy.

A risk register is maintained at the Academy level which is reviewed as often as needed by the Leadership and Management Committee of the Governing Body, and more frequently during the pandemic. Separate, COVID-related Risk Assessments have supplemented this document as the Academy has responded to government guidance. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system. Outlined below is a description of the principal risk factors that may affect the Academy. Not all the factors are within the Academy's control. Other factors besides those listed below may also adversely affect the Academy.

Ofsted result

The Principal has continued to work hard this year to negate the impact of a possible poor Ofsted result, with work ongoing to establish a rating of 'Good'. The Academy's last Section 5 Ofsted report in May 2019 suggested a focus on Quality of education and Behaviour and Attitudes was still needed. The focus of the Academy this year has been on improving the Quality of Education through improved training of staff and delivery of a creative curriculum. In turn this is hoped to improve engagement in learning.

Absence in key roles

There is a risk of prolonged absence in key positions in the Academy's senior management team and the finance team. This has been a heightened risk this year due to the pandemic and has been mitigated by the additional structure of three Deputy Principals all undergoing training to support the Principal.

Government funding

The Academy has considerable reliance on continued government funding through the ESFA. In 2020, 99.0% (2019 – 99.5%) of the Academy's revenue was ultimately public funded and this level of requirement is expected to continue. There is or can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. The risk is mitigated in a number of ways:

- ♦ funding is derived through a number of direct and indirect contractual arrangements;
- ♦ by ensuring the Academy is rigorous in delivering high quality education and training; and
- ♦ considerable focus and investment is placed on maintaining and managing key relationships with the ESFA.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Maintain adequate funding of pension liabilities

The financial statements report the share of the pension scheme deficit on the Academy's balance sheet in line with the requirements of FRS 102 (s28). This deficit relates to non-teaching staff who are members of the Bedfordshire Pension Fund. At 31 August 2020, the deficit amounted to £2,618,000 (2019 – £1,813,000).

The pension scheme liability is an ongoing liability which is not expected to crystallise until the retirement of the employees in the scheme. The Academy makes contributions to the scheme on behalf of its employees. For more information, see note 18.

FUNDRAISING

The academy does not actively solicit donations and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. When donations from individuals are received, the Academy aims to protect personal data and to never sell data or swap data with other organisations. During 2019-20, the Academy received no complaints about fundraising activities.

PLANS FOR FUTURE PERIODS

Quality of Education

Intent

A benefit of the pandemic has been the opportunity to completely review and rewrite a new curriculum based upon a creative curriculum in Years 7,8 and 9. It is centred around Character Education and underpinned by skills and virtues students need to develop and in situations, both in school and in the community. The new curriculum is ambitious, broad and balanced and has been coherently planned by dedicated staff with EBacc at its heart; with 80% of students studying a MFL. This new curriculum dovetails with the more traditional curriculum, which is introduced in Year 9, and grows throughout Years 10 and 11 leading to external examinations. The curriculum is designed to give all students, particularly disadvantaged students and including students with SEND, the knowledge and cultural capital they need to succeed in life. Personalised lesson materials are written for SEND students, where they are needed, and improve accessibility for students.

This has meant that if and when Year groups have had to isolate the planned curriculum continues to be resourced and delivered even when remote.

Logistically, the Academy is now separated into bubbles with year groups of students being taught separately from each other. This ongoing arrangement affects the running of the academy from registration through to the end of the day and is challenging at break times. However, it has facilitated a more gradual start for the Year 7 students as they join a larger secondary school.

PLANS FOR FUTURE PERIODS (continued)

Quality of Education (continued)

Implementation

Effective support for members of staff teaching outside their main areas of expertise regularly takes place and this, in turn, has helped to support well-being through increased confidence in delivering lesson content.

Extra training regarding the delivery of creative content is also being provided on a continual basis. The shared pre-planning of the creative curriculum content has also meant that the staff have felt supported and have been able to use their dedicated PPA time for marking. The structure of lessons, both creative and traditional, has been specifically designed to aid with the retrieval of subject content which will, in turn, improve the progress of all students, including those with SEND. Students and staff use mind maps and knowledge organisers to support learning. The aim is for the learning environment to continue to be conducive to learning. The work given to students provides the necessary stretch and challenge and is demanding. Reading is prioritised and reading ages assessed as the academy realises the importance of this skill for the student's future potential. Where reading is not at the expected level this is addressed through intervention.

Impact

Detailed knowledge and skills are being developed by students across the curriculum. Students are being prepared for the next stage of their education, employment or training. The knowledge and skills of students are assessed regularly and tutors intervene with their tutor groups to assure a minimum level.

Students with SEND are monitored to ensure they are supported to achieve their best possible outcomes. The impact of a school wide reading intervention scheme will be measured regularly.

Behaviour and Attitudes

The Academy has updated its behaviour policy so that behaviour can be managed effectively whilst following Covid guidelines. This is reviewed regularly to ensure that changes to government guidelines are being met. Learning Lessons have been introduced to help to reduce low-level disruption in the Academy. They aim to reintegrate students back into lessons as soon as possible with minimal disruption to learning.

