

REGISTRAR OF COMPANIES

Chilford Hundred Education Trust

Annual Report and Accounts

31 March 2020

Company Limited by Guarantee
Registration Number
07482650 (England and Wales)

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Reference and administrative information

Members	J Bowen E Hunt R Loe A Gore M Slater	
Directors	J Carter L Fisher R Loe (Chair) (Resigned 24 March 2020) H Marsh (Accounting Officer) M Slater (Chair) J Bidwell D Gould (resigned 6 January 2020)	
Senior management team		
- Executive Principal and Headteacher (LVC)	H Marsh	
- Headteacher (PPS)	K Darby	
- Headteacher (LHJS)	J Puxley	
- Headteacher (MPS)	N Connor	
- Headteacher (HPS)	L Ball	
- Director of CASSA	D Brechin	
- Director of Finance	T Brighton (Resigned 24 March 2020)	
Company secretary	T Brighton (Resigned 24 March 2020) T Coston (Appointed 24 March 2020)	
Company registration number	07482650	
Academies operated	Location	Headteacher
Linton Heights Juniors School	Cambridgeshire	J Puxley
The Meadow Primary School	Cambridgeshire	N Connor
Linton Village College	Cambridgeshire	H Marsh
Howard Community Primary School	Suffolk	L Ball
The Pine Primary School	Suffolk	K Darby
Independent auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL	
Bankers	Lloyds Bank Plc 8 High Street Haverhill Suffolk CB9 8BA	

Reference and administrative information

Solicitors	Stone King LLP 3 rd Floor Bateman House 82-86 Hills Road Cambridge CB2 1LQ
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The Directors present their annual report together with the accounts and auditor's report of the charitable company for the period 1 September 2019 to 31 March 2020. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Trust operates four primary and one secondary Academies serving a catchment area in South Cambridgeshire and West Suffolk. The Academies have a roll of 1,553 against a total capacity of 1,841.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

The charitable company operates as Chilford Hundred Education Trust (CHET) and includes the following Academies:

- ◆ Linton Village College (LVC)
- ◆ The Meadow Primary School (MPS)
- ◆ Linton Heights Junior School (LHJS)
- ◆ The Pines Primary School (PPS)
- ◆ Howard Community Primary School (HCPS)

The Trust also operates the Cambridge and Suffolk Schools Alliance (CASSA), a Teaching School and alliance of primary, secondary, special schools and post-16 providers from across Cambridgeshire and Suffolk. It is also responsible for two out of school clubs which provide important wrap around care for working parents in the local communities served by the Academies operating across the Trust (Linton and Meadow Out of School Clubs).

The operation of The Trust's Academies and employment of staff are the responsibility of the Directors. The Trust retains control of Academy budgets and finances, and monitors these through its Resources Committee. Throughout this report the Board of Directors is referred to as the Trust Board. Each Academy has appointed Local Governing Bodies (LGB) who have delegated authority to administer their Academy within agreed budgets.

The Directors are the Trustees of Chilford Hundred Education Trust and are also the Directors of the charitable company for the purposes of company law. The terms Trustee and Director are interchangeable. Within this report the term Director refers to a member of the Trust Board and the term Governor to a member of a LGB. Details of the Directors who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Directors' indemnities

The Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK Government funds cover losses that arise. This scheme protects Directors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and Officers indemnity element from the overall cost of the RPA scheme.

Post year end transfer to Anglian Learning

With effect from 1 April 2020, all activities and members of staff at the Academy Trust's school, together with all assets and liabilities and reserves of the Academy Trust, were transferred as a going concern to Anglian Learning (company registration number 07564749). The statement of financial activities on page 23 represents the activities of the Academy Trust for the six month period immediately prior to the transfer and the balance sheet on page 24 represents the net assets at the point of transfer. Following the transfer, the Trust remained dormant.

The Directors are in the process of making an application to Companies House for the voluntary dissolution of the company.

Method of recruitment and appointment or election of Directors

Directors are appointed for a fixed term. The Executive Principal is an ex officio member of the Trust Board. Other Directors are elected to office or appointed if there are insufficient candidates offering themselves for election.

The arrangements are as set out in the Articles of Association and the Trust's master Funding Agreement.

Policies and procedures adopted for the induction and training of Directors

A clear Induction Policy is followed in the appointment of new Directors. New Directors are provided with key documentation about the Trust which supports their role. New Directors are able to tour the Trust's schools and also meet with the Executive Principal or Chair of Directors and, if required, the Director of Finance. A training programme is provided through in-house training and the Trust buys into other training programmes. New Directors are also able to have a mentor within the Trust Board for their first year of appointment. A record of training is kept up to date by the Clerk.

The Trust is committed to providing opportunities for all Directors and Governors to undertake and receive suitable training so as to enable them to perform their role effectively. To this end, each school within The Trust links with a number of local training providers. New Directors and Governors are required to attend a training programme. The induction programme for Governors would involve a tour of the relevant Academy, meetings with staff and provision of policy and procedures documents that are appropriate to the role they undertake with particular emphasis on the committee work that they will undertake. There is also an opportunity to take part in broader governance induction courses offered through the Trust's various professional development subscriptions.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Trust Board, meets on at least three occasions per year and its two sub committees Resources (including finance and audit) and Standards at least three times per year. The Trust Board is responsible for the strategic direction of the Trust. The Directors are responsible for setting strategic policy, adopting an annual plan and budget, monitoring The Trust by the use of those budgets and making major decisions about the direction of The Trust, capital expenditure and senior staff appointments. The Governors within their LGB's are responsible for implementing strategic policy, ensuring the appropriateness of annual budgets and capital expenditure projects for their Academy and monitoring performance against that budget and authorised capital limits.

The Senior Leadership Teams (SLTs) control the Academies at an executive level implementing policies and reporting to their LGB. Each SLT is responsible for the day to day operation of their Academy, in particular organising staff, resources and students. They are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment processes.

The Principals' Forum, made up of the Executive Principal and Head teachers of each of the Trust's schools, looks across the Trust and aligns local SLT and LGB activity with the strategic aims of The Trust as a whole.

The Trust's Executive Principal is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Directors and those staff to whom the Directors have delegated significant authority and responsibility in the day-to-day running of the Trust. Pay and remuneration of Key management personnel is decided by a variety of contributory factors, such as the Academy group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the appropriate sub-committee and ratified by the Trust Board.

Trade union facility time personnel

The Academy Trust did not employ any relevant trade union officials during the period. Within the Trust there are local trade union representatives who are in direct contact with their unions when needed.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Related parties and other connected charities and organisations

Owing to the nature of the Trust's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which members of the Trust Board may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Director may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Trust has no financially connected organisations but does have influence over a number of wider networks and constitutions and has cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- ◆ Cambridge Area Partnership (CAP)
- ◆ Cambridgeshire Primary Heads (CPH) and Cambridgeshire Secondary Heads (CSH)
- ◆ Schools' Forum
- ◆ East and South Cambridgeshire Inclusion partnership (ESC!P)
- ◆ Faculty of Education, Cambridge University
- ◆ Relational Schools Project
- ◆ Head teachers' Round Table
- ◆ WomenEd

The Trust also receives donated goods from Linton Village College Trust Fund, The Friends of Linton Village College and Meadow PTA.

