

Company Registration No. 07663935

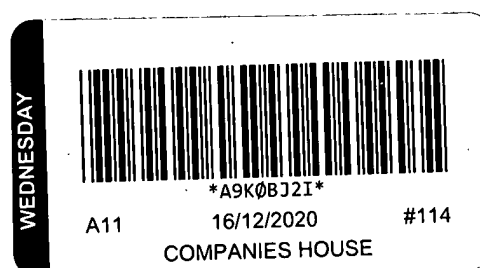


Yorkshire Causeway Schools Trust
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 August 2020



Yorkshire Causeway Schools Trust

CONTENTS

	Page
Reference and Administrative Details	2
Trustees' Report	4
Governance Statement	20
Statement on Regularity, Propriety and Compliance	23
Statement of Trustees' Responsibilities	24
Independent Auditor's report on the Financial Statements	25
Independent reporting Accountant's Report on Regularity	28
Statement of Financial Activities incorporating the Income & Expenditure Account	30
Balance Sheet	31
Statement of Cash flows	32
Notes to the Financial statements, incorporating:	
Statement of accounting policies	33
Other notes to the Financial Statements	39

Yorkshire Causeway Schools Trust

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Bishop of Leeds as Diocesan Bishop Mrs Alison Glover (Chair) Mr Richard Noake Director of Education of the Diocesan Board of Education The Reverend Matthew Evans as The Incumbent of Christ Church, High Harrogate Mr David Fisher representing the Parochial Church Council of the Ecclesiastical Parish of St Peter's, High Harrogate Mrs Jane Boyd representing The Parochial Church Council of Christ Church, High Harrogate Reverend Nigel Sinclair as appointee of the Diocesan Board of Education	
Trustees	Mrs Alison Glover (Chair) Mr Steven Scarisbrick (Vice Chair to 30 September 2019) Mr Andrew Marson (Vice Chair from 1 October 2019) Mr John Bushell (resigned 21 July 2020) Mr David Fisher (resigned 6 October 2020) Mr Christopher Burt (appointed 1 September 2019) Mr Terence Harrison Mr Philip Titchmarsh Mr Martin Wicks Ms Claire Kelley Mr Andrew Symonds Mr Jonathan Davis (appointed 6 October 2020)	
Senior Management Team	Mr Christopher Burt Mr Andrew Symonds Mrs Julia Collins Mrs Jane Turner Mrs Zoe Anderson Mrs Amy Ross Mrs Amber Andrews Mrs Jane Goodwin Mrs Clare Dowson	Accounting Officer and Executive Leader from 1 September 2019 Headteacher Headteacher Headteacher Headteacher Headteacher from 1 September 2019 Headteacher Chief Operating Officer Chief Financial Officer
Company Name	Yorkshire Causeway Schools Trust	
Principal and Registered Office	St. Aidan's Church of England High School Oatlands Drive Harrogate, North Yorkshire HG2 8JR	
Company Registration Number	07663935 (England and Wales)	
Independent Auditor	Sagars Accountants Ltd Gresham House 5-7 St Paul's Street Leeds LS1 2JG	
Bankers	Lloyds Bank PLC 2 Pavement York, North Yorkshire YO1 9LB	

Yorkshire Causeway Schools Trust

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Wrigleys Solicitors
19 Cookridge Street
Leeds
West Yorkshire
LS2 3AG

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

The trustees present their annual report together with the financial statements and auditor's report of the Charitable Company for the year ended 31 August 2020. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

Yorkshire Causeway Schools Trust (henceforth known as the "Trust") operates one secondary and seven primary academies in Harrogate. The Trust has a combined pupil roll of 3,546 in the school census October 2020.

Structure, Governance and Management

Constitution

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 trustees of Yorkshire Causeway Schools Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Yorkshire Causeway Schools Trust.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative details on page 2.

The Trust consists of eight academies:

St. Aidan's Church of England High School
Richard Taylor Church of England Primary School
St Peter's Church of England Primary School
Pannal Primary School
Oatlands Infant School
Hampsthwaite Church of England Primary School
North Rilton Church of England Primary School
All Saints Church of England Primary School

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the Trust has purchased insurance from Zurich to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim.

Trustees' indemnity provisions are detailed in note 11 of the financial statements.

Method of recruitment and appointment or election of trustees

As clearly set out in the Articles of Association, the members may appoint a minimum of five trustees.

The members shall ensure that the total number of trustees (including the Executive Leader) who are employees of the Trust does not exceed one third of the total number of trustees.

Trustees are to include the following:

- One trustee to be appointed by The Parochial Church Council of the Ecclesiastical Parish of Saint John and St Luke, Bilton, Harrogate;
- One trustee to be appointed by Richard Taylor's Educational Foundation (charity number 529568);
- The Executive Leader;
- The headteacher of St. Aidan's Church of England High School of Oatlands Drive, Harrogate, North Yorkshire, HG2 8JR (where the same is not also the Executive Leader);
- The headteacher of Richard Taylor Church of England Primary School of Bilton Lane, Harrogate, North Yorkshire, HG1 3DT (where the same is not also the Executive Leader); and

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

- Parent trustees if appointed under Articles 53-56 in the event that no provision is made for parent representatives on Local Governing Bodies under Article. The Trust may also have any co-opted trustee appointed under Article 58.

With the exception of ex-officio trustees, all other trustees are appointed for a maximum term of four years. Subject to remaining eligible to be a particular type of trustee, any trustee may be re-appointed or re-elected.

Policies and procedures Adopted for the Induction and Training of Trustees

All trustees are given the opportunity to attend training sessions. Trustees are sharing experience and skills as a group and individually where appropriate.

Newly appointed trustees are assigned a mentor trustee to offer support during the induction process. All trustees attend at least one local governing body (LGB) meeting per year, providing trustees with an opportunity to become familiar with the schools within the Trust and to build relationships with school leaders and governors.

Usually, each year, all trustees and governors of the LGBs attend the Trust Annual Conference, which provides updates on relevant issues, changes in legislation and the opportunity to network. Unfortunately, the event planned to take place in June this year was cancelled due to the pandemic. The Trust has continued to engage with governors through regular update meetings with LGB chairs and clerks and by sharing relevant updates and guidance throughout the spring and summer terms.

In addition to the annual programme of face to face training for governors, the Trust subscribes to the NGA's 'Learning Link' online training platform, further reinforcing its commitment to the provision of high-quality training for governors and trustees. The Trust is a member of the Confederation of School Trusts (CST) and The Key for School Leaders. Both of these memberships provide trustees with a useful bank of information and resources.

Organisational Structure

The Trust includes St. Aidan's Church of England High School, Richard Taylor Church of England Primary School, St. Peter's Church of England Primary School, Pannal Primary School, Oatlands Infant School, Hampsthwaite Church of England Primary School, North Rigton Church of England Primary School and All Saints Church of England Primary School.

The Trust supports its academies through an experienced board of trustees who are responsible for identifying and establishing strategies and policies, and for ensuring that these are implemented throughout the organisation. The board normally meets 6 times a year. The board continued to meet regularly during the spring and summer terms of 2020 in order to consider and approve risk assessments, initially relating to provision for vulnerable pupils and children of key workers and then in May, to consider plans for the wider opening of schools to priority groups. From July onwards, trustees supported leaders as they planned for the full reopening of schools from September 2020.

There are shared central functions for finance, compliance and payroll. All appointments, with the exception of headteachers, are made locally. Admission policies and numbers are set by each LGB under the direction of the board. Statutory policies are aligned across the Trust.

The following decisions are reserved to the board of trustees: to consider any proposals for changes to the status or constitution of the Trust board and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Executive Leader and Clerk to the trustees and to approve the annual budget. Trustees consider and approve all appointments to LGBs and approve the election of each LGB chair.

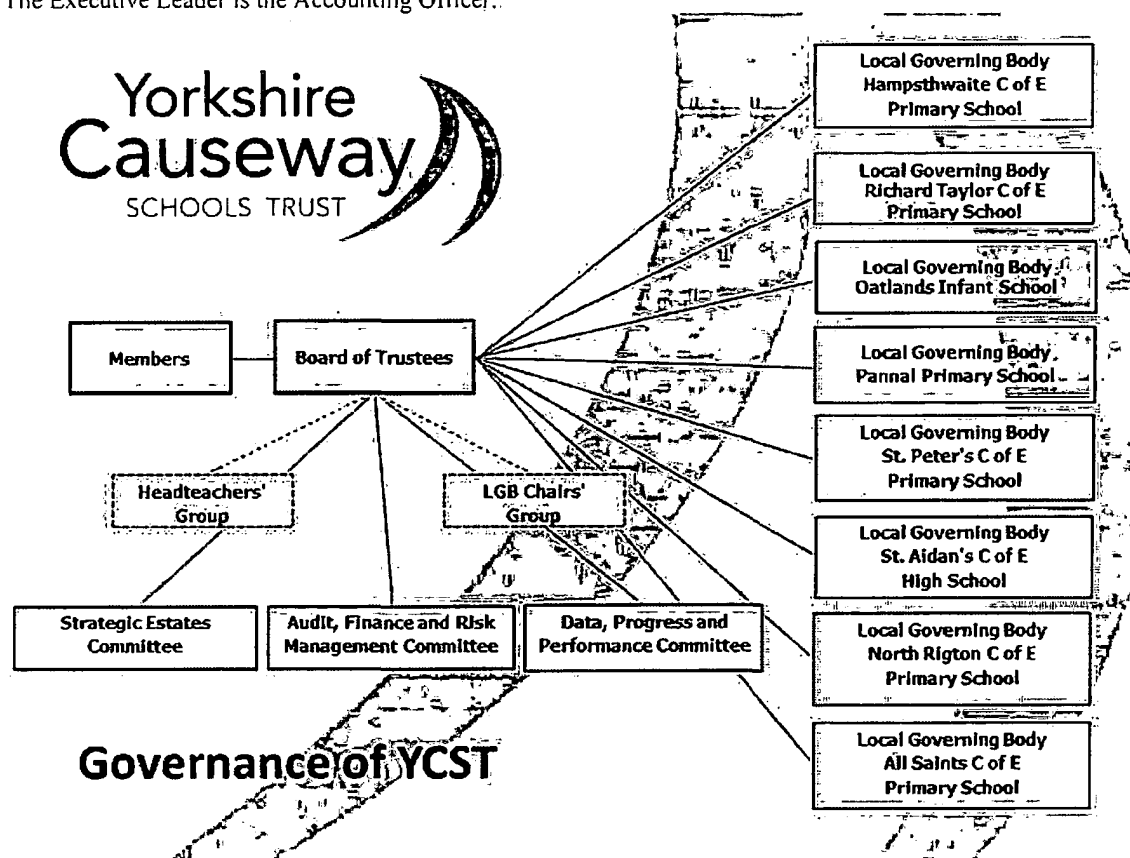
The board is responsible for ensuring that the church or community character of schools is upheld and works with the LGB to ensure that this is achieved.