Attendance improves across the Academy as the year progresses. Strategies are implemented to ensure that poor attendance is tracked and tackled, which includes the analysis of the attendance of vulnerable students.

The Academy wants pupils to have a positive attitude to education and is working on strategies to ensure this, for example the tracking of behaviour points as well as positive rewards being implemented by Assistant Principals. Data is collated to assist tutors with attendance, punctuality and exclusions. The data identifies trends allowing tutors and Heads of Years to spot patterns easily. The Academy is working to reduce Fixed Term

PLANS FOR FUTURE PERIODS (continued)

Quality of Education (continued)

Exclusions and has introduced new paperwork for reintegration after an exclusion has been served.

Personal Development

All Saints Academy truly believes that as well as ensuring that all children achieve a range of academic qualifications, we also have a duty to ensure that all children leave school with the relevant skills and knowledge required to make a positive transition to the next steps in their lives. This includes a personalised approach to ensuring that students are on pathways that are fully aligned with their career goals.

Our school vision of helping students to 'Live well together with Dignity, Faith and Hope,' reflects our dedication and commitment to developing our student's capacity for moral reasoning. Religious teachings underpin all aspects of daily life, everything from school policies to what is taught in the classroom. The teachings are used as a vehicle to help students develop their understanding of what is morally right and wrong as well as supporting students in recognising where their behaviours may have been morally unacceptable. Teachings from different faiths give students a breadth of stories which allow them to elicit the moral imperatives and learn from them,

Our approach to Personal Development does not separate SMSC development but highlights where each aspect is primarily developed. Spiritual and moral development are primarily addressed through our Collective Worship Programme which promotes a deep understanding of spirituality, and uses religious teachings to develop each and every student's capacity for moral reasoning.

Social and cultural development are therefore addressed primarily through various aspects of our Character Education Programme. Social development is underpinned by our embedded Relationships and Sex Education provision which covers all statutory content such as educating our students about healthy and unhealthy relationships as well as having positive interactions with family members, parents and members of our community. Cultural development is supported through educational visits and broadens students' horizons through exposure to aspects from other cultures. In addition, education around Fundamental British Values, opportunities to be a part of the student parliament and our Oracy programme, all contribute to every student's cultural development.

Every part of the Personal Development Agenda is tailored toward the specific context of our Academy. We are a Church of England school which encourages students to broaden their spiritual understanding regardless of where they perceive they are on the continuum of faith.

We rise to the range of challenges from our demographic such as; promoting career aspirations in students who have little knowledge of vocations beyond those of their immediate family; supporting student with significant gaps in terms of cultural capital; and nurturing students who come from highly disadvantaged backgrounds.

PLANS FOR FUTURE PERIODS (continued)

Leadership and Management

The Leadership and Management of the Academy has focused on staff wellbeing throughout the pandemic, ensuring staff are safe and feel supported. Clear lines of communication are encouraged and regular line management ensures all staff concerns are recorded at all times.

Staff training is a priority as the Academy believes staff should model being life-long learners in the hope that our students also develop this outlook.

Safeguarding is robust within the Academy with a Designated Safeguarding Lead and Deputy reporting concerns to the Principal and Senior link.

The Governing body discharge their duties diligently with regard to safeguarding and regular review of policies such as the equalities policy. The Governors hold the Executive to account for spending of the GAF funding, the quality of education and are key drivers in development of the ethos and vision of the Academy.

Sponsors

Despite the particular model no longer being applicable to Academies, All Saints retains its two sponsors, the Diocese of St Albans and the University of Bedfordshire, with each retaining responsibility for appointing Trustees to the Board.

AUDITOR

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Governors' Annual Report is approved by order of the Board of Governors and the Strategic Report (included therein) is approved by the Board of Governors in their capacity as the directors at a meeting on *18 December 2020* and signed on its behalf:



D. Fraser

Governor

Date: *18 December 2020* 18.12.2020

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that All Saints Academy Dunstable 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 Governing Body have delegated the day-to-day responsibility to the Principal, 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 All Saints Academy Dunstable and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

Trustees receive an annual update from the Clerk to the Trust on amendments that have been made to the DfE's Governance Handbook, the Academies Financial Handbook and the competency framework. All governors are required to make themselves familiar with the guidance and statutory responsibilities contained within these documents. Trustees are also required to have read the latest 'Keeping Children Safe in Education' document and Trustees sign up to the NGA's Code of Conduct document, amended appropriately for Church Schools, on an annual basis

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met five times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
D Fraser	5	5
E Furber	5	5
J Fellows	5	5
P Hughes	5	5
C Room	1	1
B George	5	5
P Knight	3	5
M Collins	1	1
A Perkins	4	5
B Copson	1	2
J Leer	2	3
L Worswick	3	3
K-M Lawlor	1	3

Despite only meeting five times in the year, the Board maintained effective oversight of the Academy's finances through review of the reports produced by its Leadership and Management Committee, who scrutinises the Academy's finances in detail.