OBJECTIVES AND ACTIVITIES

Objects and aims

The objects of the Trust are specifically restricted 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 offering a broad and balanced curriculum. The objects of the Trust are also specifically restricted to promote the surrounding areas of the academies for the benefit of the inhabitants of the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities

The Trust has established the following strategic aims to be inclusive, ambitious, inspiring, holistic, enriching and relational:

- ◆ Inclusive - Extend CHET influence and educational success through effective Trust growth;
- ◆ Ambitious - Achieve excellent levels of progress across CHET institutions for all groups of learners;
- ◆ Inspiring - Grow cross-phase expertise through CHET collaboration and learning;
- ◆ Holistic - Become a centre of best practice for wellbeing of employees and learners;
- ◆ Enriching - Enhance CHET enrichment offer through network opportunities;
- ◆ Relational - Develop CHET resources and systems to enhance leadership capacity and Trust sustainability.

During the period the Trust has worked towards these aims by:

- ◆ Achieved high/improving standards of teaching and learning leading.
- ◆ Developed further, effective and enriching curriculum experiences across all schools.
- ◆ Provided high-quality professional learning opportunities for its staff using CASSA and other CPD opportunities as a vehicle for practitioner and school improvement initiatives across the Trust.
- ◆ Extended enrichment opportunities for young people.
- ◆ Developed practical measures to reduce the burden of workload management for all staff with a particular focus on classroom teachers.
- ◆ Networked with other regional Teaching Schools to achieve collaborative opportunities via The Nucleus TSA hub.
- ◆ Led the Eastern Region and North East London Equality and Diversity hub to promote women in leadership development opportunities.
- ◆ Contributed to regional and national conferences on the subject of teacher workload and leadership.

Our success in fulfilling our aims can be measured by:

- ◆ Excellent/improving academic outcomes across the Trust across all phases.
- ◆ Schools demonstrating progress to or achievement of, a Good/Outstanding Ofsted judgement. Validation from external consultants/visits.
- ◆ Strong track record of CASSA Teaching School Alliance projects. Successful Trust expansion.
- ◆ Involvement in local and national networks.
- ◆ Provision of wrap around education for the school community.

OBJECTIVES AND ACTIVITIES (continued)

Public benefit

The Directors believe that by working towards the objects and aims of the Trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Fundraising

The Trust's fundraising activities are different within the different schools. In general CHET does not carry out fundraising activities most fundraising which benefits the Trust is delivered by registered charities such as PTAs or other grant making charities. These groups have separate constitutions and are separate from the Trust. One of the schools currently does not have a recognised PTA (or alike organisation), in this instance the school generates its own funds for its own purpose, which is managed by a volunteer group supported by the school. The activities run by the school and the PTAs are very similar and these are the major events within the last year:

- ◆ Sponsored walks Craft fairs
- ◆ Discos
- ◆ Quizzes
- ◆ Raffles

These groups then make donations to the schools for ICT equipment furniture and celebration events for the pupils. Certain activities such as swimming lessons day trips and residential trips are supported by voluntary parental contributions, these are costed to break even.

No professional or commercial fundraisers are involved. The trustees are satisfied that the Trust's fundraising activities and those of the PTA conform to recognised standards.

STRATEGIC REPORT

Achievements and performance

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left their Academy.

Specific achievements were as follows:

- ◆ Linton Heights Junior School achieving an Ofsted Good judgement in their October inspection.
- ◆ Linton Village College achieving an SSAT award for GCSE results in the top 20% of all state schools nationally for progress and attainment.

STRATEGIC REPORT (continued)

Achievements and performance (continued)

- ◆ Meadow and Heights achieved gold in the School Games Award and became members of the Ogden Trust partnership. The Meadow was recognised for its achievements as STEM ambassadors.
- ◆ Successful cross-Trust collaborative primary leadership initiatives.
- ◆ Prudent budget management across all Trust schools.

Going concern

The trustees have assessed whether the use of the going concern is appropriate in preparing these financial statements.

As noted on page 4, with effect from 1 April 2020, in accordance with a legal transfer of undertakings, all activities, assets and liabilities of CHET were transferred to Anglian Learning, company registration number 07564749 (note 23). For this reason the trustees do not deem it appropriate to adopt the going concern basis and therefore have prepared the financial statements on a basis other than 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 until it closes down in July 2020.

No adjustments have been made to book values as a result of this. The trustees of the Trust have concluded that there are no material uncertainties related to events or conditions that may cause significant doubt on the ability of Chilford Hundred Education Trust to continue as a going concern under Anglian Learning.

The emergence of the novel coronavirus (COVID-19) occurred shortly prior to the date on which the Trust transferred its assets and liabilities to Anglian Learning, however the Trustees are satisfied that it has no effect on basis of preparation of these financial statements.

Financial review

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the period ended 31 March 2020 the Trust received total income of £5,531,773 (year to 31 August 2019: £23,128,866). A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education.

During the period the Trust spent £6,424,532 (year to 31 August 2019: £10,757,311) on staff and other expenditure in support of its charitable objectives. The Trust brought forward from 18/19 £362,005 restricted funds (excluding restricted fixed asset funds and pension liability) and £730,671 unrestricted funding. The carry forward for the period ended 31 March 2020 is £379,134 restricted funding and £512,233 unrestricted funding.

STRATEGIC REPORT (continued)

Financial review (continued)

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £1,863,000 (2019: £2,862,000). This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Reserves policy

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £512,233 (2019: £730,631). This has been built up from a mixture of locally raised income and balances transferred from the predecessor schools.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 March 2020 was £891,368 (2019: £1,092,676).

The cash balance of the Trust has been very healthy ending the period with a balance of £1,407,933 (2019: £1,415,094). A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure. The Directors monitor cash flow as part of the Director of Finance reports to the Resources Committee and attempt to hold a sufficient amount to cover short-term cash flow variances.

Anglian Learning has agreed to cover the costs for legal, clerking and auditing functions necessary to close down the Academy Trust in July 2020.

Investment policy

Where funds are available and it is considered to represent best value to the Trust investments will be made to gain a rate of return not disproportionate to the risks of enabling access.

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise its income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Directors do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

STRATEGIC REPORT (continued)

Principal risks and uncertainties

The Trust works with the LGB's in maintaining risk registers identifying the major risks, to which each Academy and the Trust as a whole, is exposed. It also works to identify actions and procedures to mitigate those risks. These registers are managed at LGB level and approved and monitored by the Trust Board via recommendation from the Resources Committee with a formal review of the process undertaken on an annual basis. The internal control systems and the exposure to identified risks are monitored on behalf of the Directors at each Resources Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academies at an operational level are addressed by their respective systems, by internal financial and other controls.

