

Company Registration Number: 07667407 (England & Wales)

EAST ANGLIAN SCHOOLS TRUST LTD
(Formerly Known As Farlingaye High School)
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

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EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 15
Governance statement	16 - 20
Statement on regularity, propriety and compliance	21
Statement of Trustees' responsibilities	22
Independent auditors' report on the financial statements	23 - 25
Independent reporting accountant's report on regularity	26 - 27
Statement of financial activities incorporating income and expenditure account	28
Balance sheet	29 - 30
Statement of cash flows	31
Notes to the financial statements	32 - 59

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr T Fosker Mr J Neal Ms A Rickwood Ms Z Sprake
Trustees	Dr L Franks, Chair ¹ Dr A Sievwright, Accounting Officer (resigned 1 September 2019) ¹ Mrs J Cowles (resigned 31 August 2019) ¹ Mr N Edge (resigned 31 August 2019) ¹ Mr N Webb (resigned 31 August 2019) ¹ Mr N Howe Mrs M Stevens (resigned 12 December 2018) ¹ Mrs E Crookall (resigned 1 September 2019) ¹ Mr A Dalby (resigned 31 August 2019) Mrs S Harris (resigned 1 September 2019) Mrs B Rogers (resigned 1 September 2019) Mrs K Thomas (resigned 1 September 2019) ¹ Mrs B Jarvis (resigned 22 April 2019) ¹ Mr J Steventon-Barnes (appointed 12 December 2018, resigned 1 September 2019) ¹ Ms B Clark (appointed 8 October 2018, resigned 8 December 2018) Ms J Newall (resigned 6 September 2018) Mr D Bevan (appointed 1 September 2019, resigned 8 September 2019) Mr S Curzon (appointed 1 September 2019) Mr S Linger (appointed 1 September 2019) Ms S Mackenzie (appointed 1 September 2019) Mr S Shaw (appointed 1 September 2019) Mr G Swann (appointed 1 September 2019) Ms C Tuohy (appointed 1 September 2019) Mr A Van Marle (appointed 12 December 2018, resigned 31 August 2019)

¹ Member of the Finance Committee during the year

Company registered number	07667407
Company name	East Anglian Schools Trust Ltd
Principal and registered office	Farlingaye High School Ransom Road Woodbridge Suffolk IP12 4JX
Company secretary	Ms L Eldrett (from 1 September 2019)
Chief executive officer	N Burgoyne (Accounting Officer from 1 September 2019)

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

Senior Leadership Team

(Farlingaye High School) A Sievwright, Headteacher (Accounting Officer to 31 August 2019)
L Gilmour, Deputy Headteacher
P Smith, Deputy Headteacher
C Laird, Assistant Headteacher
C Moran, Assistant Headteacher
J Tunaley, Assistant Headteacher (to 31 December 2018)
J Lampard, Assistant Headteacher
L Rudge, Assistant Headteacher
T Read, Assistant Headteacher (from 1 January 2019)

Independent auditors Larking Gowen LLP
Chartered Accountants
1 Claydon Business Park
Great Blakenham
Ipswich
IP6 0NL

Bankers Lloyds Banking Group Plc
8 Thoroughfare
Woodbridge
Suffolk
IP1 1UR

Solicitors Eversheds
Franciscan House
51 Princes Street
Ipswich
Suffolk
IP1 1UR

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The trustees present their annual report together with the financial statements and auditors' report for the charitable company for the year ended 31st August 2019. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

For the period of these accounts the Trust operated as Farlingaye High School, an academy for pupils aged 11 to 18 serving a catchment area in Woodbridge. It has a pupil capacity of 1950 and had a roll of 1917 in the school census October 2018, these numbers were funded by central government.

Structure, governance and management

a. Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy Trust.

The trustees of East Anglian Schools Trust Ltd are also the directors of the charitable company for the purposes of company law.

The charitable company is known as East Anglia Schools Trust Ltd, since changing its name on 12 July 2019, previously known as Farlingaye High School. From 1 September 2019 Kesgrave High School and Bungay High School merged with Farlingaye High School to form a Multi Academy Trust which operates through this company.