Governance (continued)

The Leadership & Management Committee (previously Resources Committee) is a sub-committee of the main Governing Body. Its purpose is to provide guidance and assistance to the Principal and the Governing Body in all matters relating to budget and finance. It met seven times during the year. Membership of Committee changed when it was changed from Resources to Leadership & Management. Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
D Fraser	7	7
E Furber	7	7
B George	7	7
A Perkins	7	7
L Worswick	4	4

The Audit and Risk Committee as a sub-committee of the main Board of Trustees was subsumed into the Leadership and Management Committee.

Review of governance

The Academy reviews its governance arrangements on an annual basis, which includes a review of the committee structure, membership of committees and also the maintenance of appropriate relevant policies for the Academy trust.

Review of value for money

COVID-19 has given rise to the following additional costs as the Academy tries to maintain students in year group bubbles and ensure equipment is not shared: three new bike sheds, digital thermometers, automatic hand sanitisers outside every classroom, extra cleaning staff throughout the day.

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.

Our procurement of new catering and cleaning contracts were completed prior to lockdown. At the time these could not anticipate the necessary changes to provision and value for money. For example more cleaning staff were required during the day, and in terms of catering the profit margins anticipated are much lower due to fewer students opting to purchase canteen meals.

Where urgent purchases were required they did not exceed the agreed scheme of financial delegation although for items like the bike sheds it was possible to follow procurement procedures.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during the academic year, and reports to the Governors where value for money can be improved, including the use on benchmarking data where available.

Review of value for Money (continued)

They set out below how they have ensured that the Academy's use of its resources has provided good value for money during the academic year.

Improving educational results for our students remains our key priority. The Academy has taken the following steps to support school improvement for our students and to raise their attainment and aspirations. The Academy is committed to supporting out students achieving their full potential through academic achievement, extra-curricular opportunities and extended learning to develop the whole person to help prepare them for higher education, further training or work.

Targeted improvement: The Academy has a robust tracking system for monitoring achievement and is continually looking at how data can inform staff in order for them to support and extend the learning of the students. We have employed skilled staff to support our school improvement agenda and we involve all our teams in focusing on the students' learning needs and encourage innovation and creativity to meet those needs.

Focus on individual students: The Academy offers students a comprehensive student support service and specialist learning provision. Students benefit from one to one mentoring, small group work, external educational provision, where appropriate, and our experienced teams work with students to support their individual needs. We have structured the senior team to ensure there is clear monitoring and provision of the achievements of Pupil Premium, Prior High Attainers and SEND students.

The Academy rewards excellence and encourages positive behaviour. We celebrate achievement and encourage students to try new activities to develop their confidence, their understanding of virtues and development of skills.

Broad Curriculum: In each of Maths, English and Science classes are set in terms of ability. From Year 7 onwards students who need additional help in Literacy and Numeracy are provided with extra time. At Key Stage 4 all students follow a Core Curriculum of English, Maths, Science, R.E., History/Geography, MFL and Sport. Students have the choice of two pathways, where they can choose from a range of courses including Triple Science for the most able. Students are expected to choose the subjects they enjoy and in which they are likely to do best. In order to maintain breadth of curriculum students follow a 5 year GCSE pathway.

For every course at KS4 there is a progression course at KS5. At KS5 students can follow a range of Level 2 and Level 3 courses appropriate to their needs.

Collaboration: The Academy works closely with the feeder primary schools. The headteachers of each school meet regularly to share ideas, good practice and discuss issues.

Review of value for Money (continued)

Quantifying improvements

Governors have reduced the number of committees of the governing body following restructuring of the Senior Leadership Team and will interact more directly with key staff and their areas, based around the Action Plan, reporting findings and recommendations back to the full Governing Body

Finance governance and oversight: The Academy's Governing Body has strong oversight of the financial management of the budget. The Leadership & Management Committee meet regularly to review the financial position, to receive reports and to challenge decisions. Our external auditors review our financial processes and we have operated a peer review system to test our internal controls. The levels of delegation on spending proposals ensure we take the necessary steps to achieve best value.

The Full Governing Body approves the budget each year and is mindful of the need to balance expenditure against income to ensure the Academy Trust remains a 'going concern'. The Governing Body also receives and approves the Annual Accounts and External Auditors Management Report.

Better purchasing: Our Budget Holders are continuously looking for the most competitive deals using various procurement tools such as internet shopping, advice from other schools and economies of scale.

The Academy regularly benchmarks financial performance against other academy trusts to demonstrate that the Trust provides good value for money.

Fitness for purpose: The Academy has a cycle of review for its ongoing services from external organisations to ensure those services continue to meet the needs of the school, are the best available to us at that time, and offer good value for money.

Tender exercises are regularly undertaken to ensure that high value contracts are assessed against the marketplace on a regular basis to ensure that long term contracts (3 to 5 years) remain competitive.