The Directors report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of academy schools the level of financial risk is low. Cash flows can be reliably forecast monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Directors assess the other principal risks and uncertainties facing the Trust as follows:

- ◆ Each Academy within the Trust has considerable reliance on continued Government funding through the ESFA and there is 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. To mitigate this risk the Directors are actively seeking opportunities to grow or merge, thus allowing greater economies of scale;
- ◆ Reputational - the continuing success of the individual Academies is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Directors ensure that student progress and outcomes are closely monitored and reviewed;
- ◆ Staffing - the success of the Academies is reliant on the quality of its staff and the Directors monitor and review recruitment policies and procedures to ensure continued development and training of staff through active engagement in CASSA. There is also clear succession planning by providing as many development and progression opportunities across the Trust as well as through the deployment of Specialist Leaders in Education to other local schools in need of the Trust's support;

STRATEGIC REPORT (continued)

Principal risks and uncertainties (continued)

- ◆ Fraud and mismanagement of funds - The Trust has appointed Buzzacott to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook from the Autumn term o 2019/20. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area. The Trust and each Academy have continued to strengthen its risk management process throughout the period by improving the process and ensuring staff awareness.

Managing Growth

The Directors remain cognisant of the significant good practice in evidence across the Trust. They have, nonetheless, become more concerned about the financial and operational constraints consistent with many smaller multi-academy trusts, not least the pressures on senior leader capacity and the support functions around those roles.

Initially it was the Directors' belief that in order to grow its capacity, CHET should encourage new schools to join the Trust. Whilst partially successful, the pace of growth and size of schools joining the MAT, was insufficient to bolster the financial and human capital needed at the centre. Services could not improve without a significant increase in the 3% top-slice currently charged to school members. That was impracticable. Consequently, in December 2018, the board agreed that it was in the best interests of CHET schools to join a larger, more mature local provider.

Directors, Chairs, Governors and Head teachers took part in a strategic working party led by external sector consultants to identify three suitable MAT prospects and then, between April and August 2019, many were involved in a robust process of due diligence, researching and meeting with those prospective Trust partners.

Following a series of strategic meetings, Directors voted by written resolution to engage with the Anglian Learning Trust as the preferred MAT partner and to begin a formal process of due diligence. This decision itself was taken after a great deal of careful and considered thought, discussion and investigation. The next stage of the process involved consulting with all key stakeholders within the CHET community, including parents and guardians of our children and young people, teachers, support staff and union representatives. This consultation was concluded by early March 2020.

Following the satisfactory completion of the due diligence process the five CHET schools were transferred to Anglian Learning on 1 April 2020.

Plans for future periods

The aim for the period April to July 2020 is to complete necessary actions to close down the Trust.

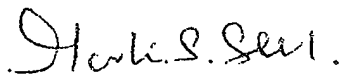
STRATEGIC REPORT (continued)

Auditor

In so far as the Directors are aware:

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

The Directors' Report, incorporating a Strategic Report, was approved by order of the Board of Directors, as the company Directors, on 27 July 2020 and signed on its behalf by:



M. Slater
Chair

Scope of responsibility

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

The Board of Directors has delegated the day-to-day responsibility to the Executive Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Chilford Hundred Education Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 5 times during the period. Attendance during the period at meetings of the Board of Directors was as follows:

Trustee	Meetings attended	Out of a possible
J Carter	5	5
L Fisher	1	5
R Loe (Chair)	4	5
H Marsh (Accounting Officer)	4	5
M Slater	5	5
J Bidwell	3	5
D Gould	1	5

Given the planned transfer to Anglian Learning on 1 April 2020 the Resources Committee merged with the Board during the period.

Review of value for money

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

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

Review of value for money (continued)

- ◆ Creating efficiencies in expenditure through procurement, recruitment and deployment.
- ◆ Specialist staff have been used to good effect throughout Trust schools and have had a positive impact on school standards and through school to school support placements, in the West Suffolk primary maths and literacy training, for example.
- ◆ Channelling finite resources into school improvement priorities leadership and support staff roles have been focused on targeted areas. including enhancing mental health provision through the development of mental health champions, for example.
- ◆ Assuring that monies are invested into improving teaching and learning standards.
- ◆ Outcomes across the three CHET schools have been on par/above national averages. Achieving a Progress 8 score of 0.3 in the context of significant curriculum change and results above county averages in KS2 demonstrates this.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Chilford Hundred Education Trust for the period 1 September 2019 to 31 March 2020 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Directors has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2019 to 31 March 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Directors.

The risk and control framework

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

The risk and control framework (continued)

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

The Board of Directors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Directors have appointed Buzzacott LLP, the external auditor, to perform additional checks from the autumn term of 19/20.

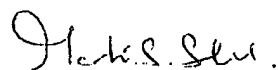
Review of effectiveness

As Accounting Officer the headteacher 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 Leadership Team within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the Board of Directors on 27 July 2020 and signed on its behalf by:



M Slater
Chair




H Marsh
Accounting Officer

Statement on regularity, propriety and compliance 31 March 2020

As Accounting Officer of Chilford Hundred Education Trust I have considered my responsibility to notify the Board of Directors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Directors and ESFA. If any instances are identified after the date of this statement these will be notified to the Board of Directors and ESFA.



H Marsh

Accounting Officer

Date: 27 July 2020

Statement of Directors' responsibilities 31 March 2020

The Directors (who also act as trustees for Chilford Hundred Education Trust) are responsible for preparing the Directors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Directors to prepare accounts for each financial year. Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the Directors are required to:

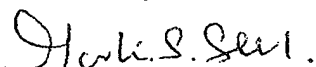
- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- ◆ make judgements and accounting estimates that are reasonable and prudent;
- ◆ state whether applicable UK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

The Directors 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 accounts 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 Directors 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 that grants received from ESFA/DfE have been applied for the purposes intended.

The Directors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Directors on 27 July 2020 and signed on its behalf by:



M Slater
Chair

Independent auditor's report to the members of Chilford Hundred Education Trust

Opinion

We have audited the accounts of Chilford Hundred Education Trust for the period ended 31 March 2020 which comprise the statement of financial activities the balance sheet the statement of cash flows and the notes to the accounts, 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), the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its income and expenditure for the period then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 draw attention to the accounting policy on page 27 of these financial statements which states that the trustees of Chilford Hundred Education Trust have prepared the financial statements on a basis other than a going concern basis. This is due to the legal transfer of all activities, assets and liabilities of the charitable company to Anglian Learning on 1 April 2020. We consider that no adjustment to the book value of assets or liabilities is required as a result of this alternative basis of preparation. Our opinion is not modified in respect of this matter.

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

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our 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 trustees' report which is also the directors' report for the purpose 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 trustees' report which is also the directors' report for the purpose of company law 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 trustees' report including the strategic report.

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

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

Independent auditor's report on the financial statements 31 March 2020

Responsibilities of directors

As explained more fully in the trustees' responsibilities statement, the trustees (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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.