All trustees and governors give their time freely and no remuneration or expenses were paid in the year in respect of those duties.

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

The Executive Leader is the Accounting Officer.



Arrangements for setting pay and remuneration of key management personnel

Arrangements for setting the pay and remuneration of each academy's key management personnel are reviewed annually by the LGB's finance sub-committees and approved by the LGB. The Trust follows the pay arrangements for maintained schools in England and Wales for teachers and support staff. The Trust's Pay Policy is based, for teachers, on the national agreed pay scale as outlined in the School Teachers Pay and Conditions Document. The Trust adheres to Local Government pay arrangements for support staff and follows the Local Government pay spine.

The Executive Leader, Chief Operating Officer and Chief Financial officer's salaries are approved by the trustees.

Decisions reserved to the Trust board also include and request for headteacher pay to go beyond the pay range for their school.

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

Trade union facility time

Under the Trade Union (Facility Time Publication Requirements) Regulations 2017 ("the 2017 Regulations") and as an employer with over 49 full-time equivalent (FTE) employees, Yorkshire Causeway Schools Trust is required to disclose information on trade union facility time.

Relevant union officials

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

Percentage of working hours spent on facility time

Percentage of time	Number of employees
0% of working hours	1
1 to 50% of working hours	0
51 to 99% of working hours	0
100% of working hours	0

Total pay bill and facility time costs

Total cost of facility time	0
Total pay bill	14,837,554
Percentage of pay spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time) x 100	0
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Related Parties and other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions and operations of Yorkshire Causeway Schools Trust.

St. Aidan's, Richard Taylor, St. Peter's, Hampsthwaite, North Rigton and All Saints are Church of England academies. None of the academies are sponsored.

St. Aidan's Church of England High School operates its Sixth Form in association with St. John Fisher Catholic High School. The St. Aidan's and St. John Fisher Associated Sixth Form is a highly integrated collaboration between the two schools that has been in existence since its creation in 1973. The two school sites are close together and teaching is shared between the schools. The governing bodies of the schools appoint governors to attend regular associated governors' meetings and there are weekly meetings of representatives of the senior leadership teams at both schools.

All transactions with other related parties are outlined in note 26.

A register of interests is held by the Trust. This captures the relevant business and pecuniary interests of members, trustees and local governors of academies. This is reviewed annually and published on the Trust website.

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

Engagement with Employees (including disabled persons)

Throughout the year the Trust engaged systematically with employees to ensure that they were:

- provided with information on matters of concern to them
- consulted where decisions made by the Trust are likely to affect their interests
- actively involved in the performance of the Trust
- aware of common factors which affect the performance of the Trust

The Trust informed and consulted via a number of means; staff governor led staff forums, weekly staff briefing meetings, circulation of minutes from all-staff meetings, network groups, email communications and regular newsletters. From 23 March 2020 all meetings were moved online and the Trust now extensively uses Microsoft Teams to share information and engage with staff. The Trust hold an annual training day which is attended by all Primary school staff.

We encouraged the involvement of employees in the Trust's performance through annual appraisals and overt participation in the marketing of schools through open days and provision of material for the schools' prospectuses and websites. Our schools have a carefully monitored social media presence e.g. Facebook, Instagram and Twitter.

We ensured a common awareness among employees of internal and external means by which our performance is judged by sharing inspection outcomes and findings and use of performance tables to measure assessments and exam results.

The Trust employs individuals with a disability when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. It also works with staff as appropriate in the consideration and deployment of reasonable adjustments within the workplace.

The Trust will accommodate employees who have been injured or disabled so that they can continue in employment with the Trust. During employment the Trust seeks to work with employees, considering their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

Engagement with suppliers, customers and others in a business relationship with the Trust

The Trust has a presence locally with its eight schools serving the Harrogate area. All the schools are very much at the heart of their communities and as such engage with local families, neighbours and organisations for mutual benefit. All of our schools have active PTAs or similar fund-raising groups which regularly meet to organise social events to raise funds for their schools. Students in the Trust are encouraged to have an outward focus and as such our schools regularly host a number of fund-raising events to support local, national and international charities. We raised £62K in 19/20 which went to charities who were supporting a number of issues our own students were facing. Pre-Covid our schools were being used by local groups for sporting, church and musical events on a commercial basis.

Our schools are very keen to be good news in their communities and where possible we use providers who are 'close to home' for goods and services. Three of the Trust schools have an in-house catering service and local suppliers are used to ensure quality ingredients are sourced at a competitive price. Five of the Trust Schools have an in-house cleaning service and again we have built up strong relationships with our suppliers which has ensured that we have been able to have ready access and maintain good stocks of PPE and suitable cleaning equipment.

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

Objectives and Activities

Objects and Aims

The principal object and activity of the charitable company is the operation of Yorkshire Causeway Schools Trust to advance, for the public benefit, education for students of different abilities between the ages of 3 and 19.

The Trust has entered into a funding agreement with the Department of Education (henceforth known as DfE), which provides a framework in which the Trust must operate.

The principal activity of the Trust is to advance for the public benefit, education in the local area, in particular but without prejudice to the generality of the foregoing, by establishing, carrying on, managing and developing schools offering a broad and balanced curriculum. For its church academies, the Trust provides education in accordance with the principles and practices of the Church of England.

Objectives, Strategies and Activities

The Trust was founded in March 2015 with the aim of bringing together a family of schools that share common values, interests and purpose. Based in and around Harrogate, the Trust aims to be outward looking. It is built on the strength gained from every school in the Trust being a valued and significant part of the organisation. The Trust includes both Church of England and community schools and places its pupils at the heart of everything it does.

The Trust's mission statement is:

"Where everyone is valued and respected, where we share commitment to education that is ambitious, setting the highest expectations and where integrity is the foundation."

The headteachers' group, made up of all the headteachers in the Trust, meet fortnightly to agree strategic direction and provide support. These meetings have been held at least weekly since March 2020 and have proved to be invaluable in terms of sharing experiences, best practice, agreeing Trust-wide protocols and providing a supportive forum for headteachers during an extremely challenging period.

An annual training day took place on 6 January 2020 for the Trust's primary schools. The event focused on key areas including:

- Ofsted Deep Dives
- Using One Drive/ Online Calendar across whole schools and the Trust
- Teaching Inference Skills in Reading
- Mindfulness
- Seesaw - Online Learning Journal
- Adverse Childhood Experiences (ACES)
- Maths: Early Years to Year 1
- Teaching for Long Term Memory
- Science on Stage
- Developing Music Provision
- Changing Minds Through Compass Buzz
- Fine Motor Skills

The twelve network groups continued to meet regularly throughout the year until lockdown in March. The purpose of the groups is to ensure effective communication, drive standards and performance, share good practice and provide a consistent approach across the Trust. The actions and outcomes of all groups are shared across schools in order allow colleagues to learn from best practice and to work on common priorities across all Trust schools. In addition, a series of curriculum huddles took place, allowing leaders of foundation subjects to meet, share ideas and practice Ofsted-style 'deep dives'. These groups were subject specific whilst the network groups have an overarching view, considering the curriculum in its entirety.

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

From March 2020, to ensure pupils still had access to high quality teaching and learning use was made on MS Teams throughout the Trust to move all learning on-line. This ensured continuity of provision during the pandemic.

The Trust continues to place an emphasis on the importance of supporting the mental health and wellbeing of our pupils and staff. Working collaboratively with NYCC Educational Psychologists, the Trust hosted a six-day ELSA (Emotional Learning Support Assistant) training course. Attended by representatives from schools both within and outside the Trust, the training focused on how to support the emotional health and wellbeing of pupils by giving them the support and intervention they require. Pupils within our schools are now able to access support from ten trained ELSA staff.

Working with local providers, each of our schools is able to offer early intervention for children struggling to identify or manage their emotional wellbeing needs. The support is offered on a one to one basis and is delivered on the school site during the school day in liaison with family and staff, ensuring joined up thinking and understanding of the needs of the child.

All staff in the Trust have access to a free employee assistance scheme which offers 24-hour access to telephone counselling and support for staff and their immediate families. Staff can also access one to one counselling which is provided by fully qualified and experienced therapists.

Chairs of Trust LGBs meet regularly to share news and best practice and to receive updates from Trust board meetings. There are also regular meetings of LGB clerks and of school business managers and administrators

The Trust's key objectives remain:

- to raise the standard of educational achievement of all its students;
- to improve effectiveness by keeping the curriculum and organisational structure under continual review;
- to ensure that every child attending enjoys the same high-quality education in terms of resourcing, tuition and care;
- to provide value for money for the funds expended; and
- to support each academy in retaining its unique identity and achieving its mission whilst assuring compliance with the Academies Financial Handbook and statutory and curriculum requirements.

Specifically the key objectives for the Academic year 2020/21 are as follows:

- Conversion of Skipton Parish School and the development of a Craven hub of schools
- Wellbeing of staff and pupils across the Trust
- School improvement in relation to supporting pupils in their return to learning and ongoing learning experience in the context of the pandemic; and continuing to develop educational provision at Skipton Parish Primary

Public Benefit

The trustees confirm that they referred to the guidance on public benefit by the Charities Commission when establishing the Trust's key objectives.

All the schools within the Trust provide an inclusive curriculum for the pupils within their local community. All schools in the Trust offer their facilities for local organisations to let their premises, in line with the Trust's lettings policy.

The Trust operates eight academies including; one Church of England secondary school, two community primary schools and five Church of England primary schools. The primary schools serve the Harrogate district. As academies, the Local Governing Body is the Admissions Authority. Admissions to community schools are managed by the Local Authority and catchment areas are available on the North Yorkshire County Council website. There are no catchment areas for the church schools.

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

Where more applications for a church school place are received than places are available, over-subscription criteria apply. Each school's criteria are published on their website. Priority is given in all schools to children in public care (looked after children), and previously looked after children

Strategic Report

Achievements and performance

The closure of schools nationally on 23rd March 2020, as part of the first national lockdown, and the subsequent partial opening to select year groups has meant that there is no local or national data available for publication. The 'School reports on pupil performance: guide for headteachers' published by DfE and Standards and Testing Agency on the 18th June stated:

'Following the cancellation of the 2019/20 national curriculum assessments, DfE laid to remove the requirement to report the outcomes of key stages 1 and 2 tests or teacher assessments in this year's reports. These regulations also remove the requirement to include comparative information about the attainment of pupils of the same age in the school, or nationally, for this year's reports. These regulations came into force on 9 July 2020'

It is the government's intention that primary schools will complete a full cycle of assessment and reporting during the academic year 2020-2021.