Better income generation: The Academy explores every opportunity to generate income through hire of Academy facilities.

Reviewing controls and managing risk: Monthly budget monitoring reports are produced and discussed and any significant variances are reported to the Chair of Governors and raised at the next audit committee. These reports are signed by the Principal and remedial actions are taken to address any significant variances that may have an impact on the budget out-turn.

Reviewing operation to maximise use of resources: The Academy Senior Leadership Team review expenditure and make adjustments based on the effectiveness of strategies introduced in previous years, curriculum offer, and any new strategies identified in the Academy Action Plan.

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 has been in place at the Trust for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The risk and control framework

The Academy's system of internal 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.

The Academy leadership engaged a financially experienced trustee to conduct an internal review of controls. In future Buzzacott (our external auditor) will no longer carry out internal scrutiny services for the academy, in response to the introduction of the FRC Ethical Standard. We plan to pay for an external audit function to oversee the internal scrutiny requirement going forward.

Audit and Risk

The Leadership & Management Committee (previously Resources Committee) is a Committee of the Board and is authorised to investigate any activity within its terms of reference or specifically delegated to it by the Board. It is authorised to request any information it requires from any employee, external audit, internal audit or other assurance providers.

The Leadership & Management Committee is authorised to obtain outside legal or independent professional advice it considers necessary, normally in consultation with the Accounting Officer and/or Chair of Governors.

Role of Leadership & Management Committee

The role of the Leadership & Management Committee is to maintain an oversight of the Academy's governance, risk management, internal control and value for money framework. It will report its findings to the Governing Body and the Accounting Officer as a critical element of the Academy's reporting requirements.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor.

Governance statement 31 August 2020

The assurance arrangements have been reviewed with a planned permanent arrangement established from 2019/20. The Academy established a system of assurance checks formatted in the style of Responsible Officer reviews. However, as previously mentioned, due to COVID-19 many planned compliance activities had to be postponed.

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:

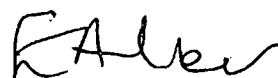
- ◆ the work of the external auditor;
- ◆ the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised on the implications of her review of the system of internal control by the Leadership & Management 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 Governing Body on *10th December 2020* and signed on their behalf by:



(Governor) D. Fraser



(Principal and Accounting Officer) E. Furber

Approved on: *10th December 2020* 10.12.2020

Statement on regularity, propriety and compliance 31 August 2020

As accounting officer of All Saints Academy Dunstable, I have considered my responsibility to notify the Academy Trust governing body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Trust's governing body are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2019.

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.



E. Furber

Principal and Accounting Officer

Date: 18th December 2020

18.12.2020

Statement of governors' responsibilities 31 August 2020

The Governors (who act as trustees for charitable activities of All Saints Academy Dunstable and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Governors' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in the Charities' SORP (FRS 102) and the Academies Accounts Direction 2019 to 2020;
- ♦ make judgments and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy will continue in operation.

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

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

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

Approved by order of the members of the governing body on its behalf by: and signed on 18 December 2020

Governor D. Fraser

Independent auditor's report on the financial statements to the Members of All Saints Academy Dunstable

Opinion

We have audited the financial statements of All Saints Academy Dunstable (the 'charitable company') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the 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), 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) (the Charities SORP (FRS 102)) and the Academies Accounts Direction 2019 to 2020.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP (FRS 102) and Academies Accounts Direction 2019 to 2020.

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

Conclusions relating to going concern

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

- ◆ the Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

Independent auditor's report 31 August 2020

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

Other information (covers the reference and administrative details, the report of the Governors and strategic report and the governance statement)

The Governors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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 Governors' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ♦ the Governors report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report including the strategic report.

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

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

Matters on which we are required to report by exception (continued)

- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 on the Financial Reporting Council's website at 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP 22.12.2020

Hugh Swainson, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Independent reporting auditor's assurance report on regularity to All Saints Academy Dunstable and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 6 June 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by All Saints Academy Dunstable during the period from 1 September 2019 to 31 August 2020 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 All Saints Academy Dunstable and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the All Saints Academy Dunstable and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the All Saints Academy Dunstable and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of All Saints Academy Dunstable's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of All Saints Academy Dunstable's funding agreement with the Secretary of State for Education dated July 2014 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2019 to 31 August 2020 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 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Independent reporting accountant's report 31 August 2020

Approach (continued)

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.