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

29 July 2020

Independent reporting accountant's assurance report on regularity to Chilford Hundred Education Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 20 May 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Chilford Hundred Education Trust during the period from 1 September 2019 to 31 March 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 Chilford Hundred Education Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Chilford Hundred Education Trust 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 Chilford Hundred Education Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Chilford Hundred Education Trust's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of Chilford Hundred Education Trust's funding agreement with the Secretary of State for Education dated 29 August 2013 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2019 to 31 March 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 2018 to 2019 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 on regularity 31 March 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 March 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Buzzacott LLP

Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

29 July 2020

Statement of financial activities (including income and expenditure account)
Period to 31 March 2020

		Restricted funds			31 March 2020	31 August 2019
	Notes	Unrestricted general fund £	General £	Fixed assets fund £	Total funds £	Total funds £
Income from:						
Donations and capital grants	1	37,393	5,000	7,025	49,418	228,043
Donations – transfer from local authority on conversion		—	—	—	—	12,894,834
Charitable activities						
. Funding for the educational operations	2	102,117	5,110,626	—	5,212,743	9,580,488
Other trading activities	3	135,308	—	—	135,308	328,034
Investments	4	994	—	—	994	975
Funding for teaching schools	24	40,680	92,630	—	133,310	96,492
Total income		316,492	5,208,256	7,025	5,531,773	23,128,866
Expenditure on:						
Charitable activities						
. Educational operations	7	—	5,879,218	425,255	6,304,473	10,672,232
Teaching schools	24	34,402	85,657	—	120,059	85,079
Total		34,402	5,964,875	425,255	6,424,532	10,757,311
Net income/ (expenditure)		282,090	(756,619)	(418,230)	(892,759)	12,371,555
Transfers between funds	17	(500,528)	489,749	10,779	—	—
Other recognised gains/ (losses)						
Actuarial gains (losses) on defined benefit pension scheme	19	—	1,283,000	—	1,283,000	(1,494,000)
Net movement in funds		(218,438)	1,016,130	(407,451)	390,241	10,877,555
Reconciliation of funds						
Total fund balances brought forward at 1 September 2019 as previously stated		1,280,279	(2,862,000)	23,136,094	21,554,373	10,676,818
Transfer between funds to correct brought forward		(549,608)	362,005	187,603	—	—
Restated balances brought forward		730,671	(2,499,995)	23,323,697	21,554,373	—
Total fund balances carried forward at 31 March 2020		512,233	(1,483,865)	22,916,246	21,944,614	21,554,373

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

Balance sheet 31 March 2020

	Notes	31 March 2020 £	31 March 2020 £	31 August 2019 £	31 August 2019 £
Fixed assets					
Tangible fixed assets	12		22,852,292		23,163,910
Current assets					
Stocks	13	3,902		4,029	
Debtors	14	531,017		594,881	
Cash at bank and in hand		1,407,933		1,415,094	
		<u>1,942,852</u>		<u>2,014,004</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(987,530)		(761,541)	
Net current assets			955,322		1,252,463
Total assets excluding pension liabilities			23,807,614		24,416,373
Defined benefit pension scheme liability	19		(1,863,000)		(2,862,000)
Net assets			<u>21,944,614</u>		<u>21,554,373</u>
Funds of the Trust:					
Restricted funds	17				
· Fixed assets fund			22,916,246		23,323,697
· Restricted income funds			379,135		362,005
· Pension reserve	19		(1,863,000)		(2,862,000)
Total restricted funds			21,432,381		20,823,702
Unrestricted income funds	17		512,233		730,671
Total funds			<u>21,944,614</u>		<u>21,554,373</u>

The financial statements on page 24 to 49 were approved by the trustees, and authorised for issue on 27 July 2020 are signed on their behalf by:

M Slater

M Slater
Trustee

Chilford Hundred Education Trust
Company Limited by Guarantee
Registration Number: 07482650 (England and Wales)

Statement of cash flows Period to 31 March 2020

		31 March 2020 £	31 August 2019 £
Net cash flows from operating activities			
Net cash provided by operating activities	A	93,457	703,748
Cash flows from investing activities	B		
Dividends, interest and rents from investments		994	975
Capital grants from DfE Group		12,025	67,364
Capital funding received from sponsors and others		—	142,611
Purchase of tangible fixed assets		(113,637)	(325,175)
Net cash used in investing activities		(100,618)	(114,225)
Net increase in cash and cash equivalents in the period		(7,161)	589,523
Cash and cash equivalents at 1 September 2019		1,415,094	825,571
Cash and cash equivalents at 31 March 2020	C	1,407,933	1,415,094

A Reconciliation of income to net cash flow from operating activities

	31 March 2020 £	31 August 2019 £
Net (expenditure) income for the year (as per the statement of financial activities)	(892,759)	12,371,555
Adjusted for:		
Net surplus on conversion to academy	—	(12,894,834)
Capital grants from DfE/ESFA and other capital income	(12,025)	(194,999)
Investment income receivable	(994)	(975)
Finance costs payable	—	—
Defined benefit pension costs less contributions payable	251,000	283,000
Defined benefit pension net finance cost	33,000	33,000
Depreciation of tangible fixed assets	425,255	727,723
Decrease (increase) in stocks	127	(4,029)
Decrease (increase) in debtors	63,864	(220,995)
Increase in creditors	225,989	604,302
Net cash provided by operating activities	93,457	703,748

B Cash flows from investing activities

	31 March 2020 £	31 August 2019 £
Dividends, interest and rents from investments	994	975
Purchase of tangible fixed assets	(113,637)	(325,175)
Capital grants from DfE/ESFA	12,025	67,364
Capital funding received from sponsors and others	—	142,611
Net cash used in operating activities	(100,618)	(114,225)

Principal accounting policies Period to 31 March 2020

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 accounts of the 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Chilford Hundred Education Trust meets the definition of a public benefit entity under FRS 102.

Going concern

The Directors 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.

With effect from 1 April 2020, the Academy Trust transferred, in accordance with a legal transfer of undertakings, all activities, assets and liabilities of Chilford Hundred Education Trust as a going concern to Anglian Learning, company registration number 07564749. For this reason the trustees do not deem it appropriate to continue to adopt the going concern basis for the preparation of the Academy Trust's financial statements and have therefore prepared the financial statements on a basis other than the going concern basis. No adjustments have been made to book values as a result of this.

The emergence of the novel coronavirus (Covid-19) shortly prior to the period end occurred after the date on which the Academy Trust transferred its assets and liabilities to Anglian Learning. The Directors are satisfied that it has no effect on basis of preparation of these financial statements.

Income

All incoming resources are recognised when the 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.

Principal accounting policies Period to 31 March 2020

Income (continued)

Grants (continued)

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

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

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 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'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

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.

Principal accounting policies Period to 31 March 2020

Expenditure (continued)

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Leasehold buildings	35 years
Leasehold land	Over the period of the lease
Freehold land and buildings	10-45 years
Computer equipment	4 years
Fixtures, fittings & equipment	4 years – 10 years
Motor vehicles	4 years

Principal accounting policies Period to 31 March 2020

Tangible fixed assets and depreciation (continued)

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.