Exam results and attainment data for St. Aidan's CE High School can be found below:

GCSE	
Cohort	
Number of students	259
Girls	51%
Boys	49%
Attainment 8	
All students	61.51
English and Mathematics	
Grade 4+ English	95%
Grade 4+ Maths	93%
Grade 4+ English and Maths	92%
Grade 5+ English	86%
Grade 5+ Maths	73%
Grade 5+ English and Maths	70%
All Subjects, percentage of all entries	
Grade 9 – 8	26%
Grade 9 – 7	47%
Grade 9 – 5	83%
Grade 9 – 4	95%
EBACC	
Grade A* - A	37%
Grade A* - B	62%
Grade A* - E	99%

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

School attendance, number on roll and latest Ofsted judgements can be found below:

School	Number on Roll	Attendance Sept 19 - March 20	Latest Ofsted Judgement
All Saints CE Primary	78	96.6%	Good 2013
Hampsthwaite CE Primary	132	95.9%	Outstanding 2014
North Rigton CE Primary	101	96.5%	Good 2015
Oatlands Infant	248	97.5%	Outstanding 2013
Pannal Primary	437	97%	Good 2019
Richard Taylor CE Primary	275	96.1%	Good 2017
St. Aidan's CE High	1997	93.6%	Outstanding 2006
St. Peter's CE Primary	258	95.5%	Good 2019

Key Financial Performance Indicators

Key Performance Indicators monitored and reported regularly. The headline KPIs are inline with the Integrated Curriculum Financial Planning model. School to school internal reviews have also taken place as well as the Trust's twelve network curriculum groups.

GAG funding £14,694,568 (2019: £14,063,002)

SEN High Need/Low incidence £436,88 (2019: £502,356)

Staffing costs (excluding catering staff) represented as percentage of GAG funding were 106% (2019: 103%)

Going Concern

These accounts are being signed during the COVID-19 pandemic which continues to present the Trust with a number of challenges and uncertainties.

It is in this context that, the board of trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence, to include specific COVID-19 costs, for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statement. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

Promoting the success of the company

In addition to points previously identified regarding engagement with employees, customers and suppliers:

- Each school has an annual calendar of open days/events in respect of families considering applying for a place for their child within a Trust school; parents' evenings as a way of engaging with the families/carers of existing pupils; and broader school events including productions, and seasonal celebrations. All of these are supported by members of teaching staff and leadership teams and provide an opportunity to understand how the organisation is viewed by current and potential pupil stakeholders.
- A complaints policy is in place for use by any member of the school or wider community and is utilised on occasion throughout the year with the focus being on understanding the issues being raised and appropriately reviewing and conveying the Trust/school's position in response. When the policy is invoked it provides an opportunity to reflect on the relevant incident and make any necessary changes to learn from the situation and seek to do even better next time.
- Staff meetings are a common feature within every school and staff surveys are undertaken with governors taking a lead on understanding findings and determining any response required. Whilst staff engagement is felt to be strong, a Resolving Issues at Work policy is also in place which sets out how staff can more formally raise matters which are of concern.
- In responding to the COVID-19 pandemic, the complaints procedure has been a key mechanism for parents to raise concerns and have them addressed at school, LGB and Trust level. Whilst this has been a common experience across the education sector, within YCST it has impacted on the breadth of consideration given to decisions relating to wider opening to pupils and how differing cohorts of parents and pupils would be impacted.
- The Trust behaves ethically with all goods and services suppliers and forms good relationships with them, therefore benefiting from this in a range of ways including them seeking to provide contemporary, proactive advice and working hard to achieve our further business.
- Regular contact is maintained both at school and Trust level with the Diocese, across a range of matters. In the last two years a key focus of this mutual engagement has been in relation to the planned expansion of the Trust both as part of its sponsorship of a church school and the broader structure within which this will operate.
- LGB's provide termly reports to ensure that trustees are appraised of the key issues facing the Trust over time.

In making determinations the Trust Board is fully briefed by the CEO, CFO or COO on the context of the decisions required and will in discussion explore options from a range of perspectives. Such exchanges between trustees are openly facilitated and additional information secured is as appropriate. This is often complemented by more frequent engagement on emerging matters between the CEO and/or COO and the Chair of the Board.

Financial Review

The Trust's income is derived in the main from the Department of Education (DfE) and the Local Authority (LA) in the form of recurrent and capital grants, the use of which is restricted to particular purposes. The grants received from the DfE and the LA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Net movement in funds were (£1,774,934) (2019: £2,865,367 (deficit)), with net assets at 31 August 2020 of £22,065,114 (2019: £23,840,048).

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

The reserves position at 31 August 2020 is as follows: Restricted funds excluding pension reserve £25,187,973 (2019: £25,428,877), unrestricted funds (General fund) £6,224,142 (2019: £5,842,171)

Parents of new students at St. Aidan's, Richard Taylor, St Peter's, Oatlands Infants and Hamphthwaite were invited to join the academies' Gift Aid Schemes. The trustees continue to look to the scheme as an additional means of funding for improvement of the school's facilities and ask parents to donate an amount of their own choosing. There is no obligation to join the scheme and all donations are entirely voluntary and confidential. The amount raised through the scheme, including the tax reclaimed on the gift aided donations was £56,407 (2019: £65,732).

The financial impact of the COVID-19 pandemic has been cost neutral to the Trust, with the loss of private income and additional costs in part offset by the Furlough (CJRS) and exceptional costs grant.

All the staff who were furloughed were wholly or substantially funded by privately generated income, this included nursery, catering and out of hours staff across the Trust.

Other savings were realised and in particular the exams refunds of £50k which were advised in August/September and sometime after the closing date to apply for the Exceptional costs grant. The Trust's percentage of pupils on Free School Meals (FSMs) is very low and therefore we receive limited funding for these meals and the majority of catering income is private rather than state funded.

The funds generated in 19/20 will provide much needed financial support in 20/21. Additional costs in respect of cover for staff absences, pupil bubbles, cleaning costs, PPE and other premises costs are currently unfunded. Compliance with the Trust's Reserves Policy continues to be the measure of financial standard for all our schools. Historic prudence to ensure schools' minimum levels of reserves is in line with the Policy (8.5% GAG +10k/100k) gives some foundation to cover COVID-19 costs at least in the short-term.

Reserves Policy

The Trust believes that the funding received in any one year should be used to support the children on roll at the time.

Exceptions to this are where there is:

- a specific project which will require the accumulation of funding over more than one year
- sufficient uncertainty over future funding rates
- sufficient uncertainty over long term unfunded non-discretionary costs such as pay awards and employer on-costs.
- Change to legislation which may impact our costs, e.g. McCloud
- Uncertainty or indications that pupil numbers may fall
- and/or where there is a need to gradually accumulate reserves as identified through the budget cycle and agreed by the board of trustees.

Balances at year-end are £4,741,560 in excess of the required reserves, of which 92% is attributable to funds built up prior to 31 August 2014 in St. Aidan's.

Funds have not grown to any great extent since 2014, as funding, and in particular Sixth Form funding has been significantly reduced. The growing funding gap and movements in the pension deficit means that the funds will be eroded over time unless the pupil funding is increased in line with our salary costs.

The Trust assesses the national and local financial health of the Academy sector through its review of benchmarking reports and the published ESFA Financial notices to improve. These reviews support the Trust's cautious and prudent management of its balances, with assurance that balances held in excess of the reserves level, provide a further contingency to sustain a level of stability in a growingly unstable sector.

The Trust considers it prudent to accumulate a reserve equivalent to 8.5% of GAG income plus an appropriate contingency of £10,000 for emergency premises work. The contingency is increased to £100,000 for St. Aidan's.

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

	Minimum balance required for reserves	Funds 2020 £	Funds 2019 £
St. Aidan's C of E High School	869,035	4,906,153	4,800,406
Richard Taylor Primary School	93,495	259,148	253,155
St. Peter's Primary School	94,743	332,191	232,906
Pannal Primary School	140,305	144,666	125,021
Oatlands Infant School	81,518	247,678	193,273
Hampsthwaite Primary School	51,963	98,588	87,244
North Rigton Primary School	46,320	73,804	48,580
All Saints Primary School	41,658	98,368	82,207
	<u>1,419,037</u>	<u>6,160,596</u>	<u>5,822,792</u>

The unrestricted reserves of £6,224,142 (2019: £5,842,171) are freely available for general purposes. These will be allocated in line with the strategic objectives of the Trust. Budgets and future plans, including estates management will continue to be reviewed to monitor use of reserves.

The restricted funds of £15,840,973 (2019: £17,997,877) include the year end pension liability of £9,347,000 (2019: £7,431,000) and restricted fixed asset funds of £25,056,293 (2019: £25,400,029). It is the opinion of the trustees that the pension liability will not fall due for payment in the foreseeable future.

Whilst the Trust holds reserves of £22,065,114 (2019: £23,840,048) an income stream will continue to be required in order, to enable the Trust to function.

Investment Policy

The Trust manages its cash by reviewing the short and medium-term requirements for funds. Surplus funds are invested in very low risk short and long-term deposit accounts with its main bankers (Lloyds Bank PLC), giving an acceptable rate of return, whilst exposing the Trust to minimal risk for the period of time the funds are to be invested.

The Trust does not have an Endowment Fund.

Principal Risks and Uncertainties

The main risks to the Trust can be summarised as follows:

Health and safety – the COVID-19 pandemic poses significant risks to the health, safety and welfare of both staff and students. The Trust has consistently worked to Government and public health protocol in its response and risk assessments are in place in respect of a number of operational areas and staff/pupil groupings.

Safeguarding and child protection – the trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety, and discipline.

Financial – The Trust has considerable reliance on continued Government Funding through the ESFA. The Trust is wholly dependent on its good reputation to maintain student numbers and thereby determine its income levels. The Trust has little or no discretion on the key costs of pension contributions, national pay awards and NI.

Schools within the Trust continue to provide excellent provision and support for students with special needs, despite the significant funding shortfall. There is great uncertainty over levels of funding from North Yorkshire County Council. The Trust will continue to pressure the authority for the necessary funding

Numbers on roll - Potential falling pupil roll, particularly in the Sixth Form at St. Aidan's. The school is constantly monitoring the decisions from the DfE with regard to the future of Sixth Form funding, which now decreases per student head, year on year. The fall in funding could impact on the future level of reserves being carried forward.

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

Reputational – the continuing success of the Trust is dependent on maintaining not only excellent pastoral support, but also highly regarded educational standards. To mitigate this risk, trustees ensure that assessment data is closely monitored and reviewed.

Staffing – the success of the Trust is reliant upon the quality of its staff. The trustees ensure staff have access to continued professional development through the Teaching School, network groups and other training opportunities.

Trust expansion – the Trust holds sponsor status in respect of working with schools that have significant challenges. It has been matched with Skipton Parish CE Primary School which is expected to complete conversion in 2020-21. Due diligence and pre-conversion engagement work continues alongside seeking to secure a local partnership of YCST schools in the Craven area.