22.12.2020
Hugh Swainson

Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Statement of financial activities (including income and expenditure account)
Year to 31 August 2020

	Notes	Unrestricted general fund £'000	Restricted general fund £'000	Restricted fixed assets fund £'000	2020 Total funds £'000	2019 Total funds £'000
Income from:						
Donations and capital grants	1	2	—	9	11	63
Charitable activities						
Funding for the academy's educational operations	2	12	4,388	—	4,400	4,167
Other trading activities	3	22	—	—	22	38
Total		36	4,388	9	4,433	4,268
Expenditure on:						
Charitable activities						
Academy's educational operations	5	27	4,246	430	4,703	5,011
Total	4	27	4,246	430	4,703	5,011
Net income (expenditure)		9	142	(421)	(270)	(743)
Transfers between funds	13	—	(26)	26	—	—
Other recognised gains and losses						
Actuarial losses on defined benefit pension scheme	18	—	(622)	—	(622)	(616)
Net movement in funds		9	(506)	(395)	(892)	(1,359)
Reconciliation of funds						
Total fund balances brought forward at 1 September 2019		1	(1,813)	20,979	19,167	20,526
Total fund balances carried forward at 31 August 2020		10	(2,319)	20,584	18,275	19,167

All of the Academy's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 August 2020

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Fixed assets					
Tangible fixed assets	10		<u>20,584</u>		<u>20,979</u>
Current assets					
Debtors	11	102		143	
Cash at bank and in hand		<u>389</u>		<u>30</u>	
		491		173	
Liabilities					
Creditors: amounts falling due within one year	12	<u>(182)</u>		<u>(172)</u>	
Net current assets			<u>309</u>		<u>1</u>
Total assets less pension scheme liability			20,893		20,980
Pension scheme liability	18		<u>(2,618)</u>		<u>(1,813)</u>
Total net assets			<u>18,275</u>		<u>19,167</u>
Funds of the Academy					
Restricted funds					
. Fixed assets fund	13		20,584		20,979
. General fund	13		299		—
. Pension reserve	13		<u>(2,618)</u>		<u>(1,813)</u>
			18,265		19,166
Unrestricted income funds					
General fund			<u>10</u>		<u>1</u>
Total funds			<u>18,275</u>		<u>19,167</u>

The financial statements on page 30 to 54 were approved by the governors, and authorised for issue on _____ and are signed on their behalf by:

18 December 2020



Governor D. Fraser

All Saints Academy Dunstable
Company Limited by Guarantee
Registration Number: 06853140 (England and Wales)

Statement of cash flows Year to 31 August 2020

	Note	2020 £'000	2019 £'000
Net cash inflow from operating activities			
Net cash provided by operating activities	A	385	(265)
Cash flows used in investing activities	B	(26)	(253)
Change in cash and cash equivalents in the year		359	(518)
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September 2019		30	548
Cash and cash equivalents at 31 August 2020	C	389	30

A Reconciliation of net expenditure to net cash provided by (used in) operating activities

	2020 £'000	2019 £'000
Net expenditure for the year (as per the statement of financial activities)	(270)	(743)
Adjusted for:		
Depreciation (note 10)	430	384
Capital grants from DfE and other capital income	(9)	(55)
Defined benefit pension scheme cost less contributions payable (note 18)	150	121
Defined benefit pension scheme finance cost (note 18)	33	30
Decrease in debtors	41	5
Increase (decrease) in creditors	10	(7)
Net cash provided by (used in) operating activities	385	(265)

B Cash flows from investing activities

	2020 £'000	2019 £'000
Purchase of tangible fixed assets (note 10)	(35)	(310)
Capital grants from DfE/ESFA	9	57
Net cash used in investing activities	(26)	(253)

C Analysis of cash and cash equivalents

	2020 £'000	2019 £'000
Total cash and cash equivalents	389	30

Statement of cash flows Year to 31 August 2020

D Analysis of changes in net debt

	At 1 September 2019 £'000	Cash flows £'000	At 31 August 2020 £'000
Cash	30	359	389
Total	30	359	389

Statement of 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.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are presented in sterling and rounded to the nearest thousand pounds.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. In making their assessment, the trustees have taken into account the impact of Covid-19.

The trustees have concluded that it is appropriate to prepare the financial statements on the going concern basis.

Income

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

Grants

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

Income (continued)

Grants (continued)

The General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance 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 period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

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

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.

Charitable activities

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

All expenditure is stated net of recoverable VAT.

Tangible fixed assets

Assets costing £2,500 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. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

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

♦ Leasehold land	125 years straight-line
♦ Leasehold buildings	50 year straight-line
♦ Fixtures, fittings and equipment	4 to 5 years straight-line
♦ IT equipment	3 years straight-line

Depreciation is charged from the month of acquisition.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Debtors

Debtors are recognised at their settlement amount less any provision for non-recoverability. Prepayments are valued at the amounts prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand. Notice deposits are included on the balance sheet as short term deposits.

Liabilities

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

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 11. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 12. 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.

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 Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions benefits

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

Pensions benefits (continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 18, 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 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.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted income funds comprise all other grants received from the Education and Skills Funding Agency/Department for Education and the Local Authority.

Endowment funds represent amounts donated where the capital must be retained.

Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

1 Donations and capital grants

	Unrestricted funds £'000	Restricted fixed assets funds £'000	2020 Total funds £'000	2019 Total funds £'000
Capital grants	—	9	9	55
Other donations	2	—	2	8
2020 Total funds	2	9	11	63

	Unrestricted funds £'000	Restricted fixed assets funds £'000	2019 Total funds £'000
Capital grants	—	55	55
Other donations	—	8	8
2019 Total funds	—	63	63

2 Funding for the academy's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
DfE / ESFA revenue grants				
. General Annual Grant (GAG)	—	3,861	3,861	3,803
. Other DfE / ESFA	—	437	437	262
	—	4,298	4,298	4,065
Other government grants				
. Local authority grants	—	86	86	76
	—	86	86	76
Other income from the academy's educational operations	12	4	16	26
2020 Total funds	12	4,388	4,400	4,167

2 Funding for the academy's educational operations (continued)

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
DfE / ESFA revenue grants			
General Annual Grant (GAG)	—	3,803	3,803
Other DfE / ESFA	—	262	262
	—	4,065	4,065
Other government grants			
Local authority grants	—	76	76
	—	76	76
Other income from the academy's educational operations			
	16	10	26
2019 Total funds	16	4,151	4,167

3 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
Hire of facilities	22	—	22	28
Trip income	—	—	—	10
2020 Total funds	22	—	22	38

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
Hire of facilities	28	—	28
Trip income	10	—	10
2019 Total funds	38	—	38

4 Expenditure

	Staff costs £'000	Non pay expenditure		2020 Total funds £'000	2019 Total funds £'000
		Premises £'000	Other costs £'000		
Charitable activities					
. Academy's educational operations					
.. Direct costs	2,732	428	392	3,552	3,846
.. Allocated support costs	461	329	361	1,151	1,165
2020 Total funds	3,193	757	753	4,703	5,011

	Staff costs £'000	Non pay expenditure		2019 Total funds £'000
		Premises £'000	Other costs £'000	
Charitable activities				
. Academy's educational operations				
.. Direct costs	2,868	384	594	3,846
.. Allocated support costs	393	440	332	1,165
2019 Total funds	3,261	824	926	5,011

	2020 £'000	2019 £'000
Net expenditure for the year includes:		
Depreciation	430	384
Fees payable to auditor		
. Statutory audit	9	9
. Other services	5	5

5 Charitable activities - academy's educational operations

	2020 Total funds £'000	2019 Total funds £'000
Direct costs	3,552	3,846
Support costs	1,151	1,165
	4,703	5,011

5 Charitable activities - academy's educational operations (continued)

	2020 Total funds £'000	2019 Total funds £'000
Analysis of support costs		
Support staff costs	461	393
Technology costs	15	12
Premises costs	329	440
Legal costs – other	3	—
Other support costs	323	296
Governance costs	20	24
Total support costs	1,151	1,165

6 Comparative information

Analysis of income and expenditure in the year ended 31 August 2019 between restricted and unrestricted funds:

	Unrestricted general fund £'000	Restricted general fund £'000	Restricted fixed assets fund £'000	Endowment fund £'000	2019 Total funds £'000
Income from:					
Donations and capital grants	—	—	63	—	63
Charitable activities					
· Funding for the academy's educational operations	16	4,151	—	—	4,167
Other trading activities	38	—	—	—	38
Total	54	4,151	63	—	4,268
Expenditure on:					
Charitable activities					
· Academy's educational operations	51	4,574	386	—	5,011
Total	51	4,574	386	—	5,011
Net expenditure	3	(423)	(323)	—	(743)
Transfers between funds	(219)	272	247	(300)	—
Other recognised gains and losses					
Actuarial gains on defined benefit pension scheme	—	(616)	—	—	(616)
Net movement in funds	(216)	(767)	(76)	(300)	(1,359)
Reconciliation of funds					
Total fund balances brought forward at 1 September 2018	217	(1,046)	21,055	300	20,526
Total fund balances carried forward at 31 August 2019	1	(1,813)	20,979	—	19,167

7 Staff

(a) Staff costs

Staff costs during the year were:

	2020 Total funds £'000	2019 Total funds £'000
Wages and salaries	2,257	2,416
Social security costs	225	251
Pension costs	619	517
	3,101	3,184
Supply teacher costs	92	77
	3,193	3,261

(b) Staff numbers

The average numbers of persons (including senior management team) employed by the Academy during the year was as follows:

Charitable activities	2020 Number	2019 Number
Teachers	25	33
Administration and support	33	34
Management	12	10
	70	77

(c) Non statutory / non-contractual staff severance payments

No non-statutory / non-contractual severance were paid in the year (2019: none).

(d) Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) fell within the following bands was:

	2020 No.	2019 No.
£60,001 - £70,000	3	1
£90,001 - £100,000	—	1
£100,001 - £110,000	1	—

(e) Key management personnel

The total amount of employee benefits (including employer pension and NI contributions) received by key management personnel for their services to the academy trust was £149,835 (2019: £178,718). The key management personnel of the academy trust comprise the Governors (which includes the Accounting Officer and Staff Governors).