Freehold land is not depreciated.

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 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.

Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the 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. 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. 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.

Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

Taxation

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income

Principal accounting policies Period to 31 March 2020

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 1892, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions benefits

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the 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.

Fund accounting

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

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

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

Principal accounting policies Period to 31 March 2020

Prior year adjustments

During the period ended 31 March 2020, the academy trust's fund balances were reviewed and a number of corrections were required. The fund balances in the comparative figures for the year ended 31 August 2019 have been restated as well as the balances brought forward as at 1 September 2018. The analysis of income and expenditure in notes 2, 3, 7 and 8 to the Statement of Financial Activities have been restated as a consequence.

The amendments only relate to fund allocations and do not impact the overall net result reported in 2018/19 or the net assets reported.

The fund balances as previously reported were:

	Balance at 31 August 2019 £	Adjustment £	Balance at 1 September 2019 £
Restricted general funds			
. General Annual Grant (GAG)	(2,664,416)	2,664,416	—
. Start Up Grant	71,250	107,079	178,329
. Pupil premium	—	—	—
. Other DfE/ESFA grants	968,944	(968,944)	—
. Other government grants	189,861	(189,861)	—
. Astroturf and sinking fund	81,640	—	81,640
. Teaching school	42,741	—	42,741
. Other restricted funds	1,309,980	(1,250,685)	59,295
. Pension reserve	(2,862,000)	—	(2,862,000)
	<u>(2,862,000)</u>	<u>362,005</u>	<u>(2,499,995)</u>
Restricted fixed asset funds			
. Transfer on conversion	13,078,834	(271,367)	12,807,467
. DfE group capital grants	9,939,511	576,719	10,516,230
. CIF Funding	117,749	(117,749)	—
	<u>23,136,094</u>	<u>187,603</u>	<u>23,323,697</u>
Total restricted funds	<u>20,274,094</u>	<u>549,608</u>	<u>20,823,702</u>
Unrestricted funds			
. General funds	1,235,143	(549,608)	685,535
. Teaching schools	45,136	—	45,136
	<u>1,280,279</u>	<u>(549,608)</u>	<u>730,671</u>
Total funds	<u>21,554,373</u>	<u>—</u>	<u>21,554,373</u>

Principal accounting policies Period to 31 March 2020

Prior year adjustments (continued)

	Balance at 31 August 2018 £	Adjustment £	Balance at 1 September 2018 £
Restricted general funds			
. General Annual Grant (GAG)	—	—	—
. Start Up Grant	—	390,082	390,082
. Pupil premium	—	—	—
. Other DfE/ESFA grants	—	—	—
. Other government grants	—	—	—
. Astroturf and sinking fund	52,000	—	52,000
. Teaching school	35,168	—	35,168
. Other restricted funds	390,082	(390,082)	—
. Pension reserve	(868,000)	—	(868,000)
	<u>(390,750)</u>	<u>—</u>	<u>(390,750)</u>
Restricted fixed asset funds			
. Transfer on conversion	—	—	—
. DfE group capital grants	10,589,984	—	10,589,984
. CIF Funding	—	—	—
	<u>10,589,984</u>	<u>—</u>	<u>10,589,984</u>
Total restricted funds	<u>10,199,234</u>	<u>—</u>	<u>10,199,234</u>
Unrestricted funds			
. General funds	436,288	—	436,288
. Teaching schools	41,296	—	41,296
	<u>477,584</u>	<u>—</u>	<u>477,584</u>
Total funds	<u>10,676,818</u>	<u>—</u>	<u>10,676,818</u>

Fund balances by school as previously reported:

	Balance at 31 August 2019 £	Adjustment £	Balance at 1 September 2019 £
Linton Heights Junior School	121,613	(21,728)	99,885
The Meadow Primary School	264,257	(9,818)	254,439
Linton Village College	312,331	(20,211)	292,120
Howard Community Primary School	302,487	(14,847)	287,640
The Pines Primary School	303,938	(136,128)	167,810
CASSA	—	—	—
Central services	(24,347)	15,129	(9,218)
Total before fixed assets fund and pension reserve	<u>1,280,279</u>	<u>(187,603)</u>	<u>1,092,676</u>
Restricted fixed asset fund	23,136,094	187,603	23,323,697
Pension reserve	(2,862,000)	—	(2,862,000)
Total	<u>21,554,373</u>	<u>—</u>	<u>21,554,373</u>

Notes to the Financial Statements Period to 31 March 2020

1 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed assets funds £	Total funds 31 March 2020 £	Total funds 31 August 2019 £
Capital grants	—	5,000	7,025	12,025	194,999
Other donations	37,393	—	—	37,393	33,044
	37,393	5,000	7,025	49,418	228,043

	Unrestricted funds £	Restricted funds £	2019 Total funds £
Capital grants	—	194,999	194,999
Other donations	14,134	18,910	33,044
	14,134	213,909	228,043

2 Funding for the Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total funds 31 March 2020 £	Total funds 31 August 2019 as restated £
DfE / ESFA revenue grants				
General Annual Grant (GAG)	—	3,945,018	3,945,018	7,049,172
Start-up grants	—	—	—	71,250
Other DfE / ESFA	—	486,014	486,014	881,727
Teaching Schools Grants	—	92,630	92,630	87,217
	—	4,523,662	4,523,662	8,089,366
Other government grants				
Local authority grants	—	216,138	216,138	189,861
	—	216,138	216,138	189,861
Other funding				
Catering income	—	228,120	228,120	349,443
Trip income	—	235,336	235,336	334,999
Other incoming resources	142,797	—	142,797	616,819
Total funding	142,797	5,203,256	5,346,053	9,580,488

	Unrestricted funds £	Restricted funds £	2019 Total funds as restated £
DfE / ESFA revenue grants			
General Annual Grant (GAG)	—	7,049,172	7,049,172
Start-up grants	—	71,250	71,250
Other DfE / ESFA	—	968,944	968,944
	—	8,089,366	8,089,366
Other government grants			
Local authority grants	—	189,861	189,861
	—	189,861	189,861
Other funding			
Catering income	7,649	—	7,649
Trip income	334,999	—	334,999
Other incoming resources	458,140	500,473	958,613
Total funding	800,788	8,779,700	9,580,488

Notes to the Financial Statements Period to 31 March 2020

3 Other trading activities

	Unrestricted funds £	Restricted funds £	Total funds 31 March 2020 £	Total funds 31 August 2019 as restated £
Hire of facilities	104,080	—	104,080	187,166
Other income	31,228	—	31,228	140,868
	135,308	—	135,308	328,034

	Unrestricted funds £	Restricted funds £	Total funds 31 August 2019 as restated £
Hire of facilities	187,166	—	187,166
Other income	—	140,868	140,868
	187,166	140,868	328,034