Trust estate – schools within the Trust occupy building of a range of ages and conditions. In some instances significant investment may be required to ensure they continue to provide good teaching and learning environments and to meet ongoing health and safety requirements.

The trustees examine the financial health of the Trust formally throughout the year. They review performance against budgets and overall expenditure through the management accounts and reports from the Audit Committee. Cash flow forecasts are regularly reviewed to ensure sufficient funds are held to cover a contingency and all known and anticipated commitments.

The trustees have assessed the major risks to which the Trust is exposed, in particular relating to its finances, teaching, facilities and other operational areas. Internal controls are in place to minimise these risks and where significant financial risk still remains, the trustees have purchased adequate insurance cover from Zurich Municipal.

The Board recognises that the defined benefit pension scheme (Local Government Pension Scheme), which is set out in Note 25 to the financial statements, represents a significant potential liability. However, as the trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Fundraising

The Trust does not use any professional fundraiser or commercial participator to carry out activities on the Trust's behalf. Due to the low level of fundraising the Trust undertakes, the Trust is not a participator of any voluntary scheme for regulating fundraising, or any voluntary standard of fundraising for the activities carried out on behalf of the Trust.

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	
Energy consumption used to calculate emissions (kWh)	3,573,576
Energy consumption breakdown (kWh)	
<ul style="list-style-type: none"> Gas Electricity Transport fuel 	2,566,633 1,028,917 8,026
<u>Scope 1 Emissions in Metric Tonnes CO2e</u>	
Gas Consumption	466.41
Owned Transport – mini-buses	1.52
<u>Total Scope 1:</u>	467.93
<u>Scope 2 Emissions in metric Tonnes CO2e</u>	
Purchased electricity	239.88
<u>Scope 3 Emissions in Metric Tonnes CO2e</u>	
Business Travel in employee owned vehicles	1.63
Total Gross emissions in metric tonnes CO2e	709.44
<u>Intensity Ratio</u>	
Tonnes CO2e per pupil	0.20

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting protocol – Corporate Standard and have used the 2020 UK Government's conversion factors for Company Reporting.

Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for this sector.

Measures taken to improve energy efficiency

Installation of solar panels, replacement of inefficient boilers. Replacement of lightbulbs with more energy efficient LED bulbs.

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

Plans for future periods

The educational progress and wellbeing of all pupils in the Trust remains a key priority. The Trust aims to raise attainment across all key stages through the provision of high quality teaching and strong leadership.

Following events since spring 2020 relating to the COVID-19 pandemic, schools will have a focus on returning to delivery of the full curriculum by summer 2021, as required. This will include the use of national catch-up grant funding to support disadvantaged pupils.

The Trust has been formally matched with Skipton Parish CE Primary School as its sponsor. The Trust and school began working together with an action plan and timetable for support through the period leading to conversion. This work was put on hold when schools closed to the majority of pupils in March 2020. The Trust will continue to work with the school as it moves closer to conversion which is expected to take place in 2020-21.

The Trust is working towards, once again, regularly updating its Capacity and Need document, to identify the capacity of schools within the Trust to offer support to one another. Trust-wide CPD and training opportunities will be developed and a list of 'preferred partners' will be compiled in order to ensure that schools are benefitting from high quality and professional training delivery.

The Trust continues to receive a number of approaches from schools wishing to join the Trust. Where they fit with the strategic direction and are acceptable on initial due diligence, these approaches are subject to rigorous due diligence before any decisions are made. It continues to be the intention of the Trust that a 'hub' of Trust schools will be developed in the Craven area, which will replicate the arrangements currently in place for the Harrogate hub of Trust schools. Discussions are ongoing with a number of primary schools in the Craven area with this in mind.

The Trust continues to review and update its reporting mechanisms in order to ensure that as the organisation grows, the board is provided with the information it needs to fulfil its responsibilities. A Trust school dashboard is being developed and resource is being invested into the further development of comprehensive and robust compliance controls as part of the Trust's overall risk management. The Trust has purchased a subscription to Fischer Family Trust in order to ensure that Trust-wide analysis of data can take place. School condition surveys are being undertaken at all Trust sites in order to provide trustees with assurance that its estate is being managed effectively and that there is the appropriate governance, finance and resource in place in order for this to be the case.

The Trust continue to provide bursaries from the 16-19 bursary fund, Richard Taylor Educational Trust, the St Aidan's Pupil Support Fund and other sources outlined in the Trust's Charging and Remissions policy to ensure that no student is disadvantaged by family circumstances from participation in school trips.

Funds held as Custodian Trustee on behalf of others

No funds are being held as Custodian Trustee on behalf of others.

Yorkshire Causeway Schools Trust

TRUSTEES' REPORT

Auditor

Insofar as the trustees are aware:

- there is no relevant information of which the charitable company's auditor is unaware
- the trustees have taken all steps 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.

Sagars Accountants Limited have expressed their willingness to remain in office.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees as the company trustees, on 1 December 2020 and signed on the board's behalf by:



Mrs Alison Glover
Chair of Trustees

1 December 2020

Yorkshire Causeway Schools Trust

GOVERNANCE STATEMENT

Scope of Responsibility

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

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The **board of trustees** has formally met seven times during the year. Attendance during the year of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Christopher Burt (Executive Leader)	6	7
Mrs Alison Glover (Chair)	7	7
Mr Andrew Marson (Vice Chair)	7	7
Mr John Bushell	7	7
Mr David Fisher	2	7
Mr Terence Harrison	7	7
Mr Philip Titchmarsh	3	7
Mr Martin Wicks	6	7
Mr Steven Scarisbrick	5	7
Mr Andrew Symonds	6	7
Ms Claire Kelley	5	7
Also attended:		
Mrs Jane Goodwin (Chief Operating Officer)	6	7

The board has established the following sub-committees to support its work and provide strategic direction and accountability:

Audit, Finance and Risk Management (4 meetings a year) Executive Leader, 3 Trustees and 1 Non-Trustee.

Strategic Estates (3 meetings a year) Executive Leader, 2 Trustees and 1 Non-Trustee

Data, Progress and Performance (3 meetings a year) Executive Leader, 3 Trustees, 2 Non-Trustees

The **Audit, Finance and Risk Management committee** is a sub-committee of the Board of trustees and consists of trustees and governors from the LGBs. The Chief Financial Officer also attends the meetings. Its main purpose is to help promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of those funds. Its purpose is also to review the effectiveness of the Trust's internal control system to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally sensitive manner.

The committee receives the termly risk reports from the academies and reviews the Trust's management of its risks.

Yorkshire Causeway Schools Trust

GOVERNANCE STATEMENT

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Christopher Burt (Executive Leader)	3	4
John Bushell	2	4
Mr David Fisher	3	4
Mrs Alison Glover	4	4
LGB Governors		
Mr Graham Wild (chair)	4	4
Also attended:		
Mrs Clare Dowson (Chief Financial Officer)	4	4
Mrs Jane Goodwin (Chief Operating Officer)	4	4

Review of Value for Money

As Accounting Officer, the Executive Leader 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 Trustees 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:

- Negotiating advantageous terms with our insurers to significantly reduce costs compared to the prior year.
- Using natural attrition opportunities where there have arisen, and in particular during the period where schools were partially closed.
- Reviewing our premises management and employing a caretaker and redeploying premises staff across the Trust as a cost-effective alternative to the commercial premises management scheme.

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 the Trust for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees 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 Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

Yorkshire Causeway Schools Trust

GOVERNANCE STATEMENT

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:

- comprehensive budgeting and monitoring systems with an annual budget and quarterly financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes 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 scheduled visit from our internal auditors (RSM Risk Assurance Services LLP), which was due to take place early July 2020, was deferred as a result of Covid 19. However, in making this decision the board had reviewed the internal controls, along with the new working arrangements as a result of the pandemic and considered that at the current time a deferral of planned visit was in the best interest of the Trust and its schools.

The internal audit checks in the prior year focussed on the Trust's management of risk across its academies and strategically at Trust level.

The scope of that audit was to ensure the Trust has an appropriate framework in place to provide assurance to the Board that all risks have been identified along with the assurances on the effectiveness of those controls, designed to mitigate principal risks that threaten the achievement of the Trust's strategic objectives.

The Trust has subscribed to a compliance software package, Every, in order to further develop its assurance in respect of statutory and policy compliance. Roll-out will begin in the 20-21 academic year.

Review of Effectiveness

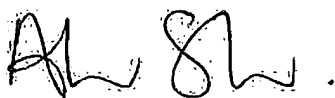
As Accounting Officer, the Executive Leader has responsibility for reviewing the effectiveness of the systems of internal control. During the year in question the review has been informed by:

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

The Accounting Officer has been advised of the implication of the result of their review of the system of internal control and a plan to address weaknesses should any arise and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 1 December 2020 and signed on its behalf by:

Signed



Mrs Alison Glover
Chair of Trustees

Signed



Mr Christopher Burt
Accounting Officer

Yorkshire Causeway Schools Trust

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Yorkshire Causeway Schools Trust, I have considered my responsibility to notify the Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the 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 Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 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 Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:

- No internal audit has been undertaken in the year to 31 August 2020
- Seven related party transactions were not notified to ESFA prior to the transaction taking place and a register of interests was not in place for three of these transactions

Signed



Mr Christopher Burt
Accounting Officer

1 December 2020

Yorkshire Causeway Schools Trust

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustees (who act as governors of Yorkshire Causeway Schools Trust and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Requirements issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that year. In preparing these financial statements, the Trustees 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 2019 to 2020;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by order of the Board of Trustees on 1 December 2020 and signed on its behalf by:

Signed



Mrs Alison Glover
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORKSHIRE CAUSEWAY SCHOOLS TRUST FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the financial statements of Yorkshire Causeway Schools Trust (the 'academy trust') for the year ended 31 August 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORKSHIRE CAUSEWAY SCHOOLS TRUST FOR THE YEAR ENDED 31 AUGUST 2020

Opinion on other matter 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' remuneration specified by law are not made; or
- – we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORKSHIRE CAUSEWAY SCHOOLS TRUST FOR THE YEAR ENDED 31 AUGUST 2020

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



Digitally signed by Susan Seaman
DN: cn=Susan Seaman, o=Sagars
Accountants Ltd, ou,
email=s.seaman@sagars.co.uk,
c=GB
Date: 2020.12.03 16:58:06 Z

Susan Seaman BA, FCA, CIOT (Senior Statutory Auditor)
For and behalf of
SAGARS ACCOUNTANTS LIMITED
Chartered Accountants and Statutory Auditor
Gresham House
5-7 St Paul's Street
Leeds
LS1 2 JG

1 December 2020

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO YORKSHIRE CAUSEWAY SCHOOLS TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 23 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Yorkshire Causeway Schools Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Yorkshire Causeway Schools Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Yorkshire Causeway Schools Trust's funding agreement with the Secretary of State for Education dated August 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