8 Governors' remuneration and expenses

The Headteacher and staff governors only receive remuneration in respect of services they provide undertaking the roles of the Headteacher and staff and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy in respect of their role as governors. The value of governors' remuneration was as follows:

	2020 £'000	2019 £'000
E Furber, Headteacher		
. Remuneration	100 – 105	95 – 100
. Employer's pension contributions	20 – 25	15 – 20
A Spicer, staff governor		
. Remuneration	—	15 – 20
. Employer's pension contributions	—	0 – 5
C Room, staff governor		
. Remuneration	5 – 10	20 – 25
. Employer's pension contributions	0 – 5	0 – 5

During the year ended 31 August 2020 there was £nil worth of travel and subsistence expenses reimbursed to governors (2019 – £72 was reimbursed to one governor).

One Trustee received remuneration of £499 from the Academy in the year for carrying out minor teaching duties for a short time in the year. This related party transaction was reported to the ESFA in advance in accordance with the requirements of the Academies Financial Handbook.

Other related party transactions involving the governors are set out in note 19.

9 Governors' and Officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim. It is not possible to separately identify the portion of the overall insurance premium attributable to the indemnity policy.

10 Tangible fixed assets

	Leasehold land and buildings £'000	Furniture and equipment £'000	Computer equipment £'000	Total funds £'000
Cost/valuation				
At 1 September 2019	22,746	255	664	23,665
Additions	—	25	10	35
At 31 August 2020	22,746	280	674	23,700
Depreciation				
At 1 September 2019	1,840	197	649	2,686
Charge in year	361	58	11	430
At 31 August 2020	2,201	255	660	3,116
Net book value				
At 31 August 2020	20,545	25	14	20,584
At 31 August 2019	20,908	58	35	20,979

11 Debtors

	2020 £'000	2019 £'000
Trade debtors	20	33
VAT recoverable	20	50
Prepayments and accrued income	89	60
	129	143

12 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	47	85
Taxation and social security	59	64
Other creditors	58	—
Accruals and deferred income	18	23
	182	172
Deferred income		
Deferred Income at 1 September 2019	10	11
Amounts released to income in the year	(10)	(11)
Resources deferred in the year	—	10
Deferred Income at 31 August 2020	—	10

Deferred income in the prior year related to deferred devolved formula capital grant income, trip income and Duke of Edinburgh income.

13 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
ESFA revenue grant fund					
. General Annual Grant (GAG)	—	3,861	(3,536)	(26)	299
. Pupil premium	—	212	(212)	—	—
. Other grants	—	315	(315)	—	—
. Pension reserve	(1,813)	—	(183)	(622)	(2,618)
	<u>(1,813)</u>	<u>4,388</u>	<u>(4,246)</u>	<u>(648)</u>	<u>(2,319)</u>
Fixed assets fund					
. Transfer on conversion	20,476	—	(355)	—	20,121
. ESFA capital grants	195	9	(68)	26	162
. Funded by endowment	300	—	(6)	—	294
. Donations	8	—	(1)	—	7
	<u>20,979</u>	<u>9</u>	<u>(430)</u>	<u>26</u>	<u>20,584</u>
Total restricted funds	19,166	4,397	(4,676)	(622)	18,265
Unrestricted funds					
. General funds	1	36	(27)	—	10
Total unrestricted funds	<u>1</u>	<u>36</u>	<u>(27)</u>	<u>—</u>	<u>10</u>
Total funds	<u>19,167</u>	<u>4,433</u>	<u>(4,703)</u>	<u>(622)</u>	<u>18,275</u>

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

ESFA revenue grant fund and other restricted funds

General Annual Grant (GAG)

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 2020.

Fixed asset fund

These grants relate to the funding received from the DfE, ESFA and the Local Authority to carry out works of a capital nature.

Endowment fund

All Saints is sponsored by the Diocese of St Albans who contributed £300,000 towards an endowment fund. This was initially established as a permanent endowment. In May 2018 the Academy was granted permission from the donor and the Charity Commission for the fund to be expended, in particular on capital work needed for the Reflection Centre. In the financial year ended 31 August 2019 the Academy commenced the build of the Reflection Centre, with construction completed as at 31 August 2019.

13 Funds (continued)

Comparative information

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
ESFA revenue grant fund					
. General Annual Grant (GAG)	—	3,879	(4,151)	272	—
. Pupil premium	—	240	(240)	—	—
. Other grants	—	32	(32)	—	—
. Local authority grants	—	—	—	—	—
. Pension reserve	(1,046)	—	(151)	(616)	(1,813)
	<u>(1,046)</u>	<u>4,151</u>	<u>(4,574)</u>	<u>(344)</u>	<u>(1,813)</u>
Fixed assets fund					
. Transfer on conversion	20,829	—	(353)	—	20,476
. ESFA capital grants	212	55	(19)	(53)	195
. Funded by endowment	—	—	—	300	300
. Donations	—	8	—	—	8
. Capital grants from Local Authority	14	—	(14)	—	—
	<u>21,055</u>	<u>63</u>	<u>(386)</u>	<u>247</u>	<u>20,979</u>
Endowment fund	300	—	—	(300)	—
Unrestricted funds					
. General funds	217	54	(51)	(219)	1
Total unrestricted funds	<u>217</u>	<u>54</u>	<u>(51)</u>	<u>(219)</u>	<u>1</u>
Total funds	<u>20,526</u>	<u>4,268</u>	<u>(5,011)</u>	<u>(616)</u>	<u>19,167</u>