4 Investment income

	Unrestricted funds £	Restricted funds £	Total funds 31 March 2020 £	Total funds 31 August 2019 £
Bank interest	994	—	994	975
	994	—	994	975

	Unrestricted funds £	Restricted funds £	2019 Total funds £
Bank interest	975	—	975
	975	—	975

5 Expenditure

	Staff costs £	Non pay expenditure		Total funds 31 March 2020 £	Total funds 31 August 2019 £
		Premises £	Other costs £		
Trust's educational operations					
Direct costs	3,269,340	—	143,404	3,412,744	5,510,721
Allocated support costs	1,021,897	558,179	1,311,653	2,891,729	5,161,512
Teaching school	30,720	—	89,340	120,059	85,078
	4,321,957	558,179	1,544,397	6,424,532	10,757,311

5 Expenditure (continued)

	Staff costs £	Non pay expenditure		2019 Total funds £
		Premises £	Other costs £	
<i>Trust's educational operations</i>				
. Direct costs	5,291,603	—	219,118	5,510,721
. Allocated support costs	1,851,652	1,483,941	1,825,919	5,161,512
Teaching school	57,990	—	27,088	85,078
	<u>7,201,245</u>	<u>1,483,941</u>	<u>2,072,125</u>	<u>10,757,311</u>

	Period ended 31 March 2020 £	Year ended 31 August 2019 £
Fees payable to auditor for:		
. Audit	19,250	7,980
. Other services	5,900	2,889
Operating leases rentals	27,965	75,831
Depreciation of tangible fixed assets	425,255	727,723
Net interest on defined benefit pension liability	33,000	35,000

6 Central services

The Trust has provided central services to its academies during the period including senior staff salaries and audit costs. The total cost to all schools was £162,281 (2019: £187,005).

The Trust charges for these services on the basis of 3% of age weighed pupil unit funding.

The amounts charged during the period were as follows:

	Period ended 31 March 2020 £	Year ended 31 August 2019 £
Linton Heights Juniors School	20,139	22,759
The Meadow Primary School	18,515	22,259
Linton Village College	93,380	108,502
Howard Community Primary School	18,606	22,693
The Pines Primary School	11,641	10,792
	<u>162,281</u>	<u>187,005</u>

Notes to the Financial Statements Period to 31 March 2020

7 Charitable activities

	Period ended 31 March 2020 £	Year ended 31 August 2019 £
All from restricted funds:		
Direct costs		
Educational operations	3,532,803	5,595,799
Support costs		
Educational operations	2,891,729	5,161,512
	6,424,532	10,757,311
	Period ended 31 March 2020 £	Year ended 31 August 2019 £
Analysis of support costs		
Support staff costs	1,029,712	1,851,652
Depreciation	425,255	727,723
Technology costs	113,351	151,201
Premises costs	558,179	854,814
Other support costs	716,847	1,533,597
Governance costs	48,385	42,525
	2,891,729	5,161,512

8 Comparative information

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

		Restricted funds		2019
	Unrestricted general fund £	General £	Fixed assets fund £	Total funds as restated £
Income from:				
Donations and capital grants	14,134	18,910	194,999	228,043
Donations – transfer from local authority on conversion	—	(184,000)	13,078,834	12,894,834
Charitable activities				
Funding for the educational operations	800,788	8,779,700	—	9,121,494
Other trading activities	646,160	140,868	—	787,028
Investments	975	—	—	975
Funding for teaching schools	9,275	87,217	—	96,492
Total income	1,012,338	8,842,695	13,273,883	23,128,866
Expenditure on:				
Charitable activities				
Educational operations	—	9,944,509	727,723	10,672,232
Teaching schools	5,435	79,644	—	85,079
Total	5,345	10,024,153	727,723	10,757,311
Net income/ (expenditure)	1,006,903	(1,181,458)	12,546,110	12,371,555
Transfers between funds	(753,816)	566,213	187,603	—
Other recognised losses				
Actuarial losses on defined benefit pension scheme	—	(1,494,000)	—	(1,494,000)
Net movement in funds	253,087	(2,109,245)	12,733,713	10,877,555
Reconciliation of funds				
Total fund balances brought forward at 1 September 2018	477,584	(390,750)	10,589,984	10,676,818
Total fund balances carried forward at 31 August 2019	730,671	(2,499,995)	23,323,697	21,554,373

9 Staff

(a) Staff costs

Staff costs during the year were:

	Period ended 31 March 2020 £	Year ended 31 August 2019 £
Wages and salaries	3,243,718	5,350,261
Social security costs	274,586	452,754
Pension costs	686,827	1,174,078
	4,205,131	6,977,093
Supply staff costs	115,701	224,152
Staff restructuring costs	1,125	—
Total staff expenditure	4,321,957	7,201,245

(b) Staff numbers

The average number of persons (including the senior management team) employed by the charitable company during the period ended 31 March 2020 was as follows:

Charitable activities	2020 No.	2019 No.
Teachers	76	96
Administration and support	141	116
Management	16	15
	233	227

(c) Higher paid staff

The number of employees whose annualised emoluments fell within the following bands was:

	2020 No.	2019 No.
£60,001 - £70,000	3	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	—
£90,001 - £100,000	—	1

(d) Key management personnel

The key management personnel of the trust comprise the trustees, the senior management team and the central executive team as listed on page 1. The total amount of employee benefits (including employer pension contributions and national insurance) received by key management personnel for their services to the trust was £280,261 (2019 - £458,550).

10 Director's remuneration

One of the Directors was paid remuneration from an employment with the Trust. The Executive Principal only received remuneration in respect of services provided undertaking the role of Executive Principal under a contract of employment, and not in respect of services as Director.

The value of Director's remuneration and other benefits during the period was as follows:

H Marsh (Executive Principal):

Remuneration: £45,000 - £50,000 (year to 31 August 2019: £90,000 - £100,000)

Employer's pension contributions: £10,000 - £15,000 (year to 31 August 2019: £15,000 - £20,000)

11 Directors and officers insurance

The Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects the Directors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Directors and Officers indemnity element from the overall cost of the RPA scheme.

12 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total funds £
Cost						
At 1 September 2019	23,133,416	1,910,000	843,033	363,684	80,540	26,330,673
Reclassification	(6,702,884)	6,702,884	—	—	—	—
Additions	—	50,312	7,565	55,760	—	113,637
At 31 March 2020	<u>16,430,532</u>	<u>8,663,196</u>	<u>850,598</u>	<u>419,444</u>	<u>80,540</u>	<u>26,444,310</u>
Depreciation						
At 1 September 2019	2,276,970	132,353	452,469	245,804	59,167	3,166,763
Charge in year	207,351	121,408	56,873	32,405	7,218	425,255
Reclassification	(205,144)	205,144	—	—	—	—
At 31 March 2020	<u>2,279,177</u>	<u>458,905</u>	<u>509,342</u>	<u>278,209</u>	<u>66,385</u>	<u>3,592,018</u>
Net book value						
At 31 March 2020	<u>14,151,355</u>	<u>8,204,291</u>	<u>341,256</u>	<u>141,235</u>	<u>14,155</u>	<u>22,852,292</u>
At 31 August 2019	<u>20,856,446</u>	<u>1,777,647</u>	<u>390,564</u>	<u>117,880</u>	<u>21,373</u>	<u>23,163,910</u>

Included in the land and buildings is freehold land valued at £510,000 (2019 - £510,000) which is not depreciated.