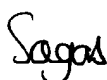
- Review of the systems and assessment of the design and operational effectiveness of the internal controls
- Detailed testing based on our assessment of risk of income and expenditure
- Making appropriate enquires of the Accounting Officer

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO YORKSHIRE CAUSEWAY SCHOOLS TRUST AND THE EDUCATION FUNDING AGENCY

Conclusion

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

- No internal audit has been undertaken in the year to 31 August 2020
- Seven related party transactions were not notified to ESFA prior to the transaction taking place and a register of interests was not in place for three of these transactions



Digitally signed by Susan Seaman
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Accountants Ltd, ou,
email=s.seaman@sagars.co.uk,
c=GB
Date: 2020.12.03 16:59:52 Z

Reporting Accountant

SAGARS ACCOUNTANTS LIMITED
Chartered Accountants & Statutory Auditor

Gresham House
5-7 St Paul's Street
Leeds
LS1 2 JG

1 December 2020

Yorkshire Causeway Schools Trust
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING THE INCOME AND
EXPENDITURE ACCOUNT)
for the year ended 31 August 2020

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2020 £	Total 2019 £
INCOME FROM:						
Donations and capital grants	2	93,709	117,085	922,186	1,132,980	1,246,553
Transfers on Conversion						
Charitable activities:						
Funding for the academy trust's educational operations	3	979,143	17,171,754		18,150,897	17,663,538
Teaching school	28	60	225,161		225,221	223,920
Other trading activities	4	495,999	14,783		510,782	551,749
Investments	5	32,291			32,291	24,867
Total		1,601,202	17,528,783	922,186	20,052,171	19,710,627
EXPENDITURE ON:						
Charitable activities:						
Academy trust educational Operations	6.7	1,240,502	18,077,149	1,185,121	20,502,772	20,488,971
Teaching school	28	759	171,604		172,363	221,586
Total		1,241,261	18,248,753	1,185,121	20,675,135	20,710,557
NET INCOME/(EXPENDITURE)		359,941	(719,970)	(262,935)	(622,964)	(999,930)
Gross transfers between funds			69,280	(69,280)		
NET INCOME/(EXPENDITURE)		359,941	(650,690)	(332,215)	(622,964)	(999,930)
OTHER RECOGNISED GAINS AND LOSSES						
Actuarial (losses)/gains on defined benefit pension schemes	25		(1,174,000)		(1,174,000)	(1,887,000)
Gains on investments	14	22,030			22,030	21,563
NET MOVEMENT IN FUNDS		381,971	(1,824,690)	(332,215)	(1,774,934)	(2,865,367)
TOTAL FUNDS BROUGHT FORWARD		5,842,171	(7,402,152)	25,400,029	23,840,048	26,705,415
TOTAL FUNDS CARRIED FORWARD	18	6,224,142	(9,226,842)	25,067,814	22,065,114	23,840,048

All of the Trust's activities derive from continuing operations during the current period.

Yorkshire Causeway Schools Trust

BALANCE SHEET

31 August 2020

Company Registration No: 07663935

	Notes	2020 £	2019 £
FIXED ASSETS			
Intangible Assets	12	9,920	
Tangible assets	13	24,117,768	24,737,047
Investments	14	1	1
		<u>24,127,689</u>	<u>24,737,048</u>
CURRENT ASSETS			
Debtors	15	733,604	608,226
Investments	14	4,474,064	5,432,941
Cash at bank and in hand		3,700,544	2,036,951
		<u>8,908,212</u>	<u>8,078,118</u>
CREDITORS: Amounts falling due within one year	16	<u>(1,623,787)</u>	<u>(1,544,118)</u>
NET CURRENT ASSETS		<u>7,284,425</u>	<u>6,534,000</u>
NET ASSETS EXCLUDING PENSION LIABILITY		<u>31,412,114</u>	<u>31,271,048</u>
Defined benefit pension scheme liability	25	<u>(9,347,000)</u>	<u>(7,431,000)</u>
NET ASSETS		<u>22,065,114</u>	<u>23,840,048</u>
FUNDS OF THE TRUST:			
RESTRICTED FUNDS			
Fixed asset fund	18	25,067,814	25,400,029
Other restricted fund	18	120,158	28,848
		<u>25,187,972</u>	<u>25,428,877</u>
RESTRICTED FUNDS EXCLUDING PENSION RESERVE		<u>25,187,972</u>	<u>25,428,877</u>
Pension reserve	18	<u>(9,347,000)</u>	<u>(7,431,000)</u>
TOTAL RESTRICTED FUNDS		<u>15,840,972</u>	<u>17,997,877</u>
UNRESTRICTED INCOME FUNDS			
General fund	18	6,224,142	5,842,171
TOTAL UNRESTRICTED FUNDS		<u>6,224,142</u>	<u>5,842,171</u>
TOTAL FUNDS		<u>22,065,114</u>	<u>23,840,048</u>

The financial statements on pages 30 to 60 were approved by the Board of Trustees and authorised for issue on 1 December 2020, and are signed on their behalf by:



Mrs Alison Glover
Chair of Trustees

Yorkshire Causeway Schools Trust

STATEMENT OF CASH FLOWS

For the year ended 31 August 2020

	Notes	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	22	303,971	(206,412)
CASH FLOW FROM INVESTING ACTIVITIES			
Interest received		32,291	24,867
Capital grants from DfE/ESFA		922,186	801,179
Capital Funds from developers		-	207,748
(Increase)/decrease of current asset investments		980,907	(440,329)
Purchase of tangible fixed assets		(564,242)	(599,621)
Purchase of intangible fixed assets		(11,520)	-
		<u>1,359,622</u>	<u>(6,156)</u>
Net cash provided by / (used in) investing activities		1,359,622	(6,156)
NET INCREASE IN CASH AND CASH EQUIVALENTS IN THE YEAR		<u>1,663,593</u>	<u>(212,568)</u>
Cash and cash equivalents at beginning of the year		2,036,951	2,249,519
Cash and cash equivalents at end of the year	22	<u>3,700,544</u>	<u>2,036,951</u>

Yorkshire Causeway Schools Trust

ACCOUNTING POLICIES

For the year ended 31 August 2020

1 Accounting policies

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

General information

Yorkshire Causeway Schools Trust is a Charitable Company (the 'Academy Trust'). The address of the Trust's principal place of business is given on page 2. The nature of the Trust's operations is set out in the Trustees' Report.

Basis of Preparation

The financial statements of the Trust have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Academy Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently, in dealing with items which are considered material in relation to these financial statements, to all the years presented, unless otherwise stated.

The financial statements are presented in sterling which is also the functional currency of the Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1 except where otherwise indicated.

Consolidation

The Trustees consider that the results of its subsidiary undertaking St. Aidan's Education Services Limited are not material to the group. As a consequence, they have considered paragraph 24.12 of the SORP and taken advantage of the exemption provided by Section 405 of the Companies Act 2006 and have not prepared consolidated financial statements. The financial statements present the results of the parent charitable company only and do not show the results of the group. Details of the subsidiary are shown in note 14 to the financial statements.

Going Concern

The financial statements have been prepared on a going concern basis. Having carried out a detailed review of the Trust's resources and the challenges presented by the current economic climate, the Trustees are confident that the Trust has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

Income

All incoming resources are recognised when the Trust has entitlement to the funds, probability of receipt and the amount can be measured with sufficient reliability.

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.

Yorkshire Causeway Schools Trust

ACCOUNTING POLICIES

For the year ended 31 August 2020

Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

Capital grants are recognised when there is entitlement, when performance-related conditions have been met, and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship Income

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

Donations

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

Other Income

Other income, including hire of facilities, is recognised at fair value of the consideration received or receivable in the period it is receivable and to the extent the Trust has provided the goods or services.

Interest Receivable

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

Donated services and gifts in kind

Gifts in kind, being the gift of a fixed asset, are measured at fair value, unless it is impracticable to measure this reliably, in which case the cost of the item to the donor should be 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 Academy 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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on Raising Funds

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

Yorkshire Causeway Schools Trust

ACCOUNTING POLICIES

For the year ended 31 August 2020

- Charitable Activities

These are costs incurred on the Trust's educational operations to further its charitable aims for the benefit of its beneficiaries, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

Intangible Fixed Assets

Intangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Purchased computer software	Over 3 years expected useful life
-----------------------------	-----------------------------------

Tangible Fixed Assets

Tangible fixed assets costing £5,000 or more are capitalised at cost and are carried at cost net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs or repairs and maintenance are charged to the statement of financial activities as incurred.

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

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

Freehold buildings	Over 25 years expected useful life
Leasehold land	Over 125 year lease
Leasehold and other buildings	Over 25 years expected useful life
Leasehold improvements	Over 25 years expected useful life
Fixtures, fittings and equipment	25% straight line basis
ICT equipment	25% straight line basis
Motor vehicles	25% straight line basis

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

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.

Yorkshire Causeway Schools Trust

ACCOUNTING POLICIES

For the year ended 31 August 2020

Liabilities

Liabilities are recognised when there is an obligation at the reporting 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.

Provisions

Provisions are recognised when the Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at

The pre-tax discount rate that reflects the risk specific to the liability. The unwinding of the discount is recognised as a financing cost in the period it arises in the Statement of Financial Activities and is allocated to the appropriate expenditure heading.

Agency Arrangements

The Trust acts as an agent in the administering of 16-19 Bursary Funds from the ESFA. Related payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities to the extent that the Trust does not have a beneficial interest in the individual transactions. An allowance of 5% as a contribution to administration costs is however recognised in the Statement of Financial Activities. Where funds have not been fully applied in the year then an amount will be included as amounts due to the ESFA. The funds received and paid, and any balances held are disclosed in note 27.

Leased Assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

Investments

The Trust's shareholding in the wholly owned subsidiary, St Aidan's Education Services Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Current Asset Investments

The Trust places cash in short-term low risk deposit accounts in order to generate a return on assets held, they are included in the balance sheet at the valuation at the year-end date.

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:

Yorkshire Causeway Schools Trust

ACCOUNTING POLICIES

For the year ended 31 August 2020

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

Cash at bank

Is classified as a basic financial instrument and is measured at face value.

Financial liabilities

Trade creditors, accruals, and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

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

Pensions Benefits

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). Which are multi-employer defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately. 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 reporting date. The amounts charged to net income are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Unrealised gains

Unrealised gains are calculated by determining the accrued interest receivable at the balance sheet date.

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

Fund Accounting

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

Restricted fixed asset funds are resource 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.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

Critical areas of judgements

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment.

Defined benefit pension scheme

The company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend of a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate of corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 25 or the disclosures relating to the defined benefit pension scheme.