14 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted Funds £'000	Restricted Fixed Asset Fund £'000	Total 2020 £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	—	—	20,584	20,584
Current assets	10	481	—	491
Current liabilities	—	(182)	—	(182)
Pension scheme liability	—	(2,618)	—	(2,618)
Total net assets	10	(2,319)	20,584	18,275

	Unrestricted funds £'000	Restricted Funds £'000	Restricted Fixed Asset Fund £'000	Endowment Fund £'000	Total 2019 £'000
Fund balances at 31 August 2019 are represented by:					
Tangible fixed assets	—	—	20,979	—	20,979
Current assets	1	172	—	—	173
Current liabilities	—	(172)	—	—	(172)
Pension scheme liability	—	(1,813)	—	—	(1,813)
Total net assets	1	(1,813)	20,979	—	19,167

15 Capital commitments

There were no capital commitments as at 31 August 2020 (2019: none).

16 Commitments under operating leases

Operating leases

At 31 August 2020, the total of the Academy's future minimum lease payments under non-cancellable operating leases was as follows:

	2020 £'000	2019 £'000
Amounts due within one year	67	70
Amounts due between two and five years inclusive	—	67
	67	137

17 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.

18 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- ♦ employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy);
- ♦ total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million; and

18 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

- ♦ the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £420,000 (2019: £232,000).

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

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

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £182,000 (2019: £175,000), of which employer's contributions totalled £139,000 (2019: £134,000) and employees' contributions totalled £43,000 (2019: £41,000). The agreed contributions rate for 2020/21 are between 5.5% and 12.5% for employers.

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

Principal Actuarial Assumptions	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	3.3%	2.5%
Rate of increase for pensions in payment / inflation	2.3%	2.2%
Discount rate for scheme liabilities	1.7%	1.9%

18 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

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

	At 31 August 2020 years	At 31 August 2019 years
<i>Retiring today</i>		
Males	22.2	20.7
Females	24.3	23.2
<i>Retiring in 20 years</i>		
Males	23.4	21.7
Females	26.1	24.7

The required sensitivity analysis showing the effect on the net liability for changes in actuarial assumptions is as follows:

	At 31 August 2020 £'000	At 31 August 2019 £'000
0.1% increase to discount rate	(158)	(108)
0.1% increase in salary increase rate	14	15
0.1% increase in the pension increase rate	147	95

The Academy's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2020 £'000	Fair value at 31 August 2019 £'000
Equities	2,207	2,107
Corporate bonds	523	473
Property	308	287
Cash and other liquid assets	195	142
Total market value of assets	3,233	3,009
Present value of scheme liabilities		
. Funded	(5,851)	(4,822)
Deficit in the scheme	(2,618)	(1,183)

18 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Amounts recognised in statement of financial activities	2020 £'000	2019 £'000
Current service cost	287	235
Past service cost	—	20
Net interest cost	33	28
Administration Expenses	2	2
Total amount recognised in the SOFA	322	285

Changes in the present value of defined benefit obligations were as follows:	2020 £'000	2019 £'000
At 1 September 2019	4,822	3,789
Current service cost	287	235
Past service cost	—	20
Interest cost	89	107
Employee contributions	43	41
Actuarial loss	710	616
Benefits paid	(100)	14
At 31 August 2020	5,851	4,822

Changes in the fair value of the Academy's share of scheme assets:	2020 £'000	2019 £'000
At 1 September 2019	3,009	2,743
Interest income	56	79
Actuarial gain	88	—
Employer contributions	139	134
Employee contributions	43	41
Benefits paid	(100)	14
Administration expenses	(2)	(2)
At 31 August 2020	3,233	3,009

19 Related party transactions

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

The following transactions took place in the current or prior year of account:

19 Related party transactions (continued)

Academy of Central Bedfordshire – an entity for which the CEO and Headteacher Liz Furber is a director. Costs of £32,509 were incurred by the academy in relation to the education provision for a small number of pupils in the year ended 31 August 2020 (2019: £30,000). These costs were in line with a contract agreed in February 2018, prior to the introduction of the ESFA's new reporting requirements around related party transactions. There was a £nil balance due to the Academy of Central Bedfordshire at 31 August 2020 (2019: £nil).

Diocese of St Albans – an entity which is a member of the Academy. Income of £1,608 was charged in respect of room hire (2019: £1,608).

The academy trust conducted the above transactions in accordance with the requirements of the Academies Financial Handbook. Where, for goods or services exceeding £2,500 cumulatively in the year, the element above £2,500 has been provided at no more than cost.

20 Agency arrangements

The academy trust administers the disbursement of discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. In the year it received £6,374 (2019: £6,836) and disbursed £2,452 (2019: £5,980).