Notes to the Financial Statements Period to 31 March 2020

13 Stocks

	31 March 2020 £	31 August 2019 £
Catering stock	3,902	4,029
	3,902	4,029

14 Debtors

	31 March 2020 £	31 August 2019 £
Trade debtors	12,697	—
VAT recoverable	116,774	91,489
Other debtors	7,861	40,883
Prepayments and accrued income	393,685	462,509
	531,017	594,881

15 Creditors: amounts falling due within one year

	31 March 2020 £	31 August 2019 £
Trade creditors	198,267	245,792
Other taxation and social security	113,598	—
Abatement of GAG	79,501	—
Other creditors	150,555	—
Accruals and deferred income	445,609	515,749
	987,530	761,541

Notes to the Financial Statements Period to 31 March 2020

16 Deferred income

	31 March 2020 £	31 August 2019 £
Deferred income is included within:		
Creditors due within one year	335,453	369,873
Deferred income at 1 September 2019	396,873	18,815
Released from previous years	(396,873)	(18,815)
Resources deferred in the year	335,453	396,873
Deferred income at 31 March 2020	335,453	396,873

At the balance sheet date the Trust was holding funds in advance for free school meals, trips and funding from Suffolk County Council for The Pines Primary School.

17 Funds

	Balance at 1 September 2019 as restated £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 March 2020 £
Restricted general funds					
. General Annual Grant (GAG)	—	3,945,018	(4,415,727)	470,709	—
. Start Up Grant	178,329	—	(32,014)	—	146,315
. Pupil Premium	—	97,368	(97,368)	—	—
. Other government grants	59,295	1,073,240	(1,050,109)	—	82,426
. Astroturf and sinking fund	81,640	—	—	19,040	100,680
. Teaching school	42,741	92,630	(85,657)	—	49,714
. Other restricted funds	—	—	—	—	—
. Pension reserve	(2,862,000)	—	(284,000)	1,283,000	(1,863,000)
	<u>(2,499,995)</u>	<u>5,208,256</u>	<u>(5,964,875)</u>	<u>1,772,749</u>	<u>(1,483,865)</u>
Restricted fixed asset funds					
. Transfer on conversion	12,807,467	—	(158,297)	—	12,649,170
. DfE group capital grants	10,516,230	7,025	(266,958)	—	10,256,297
. Capital expenditure from GAG	—	—	—	10,779	10,779
	<u>23,323,697</u>	<u>7,025</u>	<u>(425,255)</u>	<u>10,779</u>	<u>22,916,246</u>
Total restricted funds	<u>20,823,702</u>	<u>5,215,281</u>	<u>(6,390,130)</u>	<u>1,783,528</u>	<u>21,432,381</u>
Unrestricted funds					
. General funds	685,535	275,812	—	(500,528)	460,819
. Teaching schools	45,136	40,680	(34,402)	—	51,414
	<u>730,671</u>	<u>316,492</u>	<u>(34,402)</u>	<u>(500,528)</u>	<u>512,233</u>
Total funds	<u>21,554,373</u>	<u>5,531,773</u>	<u>(6,424,532)</u>	<u>1,283,000</u>	<u>21,944,614</u>

17 Funds (continued)

	Balance at 1 September 2018 as restated £	Income £	Expenditure £	Gains, losses and transfers £	Restated balance at 31 August 2019 £
<i>Restricted general funds</i>					
. General Annual Grant (GAG)	—	7,049,172	(7,585,745)	536,573	—
. Start Up Grant	390,082	71,250	(283,003)	—	178,329
. Other DfE/ESFA grants	—	968,944	(968,944)	—	—
. Other government grants	—	189,861	(189,861)	—	—
. Astroturf and sinking fund	52,000	—	—	29,640	81,640
. Teaching school	35,168	87,217	(79,644)	—	42,741
. Other restricted funds	—	660,251	(600,956)	—	59,295
. Pension reserve	(868,000)	(184,000)	(316,000)	(1,494,000)	(2,862,000)
	<u>(390,750)</u>	<u>8,842,695</u>	<u>(10,024,153)</u>	<u>(927,787)</u>	<u>(2,499,995)</u>
<i>Restricted fixed asset funds</i>					
. Transfer on conversion	—	13,078,834	—	(271,367)	12,807,467
. DfE group capital grants	10,589,984	194,999	(727,723)	458,970	10,516,230
	<u>10,589,984</u>	<u>13,273,833</u>	<u>(727,723)</u>	<u>187,603</u>	<u>23,323,697</u>
<i>Total restricted funds</i>	<u>10,199,234</u>	<u>22,116,528</u>	<u>(10,751,876)</u>	<u>(740,184)</u>	<u>20,823,702</u>
<i>Unrestricted funds</i>					
. General funds	436,288	1,003,063	—	(753,816)	685,535
. Teaching schools	41,296	9,275	(5,435)	—	45,136
	<u>477,584</u>	<u>1,012,338</u>	<u>(5,435)</u>	<u>(753,816)</u>	<u>730,671</u>
<i>Total funds</i>	<u>10,676,818</u>	<u>23,128,866</u>	<u>(10,757,311)</u>	<u>(1,494,000)</u>	<u>21,554,373</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 March 2020. Transfers from unrestricted funds to GAG funds relate to the utilisation of unrestricted funds to support the deficit on GAG gags.

Pension reserve

The pension reserve relates to the deficit on the Trust's share of the Local Government Pension Scheme liability for support staff. Whilst the fund is currently in deficit, the liability is not expected to crystallise in the short-term.

Fixed asset fund

These funds relate to the Trust's holding of tangible fixed assets. Transfers from the General Annual Grant fund to this fund represents the purchase of tangible fixed assets from GAG funding. Capital funding received for maintenance and refurbishment work, including Academies Capital Maintenance Fund, is recorded in the fixed asset fund and either capitalised or expended depending on the nature of the expenditure.