2 DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2020 £	Total 2019 £
DfE/ESFA capital grant for building	0	0	907,186	907,186	801,179
Section 106 funding from developers	0	0	0	0	207,748
Other donations	93,709	117,085	15,000	225,794	237,626
	<u>93,709</u>	<u>117,085</u>	<u>922,186</u>	<u>1,132,980</u>	<u>1,246,553</u>

The income from donations and capital grants in 2019 was £1,246,553 of which £111,384 was unrestricted, £126,242 was restricted and £1,008,927 was restricted fixed asset funds.

Yorkshire Causeway Schools Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020

3 FUNDING FOR TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
DfE/ESFA REVENUE GRANTS				
General annual grant (GAG)	=	14,694,568	14,694,568	14,063,002
Start-up/sponsorship Grant	=	110,000	110,000	=
Other DfE/ESFA grants	=	1,678,734	1,678,734	1,013,575
		<u>16,483,302</u>	<u>16,483,302</u>	<u>15,076,577</u>
OTHER GOVERNMENT GRANTS				
Local authority grants	=	39,209	39,209	23,692
Special educational projects	=	436,888	436,888	502,356
Other government grants	=	68,059	68,059	25,360
EXCEPTIONAL GOVERNMENT FUNDING				
Coronavirus Job Retention scheme Grant	=	120,345	120,345	=
Coronavirus Exceptional funding	=	23,951	23,951	=
		<u>688,452</u>	<u>688,452</u>	<u>551,408</u>
OTHER OPERATIONAL INCOME				
Trip income	=	213,211	213,211	898,123
Catering income	=	765,932	765,932	1,137,430
TOTAL	<u>979,143</u>	<u>17,171,754</u>	<u>18,150,897</u>	<u>17,663,538</u>

The income from educational operations in 2019 was £17,663,538 of which £2,035,553 was unrestricted and £15,627,985 was restricted general funds.

The Trust has been eligible to claim additional funding from government support schemes in response to the coronavirus outbreak. The funding received is shown above under 'exceptional government funding'.

The funding received for coronavirus exceptional support costs covers £23,951 of PPE, cleaning equipment and enhanced handwashing facilities. These costs are included in note 6 and 7 below.

The Trust Furloughed some of its' Catering and caretaking and extended school staff under the Governments CJRS. The funding received of £120,345 relates to staff costs in respect of 35 staff which are included in note 8 below.

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

4 OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Department income	37,745	-	37,745	45,538
Income from lettings	111,676	-	111,676	188,009
ITT income	12,960	-	12,960	22,952
School fund income	82,429	-	82,429	125,781
Ticket sales re productions	17,777	-	17,777	19,594
Other income	75,676	-	75,676	33,255
Exam income	8,355	-	8,355	7,786
Security cards	4,241	-	4,241	6,929
School Sports partnership	2,055	-	2,055	2,000
Recharges to St. John Fisher re sixth form	14,175	-	14,175	13,829
Other finance income	128,910	14,783	143,693	86,076
	<u>495,999</u>	<u>14,783</u>	<u>510,782</u>	<u>551,749</u>

Other trading activities income in 2019 was £551,749 of which all of the income was unrestricted funds.

5 INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Bank interest received	32,291	-	32,291	24,867
	<u>32,291</u>	<u>-</u>	<u>32,291</u>	<u>24,867</u>

Investment income in 2019 was £24,867 all of which was unrestricted.

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

6 EXPENDITURE

	Staff Costs	Non-pay expenditure		Total	Total
		Premises	Other Costs	2020	2019
	£	£	£	£	£
Trust's educational operations:					
Direct costs	13,181,203	-	979,655	14,160,858	14,019,749
Allocated support costs	2,791,615	2,144,227	1,406,072	6,341,914	6,469,222
Teaching School:					
Direct Costs	79,638	-	38,495	118,133	163,636
Allocated Support costs	50,600	-	3,630	54,230	57,950
	<u>16,103,056</u>	<u>2,144,227</u>	<u>2,427,852</u>	<u>20,675,135</u>	<u>20,710,557</u>

	Total	Total
	2020	2019
	£	£
Net income / (expenditure) for the year includes:		
Operating lease rentals	33,017	33,358
Depreciation	1,183,521	1,169,338
Amortisation of intangible fixed assets	1,600	-
Gain on disposal of fixed assets	-	120
Net interest on defined benefit pension scheme	133,000	125,000
Fees payable to Auditors for:		
Audit	14,400	13,450
Other services	1,030	1,850
	<u>1,365,568</u>	<u>1,342,766</u>

Yorkshire Causeway Schools Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020

7 CHARITABLE ACTIVITIES

	Total 2020 £	Total 2019 £
Direct costs – educational operations	14,278,991	14,183,385
Support costs – educational operations	6,396,144	6,527,172
	<u>20,675,135</u>	<u>20,710,557</u>

Analysis of support costs

	Total 2020 £	Total 2019 £
Support staff costs	2,244,628	2,174,750
Depreciation	1,185,121	1,169,338
Recruitment and support	19,034	23,835
Technology costs	171,903	127,280
Maintenance of premises and equipment	442,436	462,534
Cleaning	96,874	92,726
Rent and rates	120,326	120,282
Energy costs	228,203	236,752
Insurance	168,142	187,739
Legal Conversion	12,259	
Legal Other	3,683	2,195
Security and transport	37,773	52,258
Bank charges	64	269
Catering supplies & staff	1,058,531	1,213,336
Other support costs	378,205	438,232
Pension finance cost	133,000	125,000
Governance costs	95,962	99,813
	<u>6,396,144</u>	<u>6,527,172</u>

Expenditure on charitable activities during the year was £20,675,135 (2019: £20,710,557) of which £1,241,261 (2019: £2,704,682) was unrestricted, £1,185,121 (2019: 1,169,338) was restricted fixed asset funds and £18,248,754 (2019: £16,108,536) was restricted general funds.

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

8 STAFF NUMBERS AND COSTS

Staff costs

	2020	2019
	£	£
Staff costs during the year were:		
Wages and salaries	11,668,718	11,360,832
Social security costs	998,468	972,227
Pension costs	3,319,231	2,645,604
	<u>15,986,417</u>	<u>14,978,663</u>
Supply staff costs	73,700	49,180
Apprenticeship levy	42,939	41,332
Compensation payments		7,000
	<u>16,103,056</u>	<u>15,076,175</u>

Staff numbers

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

	2020	2019
	No	No
Teachers	210	198
Administration and support	308	278
Management	20	21
	<u>538</u>	<u>497</u>

The average number of persons employed by the Trust during the year expressed as full time equivalents was as follows:

	2020	2019
	No	No
Teachers	166	161
Administration and support	151	165
Management	20	19
	<u>337</u>	<u>345</u>

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

8 STAFF NUMBERS AND COSTS (*continued*)

Higher paid staff

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

		2020 No	2019 No
£60,001	£70,000	4	2
£70,001	£80,000	3	2
£80,001	£90,000	1	1
£100,001	£110,000	1	1
		<u>9</u>	<u>6</u>

Key Management Personnel Compensation

The key management personnel of the Trust comprise the trustees and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions and employer's national insurance) received by key management personnel for their services to the Trust was £752,657 (2019: £835,414).

9 CENTRAL SERVICES

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

- HR Services (North Yorkshire HR) and PAFA charges
- All audit and accountancy fees, including TPA, AAR, internal and regulatory audits
- All IT support and Software Licences
- Training
- Broadband
- Insurance
- Venue for appeals, Board and training events
- Chief Financial Officer and Trust Accountant
- Trust Administrator
- Chief Operating Officer
- Compliance and Resources officer
- Executive Leader

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

9 CENTRAL SERVICES (continued)

The trust charges for these services are on the following basis:

- £4,500 lump sum plus 3.5% of GAG income

The actual amounts charged during the year were as follows:

	2020	2019
St Aidan's C of E High School	320,532	219,417
Richard Taylor Primary School	38,880	27,569
St Peter's C of E Primary School	39,396	27,358
Pannal Primary School	58,152	39,308
Oatlands Infant School	33,948	24,203
Hampsthwaite C of E Primary School	21,780	14,805
North Rigton C of E Primary School	19,452	13,653
All Saints Primary School	17,532	12,841
	<u>549,672</u>	<u>379,154</u>

10 TRUSTEES' REMUNERATION AND EXPENSES

Headteachers and staff governors only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff and not in respect of their services as governors or Trustees. Other trustees did not receive any payments, other than expenses, from the Trust in respect of their role as trustees. The value of trustees' remuneration during the year ended 31 August 2020 was as follows:

Mr C Burt, a Headteacher, received remuneration of £100,000-£105,000 (2019: nil), and pension contributions paid by the Trust in the year of £15,000-£20,000 (2019: nil).

Mr A Symonds, a Headteacher, received remuneration £70,000-£75,000 (2019: £70,000-£75,000), and pension contributions paid by the Trust in the year of £10,000-£15,000 (2019: £10,000-£15,000).

Related party transactions involving the trustees are set out in note 26.

During the year ended 31 August 2020, expenses totalling £88 were reimbursed to two trustees. (2019: £835 to two trustees).

11 TRUSTEES' AND OFFICERS' INDEMNITY INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect trustees and officers from claims arising from negligence acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2020 was £1,322 (2019: £3,218). The cost of this insurance is included in the total insurance cost.

Yorkshire Causeway Schools Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020

12 INTANGIBLE FIXED ASSETS

	Computer software	TOTAL
Cost	£	£
1 September 2019		
Additions	11,520	11,520
31 August 2020	11,520	11,520
Amortisation 1 September 2019		
Charged in the year	1,600	1,600
31 August 2020	1,600	1,600
Net Book Value 31 August 2020	9,920	9,920
Net Book Value 31 August 2019		

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

13 TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Freehold Land and Buildings £	Leasehold Improve- ments £	Fixtures fittings and equipment £	Motor vehicles £	ICT equipment £	Assets under construction £	Total £
Cost								
1 September 2019	25,642,184	1,495,202	2,645,128	558,609	56,492	570,094	244,014	31,211,723
Additions	-	-	230,821	85,127	-	29,915	218,379	564,242
Disposals	-	-	-	-	-	-	-	-
Transfers	-	-	219,310	-	-	-	(219,310)	-
31 August 2020	25,642,184	1,495,202	3,095,259	643,736	56,492	600,009	243,083	31,775,965
Depreciation								
1 September 2019	5,059,773	67,419	482,514	440,488	37,539	386,943	-	6,474,676
Charged in the year	851,581	57,696	117,353	74,736	6,689	75,466	-	1,183,521
Disposals	-	-	-	-	-	-	-	-
31 August 2020	5,911,354	125,115	599,867	515,224	44,228	462,409	-	7,658,197
Net book value								
31 August 2020	19,730,830	1,370,087	2,495,392	128,512	12,264	137,600	243,083	24,117,768
Net book value								
31 August 2019	20,582,411	1,427,783	2,162,614	118,121	18,953	183,151	244,014	24,737,047

Where the land and buildings at St. Aidan's Church of England High School, St. Peter's Church of England Primary School, Hampsthwaite Church of England Primary School and North Rigion Church of England Primary School are operated from is owned by the Diocesan Board of Finance, Diocese of Leeds.

The occupancy is made available to use under the terms of supplemental agreements. This makes the land available under a perpetual licence of £nil cost, which can be terminated upon the provision of two years notice.

Where the land and buildings at Richard Taylor School are operated from are owned by the Richard Taylor Educational Foundation. The occupancy is made available to use under the terms of a supplemental agreement. This makes the land available under a perpetual licence of £nil cost, which can be terminated upon the provision of two years notice.

The substance of these arrangements is such that Yorkshire Causeway Schools Trust is able to obtain future economic benefit from use of the assets. The land and buildings are therefore recognised in the balance sheet at fair value at the time of conversion and depreciated over their useful lives.

The Freehold relating to the Land and Buildings at All Saints Church of England School is held by the Trust and is to be used for educational purposes only. Additionally, a separate area of leasehold land relating to the playing fields at All Saints Church of England School has been made available to the Trust over a term of 125 years at a peppercorn rent and has been recognised in the balance sheet at fair value at the time of conversion and depreciated over its useful live.

The Trust's interest in land and buildings include the taking up of the leasehold on the land and buildings at Pannal Primary School and Oatlands Infant School over a term of 125 years at a peppercorn rent.

Yorkshire Causeway Schools Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020

14 INVESTMENTS

	2020 £	2019 £
Investment in subsidiary undertaking	1	1
	<u>1</u>	<u>1</u>

The investment represents a 100% holding in the issued share capital of St. Aidan's Education Services Limited, a company registered in England and Wales. The principal activity is the provision of educational support services.

The capital and reserves of St. Aidan's Education Services Limited at 31 August 2020 amounted to £458 (2019: £458). St. Aidan's Education Services Limited gift aids all profits to the Trust. For the year ended 31 August 2020 the entity made a profit amounting to £nil (2019: £nil). The company is dormant and will not be trading for the foreseeable future.

Current Assets Investments

Included in current asset investments is £4,474,064 (2019: £5,432,941) relating to short term deposits. During the year there were unrealised gains of £22,030 (2019: £21,563).

15 DEBTORS

	2020 £	2019 £
Trade debtors	46,435	43,901
VAT recoverable	68,560	76,337
Prepayments and accrued income	560,555	485,929
Other debtors	58,054	2,059
	<u>733,604</u>	<u>608,226</u>

16 CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	482,139	370,911
Other taxation and social security costs	237,158	237,686
Other creditors	402,586	352,724
Accruals and deferred income	501,904	582,797
	<u>1,623,787</u>	<u>1,544,118</u>
Deferred income at brought forward	351,994	371,427
Resources deferred in the year	263,126	351,994
Released in the year	(351,994)	(371,427)
Deferred income at carried forward	<u>263,126</u>	<u>351,994</u>

Deferred income is in respect of rates relief of £39,521 (2019: £38,818), universal free school meals funding of £192,536 (2019: £186,985), amounts relating to academy trips of £nil (2019: £108,734), catering income of £2,437 (2019: £ nil), YTSA membership income of £13,500 (2019: £14,750) other grant income of £nil (2019: £750), £5,139 of early years funding (2019: £1,957) and £9,992 (2019: £ nil) in respect of school fund income.

Yorkshire Causeway Schools Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020

17 FINANCIAL INSTRUMENTS

The Trust has the following financial instruments:

	2020	2019
	£	£
<i>Financial assets</i>		
Debt instruments measured at amortised cost	404,105	198,460
<i>Financial liabilities</i>		
Financial liabilities measured at amortised cost	1,123,504	954,438

18 FUNDS

	At 1 September 2019	Incoming Resources	Resources Expended	Gains, Losses and Transfers	At 31 August 2020
	£	£	£	£	£
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)		14,694,568	(14,763,848)	69,280	
Sponsorship Grant		110,000	(45,973)		64,027
Pension reserve	(7,431,000)		(742,000)	(1,174,000)	(9,347,000)
Pupil Premium		312,053	(312,053)		
Other DfE/ESFA grants		1,615,011	(1,615,011)		
Sport England Fund	5,360	44,890	(23,279)		26,971
Headley Fund	23,488	56,000	(50,328)		29,160
Local Authority grants		39,209	(39,209)		
SEN from Local Authority		436,888	(436,888)		
Coronavirus Job Retention Scheme Grant		120,345	(120,345)		
Coronavirus Exceptional Support		23,951	(23,951)		
Other income		75,868	(75,868)		
	<u>(7,402,152)</u>	<u>17,528,783</u>	<u>(18,248,753)</u>	<u>(1,104,720)</u>	<u>(9,226,842)</u>
RESTRICTED FIXED ASSET FUNDS					
DfE/ESFA capital grants	1,850,924	907,186	(189,312)	(69,280)	2,499,518
Other capital grants	97,691		(4,787)		92,904
Capital expenditure from GAG	1,457,560		(71,421)		1,386,139
Transfer of assets on conversion	21,786,106		(909,278)		20,876,828
Capital donations		15,000			15,000
Section 106 Funding	207,748		(10,323)		197,425
	<u>25,400,029</u>	<u>922,186</u>	<u>(1,185,121)</u>	<u>(69,280)</u>	<u>25,067,814</u>
TOTAL RESTRICTED FUNDS	<u>17,997,877</u>	<u>18,450,969</u>	<u>(19,433,874)</u>	<u>(1,174,000)</u>	<u>15,840,972</u>
UNRESTRICTED FUNDS					
Unrestricted funds	5,842,171	1,601,202	(1,241,261)	22,030	6,224,142
TOTAL UNRESTRICTED FUNDS	<u>5,842,171</u>	<u>1,601,202</u>	<u>(1,241,261)</u>	<u>22,030</u>	<u>6,224,142</u>
TOTAL FUNDS	<u>23,840,048</u>	<u>20,052,171</u>	<u>(20,675,135)</u>	<u>(1,151,970)</u>	<u>22,065,114</u>

Yorkshire Causeway Schools Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020

18 FUNDS (*continued*)

FUNDS – PRIOR YEAR	At 1 September 2018	Incoming Resources	Resources Expended	Gains, Losses and Transfers	At 31 August 2019
	£	£	£	£	£
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	-	14,063,002	(14,211,525)	148,523	-
Pension reserve	(4,816,000)	-	(728,000)	(1,887,000)	(7,431,000)
Pupil Premium	-	310,575	(310,575)	-	-
Other DfE/ESFA grants	-	926,720	(926,720)	-	-
Sport England Fund	-	25,360	(20,000)	-	5,360
Headley Fund	-	56,000	(32,512)	-	23,488
Local Authority grants	-	23,693	(23,693)	-	-
SEN from local Authority	-	502,356	(502,356)	-	-
Transfer on conversion	10,914	-	(10,914)	-	-
Other income	-	70,241	(70,241)	-	-
	<u>(4,805,086)</u>	<u>15,977,947</u>	<u>(16,836,536)</u>	<u>(1,738,477)</u>	<u>(7,402,152)</u>
RESTRICTED FIXED ASSET FUNDS					
DfE/ESFA capital grants	1,367,580	801,179	(169,312)	(148,523)	1,850,924
Other capital grants	103,396	-	(5,705)	-	97,691
Capital expenditure from GAG	1,542,674	-	(85,114)	-	1,457,560
Transfer of assets on conversion	21,209,834	-	(909,055)	-	20,300,779
Transfer of freehold assets on conversion	1,485,479	-	(152)	-	1,485,327
Section 106 funding	-	207,748	-	-	207,748
	<u>25,708,963</u>	<u>1,008,927</u>	<u>(1,169,338)</u>	<u>(148,523)</u>	<u>25,400,029</u>
TOTAL RESTRICTED FUNDS	<u>20,903,877</u>	<u>16,986,874</u>	<u>(18,005,874)</u>	<u>(1,887,000)</u>	<u>17,997,877</u>
UNRESTRICTED FUNDS					
Unrestricted funds	5,801,538	2,723,753	(2,704,683)	21,563	5,842,171
TOTAL UNRESTRICTED FUNDS	<u>5,801,538</u>	<u>2,723,753</u>	<u>(2,704,683)</u>	<u>21,563</u>	<u>5,842,171</u>
TOTAL FUNDS	<u>26,705,415</u>	<u>19,710,627</u>	<u>(20,710,557)</u>	<u>(1,865,437)</u>	<u>23,840,048</u>

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

Restricted General funds have been spent in line with the terms of the Master Funding Agreement and in line with the restrictions specified in the individual grants. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the GAG that it could carry forward at 31 August 2020.

Included in the Restricted General fund is the Headley fund. This is a programme set up to significantly improve the attainment of aspirational children at St Aidan's some of whom may suffer from disadvantage in aspects of their lives. This programme has been made possible due to the generous voluntary donation received by the Trust from Mr & Mrs Headley. Under the terms of the programme unspent funds can be carried over to future periods for a period of 3 years.

Funds from Sport England are for the enhancement of sport within St Aidan's the unspent amount carried forward at 31 August 2020 will be spent in the next academic year.

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

18 FUNDS (continued)

The sponsorship grant relates to the Sponsorship of Skipton Parish School, conversion is expected to happen in the next academic year. Much of the activity that the sponsorship grant was to cover has been delayed by the pandemic, the unspent amount will be spent in the next academic year.

Restricted Fixed Asset funds are used solely for capital purchases in line with the strategic objectives of Yorkshire Causeway Schools Trust. The Freehold assets transferred on conversion are to be held by the Trust and can only be used for Educational purposes.

A total of £69,280 (2019: £148,523) has been transferred to restricted funds from restricted fixed asset funds for purchase of uncapped work from capital funds.

ANALYSIS OF ACADEMIES BY FUND BALANCE	2020 £	2019 Restated £
Fund balances at 31 August 2020 were allocated as follows:		
St. Aidan's Church of England High School	4,904,841	4,824,669
Teaching School	57,443	4,585
Richard Taylor Church of England Primary School	259,148	253,155
St. Peter's Church of England Primary School	332,191	232,906
Pannal Primary School	144,666	125,021
Oatlands Infant School	247,678	193,273
Hampsthwaite Church of England Primary School	98,588	87,244
Centralised services	127,573	19,379
North Rigton Church of England Primary School	73,804	48,580
All Saints Church of England Primary School	98,368	82,207
	<u>6,344,300</u>	<u>5,871,019</u>
Restricted Fixed Asset Fund	25,067,814	25,400,029
Pension Reserve	(9,347,000)	(7,431,000)
	<u>22,065,114</u>	<u>23,840,048</u>

The prior year comparatives have been restated with the prior year restricted general funds of £28,848 being allocated to St Aidan's Church of England High School.