17 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 March 2020 were allocated as follows:

	Balance at 31 March 2020 £	Restated balance at 31 August 2019 £
Linton Heights Junior School	75,853	99,885
The Meadow Primary School	272,628	254,439
Linton Village College	279,772	292,120
Howard Community Primary School	117,449	287,640
The Pines Primary School	149,835	167,810
CASSA	13,251	—
Central services	(17,420)	(9,218)
Total before fixed assets fund and pension reserve	891,368	1,092,676
Restricted fixed asset fund	22,916,246	23,323,697
Pension reserve	(1,863,000)	(2,862,000)
Total	21,944,614	21,554,373

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total funds at 31 March 2020 £	Total funds at 31 August 2019 £
Linton Heights Juniors School	452,337	69,473	14,697	115,268	651,775	1,137,206
The Meadow Primary School	402,504	78,743	19,877	137,771	638,895	1,102,258
Linton Village college	1,720,993	516,952	92,478	859,995	3,190,418	5,291,102
CASSA	22,905	7,815	87,289	2,050	120,059	—
Howard Community Primary School	375,726	62,790	10,631	289,824	738,971	1,204,708
The Pines Primary School	199,971	84,975	14,409	67,448	366,803	670,027
Central services	21,061	54,964	1,177	93,722	170,924	624,287
	3,195,497	875,712	240,558	1,566,078	5,877,845	10,029,588

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £
Linton Heights Juniors School	573,052	297,537	29,421	237,196	1,137,206
The Meadow Primary School	504,808	335,420	27,734	234,296	1,102,258
Linton Village college	3,543,613	122,230	110,197	1,515,062	5,291,102
Howard Community Primary School	440,533	487,116	11,231	265,828	1,204,708
The Pines Primary School	205,943	168,188	13,170	282,726	670,027
Central services	81,644	441,161	1,428	100,054	624,287
	5,349,593	1,851,652	193,181	2,635,162	10,029,588

18 Analysis of net assets between funds

	Unrestricted funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Total at 31 March 2020 £
Fund balances at 31 March 2020 are represented by:				
Tangible fixed assets	—	—	22,852,292	22,852,292
Current assets	512,233	1,366,665	63,954	1,942,852
Current liabilities	—	(987,530)	—	(987,530)
Defined benefit pension liability	—	(1,863,000)	—	(1,863,000)
Total net assets	512,233	(1,483,865)	22,916,246	21,944,614

	Unrestricted funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Total at 31 August 2019 as restated £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	—	—	23,163,910	23,163,910
Current assets	1,280,279	664,132	69,593	2,014,004
Creditors falling due within one year	—	(664,132)	(97,409)	(761,541)
Defined benefit pension liability	—	(2,862,000)	—	(2,862,000)
Total net assets	1,280,279	(2,862,000)	23,136,094	21,554,373

19 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. 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.

Contributions amounting to £127,702 were payable to the schemes at 31 March 2020 and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

19 Pension and similar obligations (continued)

Teachers' Pension Scheme (continued)

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

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the Academy Trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The Academy Trust has set out above the information available on the plan and the implications for the Academy Trust in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (DfE) in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196 billion, giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19).

The Department for Education has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019/20 academic year.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The employer's pension costs paid to TPS in the period amounted to £686,827 (2019 – £546,100).

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

19 Pension and similar obligations (continued)

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 period ended 31 March 2020 was £267,000 (2019 - £442,000) of which employer's contributions totalled £215,000 (2019 - £346,000) and employees' contributions totalled £52,000 (2019 - £96,000). The agreed contribution rates for future years are 21% of employers and between 5.5% and 12.5% of employees dependent on differing salary bands.

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.

	At 31 March 2020	At 31 August 2019
Total Contributions Made		
Employer's contributions	215,000	346,000
Employees' contributions	52,000	96,000
Total contributions	267,000	442,000

	At 31 March 2020	At 31 August 2019
Principal Actuarial Assumptions		
Rate of increase in salaries	2.2%	2.7%
Rate of increase for pensions in payment / inflation	1.8%	2.4%
Discount rate for scheme liabilities	2.3%	1.9%

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

	At 31 March 2020	At 31 August 2019
<i>Retiring today</i>		
Males	21.7	21.9
Females	23.8	24.0
<i>Retiring in 20 years</i>		
Males	22.5	23.2
Females	25.2	25.6

19 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

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

	Fair value At 31 March 2020 £	Fair value At 31 August 2019 £
Equities	3,441,000	3,791,000
Debt Instruments	734,000	777,740
Property	774,000	652,520
Cash and other liquid assets	146,000	52,740
Total market value of assets	5,095,000	5,274,000

	At 31 March 2020	At 31 August 2019
Amount recognised in the statement of financial activities		
Current service cost	466,000	629,000
Past service cost	13,000	29,000
Interest income	(39,000)	(135,000)
Interest cost	72,000	168,000
Benefit changes, curtailments and settlements gains or losses	—	(29,000)
Total operating charge	512,000	662,000

	At 31 March 2020	At 31 August 2019
Changes in the present value of defined benefit obligations		
At 1 September 2019	8,136,000	4,994,000
Obligations acquired on conversion	—	699,000
Current service cost	453,000	600,000
Interest cost	92,000	168,000
Employee contributions	52,000	96,000
Actuarial (gain) loss	(1,743,000)	1,591,000
Benefits paid	(45,000)	(41,000)
Past service cost	13,000	29,000
At 31 March 2020	(6,958,000)	8,136,000

	At 31 March 2020	At 31 August 2019
Changes in the fair value of the Trust's share of scheme assets		
At 1 September 2019	5,274,000	4,126,000
Assets acquired on conversion	—	515,000
Interest income	59,000	135,000
Actuarial (loss) gain	(460,000)	97,000
Employer contributions	215,000	346,000
Employee contributions	52,000	96,000
Benefits paid	(45,000)	(41,000)
At 31 March 2020	5,095,000	5,274,000

20 Commitments under operating leases

At 31 March 2020, the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	At 31 March 2020	At 31 August 2019
Amounts due within one year	37,872	32,768
Amounts due in two and five years	120,965	115,283
Amounts due after five years	234,926	216,339
	393,763	364,390

21 Capital commitments

	At 31 March 2020	At 31 August 2019
Expenditure contracted for but not provided in the accounts	—	66,800

22 Related party transactions

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

No related party transactions took place during the period of account.

23 Post balance sheet events

With effect from 1 April 2020, the activities, assets and liabilities of Chilford Hundred Education Trust were transferred into Anglian Learning (Company number 10234376). This transfer was in accordance with a legal deed of transfer.

24 Teaching school trading account

	At 31 March 2020	At 31 March 2020	At 31 August 2019	At 31 August 2019
Income				
Direct income				
. Other income	92,630		87,217	
Other income				
. Fundraising and other trading activities	40,680		9,275	
Total income		133,310		96,492
Expenditure				
Direct costs				
. Direct costs	87,193		21,653	
. Staff costs	22,905		36,175	
Total direct costs		110,098		57,828
Other costs				
. Support staff costs	7,815		24,587	
. Resources	355		2,737	
. Technology costs	60		—	
. Catering	953		125	
. Other support costs	778		(199)	
		9,961		27,250
Total expenditure		120,059		85,078
Surplus from all sources		13,251		11,414
Teaching school balances at 1 September 2019		87,877		76,463
Teaching school balances at 31 March 2020		101,128		87,877
			Balance at 31 March 2020 £	Balance at 31 August 2019 £
Restricted general fund			49,714	42,741
Unrestricted funds			51,414	45,136
Total funds			101,128	87,877