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

18 Funds (continued)

TOTAL COST ANALYSIS BY ACADEMY

	Teaching and Education Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2020 £	Total 2019 £
St. Aidan's Church of England High School	7,923,368	1,383,897	181,810	2,565,508	12,054,583	12,211,313
Richard Taylor Church of England Primary School	971,748	143,026	11,229	208,569	1,334,572	1,362,091
St. Peter's Church of England Primary School	879,006	94,737	17,349	286,561	1,277,653	1,276,639
Pannal Primary School	1,472,155	160,374	33,234	380,074	2,045,837	1,938,749
Oatlands Infant School	723,925	87,608	19,264	239,789	1,070,586	1,130,691
Hampsthwaite Church of England Primary School	476,704	73,595	16,756	171,170	738,225	706,926
North Rigton Church of England Primary School	323,656	46,993	10,916	148,389	529,954	499,731
All Saints Church of England Primary School	320,795	46,797	12,449	124,716	504,757	501,674
Centralised services	169,485	207,601	(5,983)	(437,256)	(66,153)	(86,596)
	13,260,842	2,244,628	297,024	3,687,520	19,490,014	19,541,219

Yorkshire Causeway Schools Trust
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Fund £	Total 2020 £
Tangible fixed assets	-	-	24,117,768	24,117,768
Intangible fixed assets	-	-	9,920	9,920
Investments	-	-	1	1
Current assets	7,847,932	120,158	940,125	8,908,212
Current liabilities	(1,623,787)	-	-	(1,623,787)
Pension scheme liability	-	(9,347,000)	-	(9,347,000)
	<u>6,224,145</u>	<u>(9,226,842)</u>	<u>25,067,814</u>	<u>22,065,114</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2019 £
Tangible fixed assets	-	-	24,737,047	24,737,047
Investments	-	-	1	1
Current assets	7,386,289	28,848	662,981	8,078,118
Current liabilities	(1,544,118)	-	-	(1,544,118)
Pension scheme liability	-	(7,431,000)	-	(7,431,000)
	<u>5,842,171</u>	<u>(7,402,152)</u>	<u>25,400,029</u>	<u>23,840,048</u>

20 CAPITAL COMMITMENTS

	2020 £	2019 £
Contracted for but not provided in the financial statements	83,622	205,489
	<u>83,622</u>	<u>205,489</u>

21 COMMITMENTS UNDER OPERATING LEASES

OPERATING LEASES

At 31 August the Trust had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Other:		
Expiring within one year	30,402	31,316
Expiring within two and five years inclusive	12,490	12,146
	<u>42,892</u>	<u>43,462</u>

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

22	RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2020	2019
		£	£
	Net income for the reporting period	(622,963)	(999,930)
	Net gain on transfer on conversion of schools joining		
	Amortisation (Note 12)	1,600	
	Depreciation (Note 13)	1,183,521	1,169,338
	Investment income	(32,291)	(24,867)
	Capital grants from DfE and other capital income	(922,186)	(1,008,927)
	Defined benefit pension scheme obligation inherited (Note 25)		
	Defined benefit pension scheme cost less contributions payable (Note 25)	609,000	603,000
	Defined benefit pension scheme finance cost (Note 25)	133,000	125,000
		<u>349,681</u>	<u>(136,386)</u>
	(Increase)/decrease in debtors	(125,377)	93,942
	Increase/(decrease) in creditors	79,668	(163,968)
	NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>303,972</u>	<u>(206,412)</u>
	Cash and cash equivalents represent:		
	Cash in hand and at bank	<u>3,700,544</u>	<u>2,036,951</u>

23 CONTINGENT LIABILITIES

On 26 October 2018 the High Court ruled that equalisation for the effect of unequal Guaranteed Minimum Pensions (GMPs) is required. The ruling confirmed that trustees have a duty to "equalise benefits for men and women so as to alter the result which is at present produced in relation to GMPs". According to HM Treasury, any impact of GMPs is unlikely to be material to the pension valuation and therefore no allowance for GMP equalisation has been made in the FRS 102 LGPS pension liability for this year. Full GMP indexation will applied to the LGPS pension liability once changes to LGPS have been formally announced.

24 MEMBERS' LIABILITY

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

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

25 PENSION AND SIMILAR OBLIGATIONS

The 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 North Yorkshire Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS was 31 March 2016 and of the LGPS 31 March 2016.

Contributions amounting to £211,959 (2019: £164,081) were payable to the Teachers' Pension Scheme at 31 August 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' Pensions Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although members can opt out.

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

Valuation of the Teachers' Pensions Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The Current SCAPE rate is 2.4% above the rate of CPI. Assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earning growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45 %

The pension costs paid to TPS in the year amounted to £1,837,139 (2019: £1,236,547).
A copy of the valuation report and supporting documentation is on the Teachers' Pension website.

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

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

25 PENSION AND SIMILAR OBLIGATIONS (*continued*)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,057,000 (2019: £939,000) of which employer's contributions totalled £854,000 (2019: £744,000) and employees' contribution totalled £203,000 (2019: £195,000). The agreed rates for future years are 19.2% for employers and 5.5% to 12.5% for employees.

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

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 August 2020 by a qualified independent actuary.

	2020	2019
Rate of increase in salaries	3.55%	3.35%
Rate of increase for pensions in payment	2.30%	2.10%
Discount rate for scheme liabilities	1.70%	1.90%
Inflation assumption (CPI)	2.30%	2.10%

The assumed life expectations on retirement age 65 are:

	2020 Years	2019 Years
<i>Retiring today</i>		
Males	21.8	21.9
Females	23.9	25.1
<i>Retiring in 20 years</i>		
Males	23.5	23.6
Females	25.7	26.9

Sensitivity Analysis	2020 £000	2019 £000
Discount rate +0.1%	17,901	14,204
Discount rate -0.1%	18,725	14,282
Mortality assumption – 1 year increase	17,645	14,029
Mortality assumption – 1 year decrease	18,981	15,004
CPI rate +0.1%	18,359	14,620
CPI rate -0.1%	18,249	14,407

Yorkshire Causeway Schools Trust
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

25 PENSION AND SIMILAR OBLIGATIONS (continued)

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

	Fair value of assets	
	2020	2019
	£	£
Equity instruments	5,304,000	4,100,000
Government bonds	1,791,000	1,374,000
Property	591,000	538,000
Cash	322,000	326,000
Other	949,000	744,000
TOTAL FAIR VALUE OF ASSETS	8,957,000	7,082,000

The actual return on scheme assets was £911,000 (2019: £362,000).

<u>Amounts recognised in the statement of financial activities</u>	2020	2019
	£	£
Current service cost	1,463,000	987,000
Past service cost	-	360,000
Net interest cost	133,000	125,000
Total	1,596,000	1,472,000

<u>Changes in the present value of defined benefit obligations</u>	2020	2019
	£	£
At 1 September	(14,513,000)	(10,755,000)
Employee contributions	(203,000)	(195,000)
Current service cost	(1,463,000)	(987,000)
Past service cost	-	(360,000)
Interest cost	(277,000)	(302,000)
Benefits paid	93,000	158,000
Actuarial (loss)/gain	(1,941,000)	(2,072,000)
Upon conversion	-	-
At 31 August	(18,304,000)	(14,513,000)

<u>Changes in the fair value of academy's share of scheme assets</u>	2020	2019
	£	£
At 1 September	7,082,000	5,939,000
Employer contributions	854,000	744,000
Employee contributions	203,000	195,000
Expected return	144,000	177,000
Benefits paid	(93,000)	(158,000)
Return on plan assets	767,000	185,000
At 31 August	8,957,000	7,082,000

Yorkshire Causeway Schools Trust

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2020

26 RELATED PARTIES

Owing to the nature of the 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 the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related parties.

The following related party transactions took place in the year:

St. Aidan's Education Services Limited – a wholly owned subsidiary of the Trust. There were no transactions during the year, however, the following balance was included in creditors at 31 August 2020 (£458 (2019: £458)).

Skinny Design Limited is a private limited company of which the Trust CFO, Clare Dowson, (key management personnel) is a director and owns 50% of the share capital. During the year goods and services amounting to £9,923 were purchased. The Trust CFO is not involved in the procurement of these services and did not participate in nor influence these transactions. The element above £2,500 has been provided 'at no more than cost' and Skinny Design Limited have provided a statement of assurance confirming this. At 31 August 2020 an amount of £3,258 was due to Skinny Design Limited and is included in creditors.

The Diocese of Leeds – an organisation in which the Bishop of Leeds, Mr Richard Noake and Reverend Nigel Sinclair (all Trust Members) are key members of the diocese with significant influence. During the year the Trust purchased services amounting to £8,495. At the end of the year an amount of £nil was owed to the Diocese

Harrogate District Hospice Care trading as Just 'B' is a charitable organisation – the CEO of which is the spouse of J Collins, a member of key management. During the year services amounting to £11,725 were purchased. J Collins is not involved in the procurement of these services and did not participate in nor influence these transactions. The element above £2,500 has been provided 'at no more than cost' and Harrogate District Hospice Care have provided a statement of assurance confirming this.

H Waterman, daughter of C Dowson, Trust CFO, is employed by the Trust as a teacher. H Waterman's appointment was made in open competition and C Dowson was not involved in the decision-making process regarding appointment. H Waterman is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the CFO.

27 AGENCY ARRANGEMENTS

The Trust administers the disbursement of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. In the year it received £28,050 (2019: £29,064), disbursed £28,660 (2019: £34,671) and had a 18/19 brought forward unspent balance of £43,943 (2019: £49,550). Therefore, an amount of £43,333 (2019: £43,943) repayable by the Trust at the 31 August 2020 is included in other creditors. The Trust retained a beneficial interest in individual transactions such that £1,403 (2019: £1,453) has been recognised in income and expenditure in the statement of financial activities.

Yorkshire Causeway Schools Trust
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

28 TEACHING SCHOOL TRADING ACCOUNT

	2020 £	2019 £
Income		
Grant Income	102,688	86,010
University income	95,812	107,727
Other income	26,721	30,184
	<u>225,221</u>	<u>223,921</u>
Total Income		
	<u>225,221</u>	<u>223,921</u>
Expenditure		
Direct costs		
Direct Staff Costs	79,638	118,958
Staff Training	38,495	44,678
Other direct costs		
	<u>118,133</u>	<u>163,636</u>
Total Direct costs		
	118,133	163,636
Other costs		
Support staff costs	50,600	49,672
Technology costs		
Marketing		802
Professional fees		840
Other support costs	3,630	6,636
	<u>54,230</u>	<u>49,672</u>
Total other costs		
	54,230	49,672
Total Expenditure		
	172,363	221,586
Surplus/(deficit) from all sources	52,859	2,334
Teaching school balances at 31 August 2019 (2018)	4,585	2,251
Teaching school balances at 31 August 2020 (2019)	<u>57,443</u>	<u>4,585</u>