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

The sections that follow describe the arrangements in place during the year to 31 August 2019, except where otherwise stated.

b. 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.

c. Trustees' indemnities

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions whilst on academy business. The insurance provides cover up to £1,000,000.

d. Method of recruitment and appointment or election of trustees

The members of the Governing Board may appoint up to 10 trustees, and appoint staff trustees and teacher trustees through an advertisement to current staff, provided that the total number of trustees who are employees of the academy does not exceed one third of the total number of trustees.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

Structure, governance and management (continued)

e. Policies adopted for the induction and training of trustees

The training and induction provided for new trustees will depend upon their existing experience but will always include a tour of the academy and to meet students and staff. All trustees are provided with copies of policies, procedures, minutes, budget reports and school improvement plan and will have an informal meeting with the Head. The academy purchases the Governor Training Service from Schools' Choice and training is also available from the auditors for members of the Resource Committee.

The Headteacher is treated for all purposes as an ex officio trustee. Parent trustees are elected by parents of registered pupils of the academy, a parent governor must be a parent of a pupil at the time of election. Eligible parents are invited to apply for the position and a secret ballot is carried out for the election process.

The Trustees can appoint up to 3 co-opted trustees, who can be co-opted having not already been appointed and who are not an employee of the Academy.

f. Organisational structure

The day to day management of the academy was delegated to Andy Sievewright, the Headteacher who was the Accounting Officer.

The organisational structure consists of:

- The Members
- The Trustees
- The Senior Leadership Team
- Faculty Heads, Head of Year
- Assistant Head of Year

The Senior Leadership Team consists of the Head, two Deputy Heads and five Assistant Heads. The Bursar meets separately with the Head and two Deputies to discuss, financial matters, health and safety and site management.

All authorisation of spending within agreed budgets is delegated to the Faculty Heads and other delegated budget holders.

Any appointment of staff and pay decisions are made by the Staffing Committee, supported by the Resource Committee. The Faculty Heads co-ordinate the day to day activities within their subject area, organising the staff, facilities and students.

The Board of Trustees meets at least once a term. They have an overall framework for the governance of the academy and determine membership, terms of reference and procedures of committees. It receives reports including policies from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings and the summary of action points. Working groups may be established to perform specific tasks.

The Resource committee meets at least four times a year and is responsible for the monitoring of the budget, evaluating and reviewing policies in relation to financial management. They have regard to compliance, receiving reports from Internal Audit, drafting the annual budget and the role of the audit committee.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The Headteacher must demonstrate high quality of performance with regard to leadership, management and pupil progress at the school and will be subject to a review by the panel of the staffing committee before any performance points are awarded. The pay range for the Headteacher post was considered by the Resources (staffing and finance) committee in accordance with the School Teachers' Pay review Body Document 2018/19. All deputy and assistant heads follow a similar procedure with pay determined by a review by the Headteacher and the chair of the staffing committee. The Finance Manager, HR Manager and the Premises Manager are all members of the support staff and are paid following a performance review with the Headteacher in line with the National Payscales for support staff.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	6
Full-time equivalent employee number	5

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	2
1%-50%	4
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£
Total cost of facility time	2,843
Total pay bill	7,752,913
Percentage of total pay bill spent on facility time	0.037 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	4.080 %
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EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

Structure, governance and management (continued)

i. Related parties and other connected charities and organisations

The Academy has strong collaborative links with its feeder primary schools meeting regularly and hold professional development sessions together. The school has formed a Multi Academy Trust alongside two local Secondary Schools, Kesgrave High School and Bungay High School. Following a rigorous period of planning and due diligence the Multi Academy Trust began operation on 1 September 2019.

In 2018-19 the Academy worked as a partner with Kesgrave High School in the Farlingaye - Kesgrave Teaching Alliance.

There is a strong Parent Teacher Association, The Farlingaye High School Foundation.

Objectives and activities

a. Objects and aims

The principal object and activity of the charitable company is the operation of Farlingaye High School to provide education for pupils of different abilities between the ages of 11 to 19. The school is a leading edge school and is a teaching school in partnership with Kesgrave High School.

The school was deemed outstanding by Ofsted in May 2013 and continues to develop.

The Academy Trust's objective was specifically restricted to the following:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.
- Promoting for the benefit of the inhabitants of Woodbridge and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

Objectives and activities (continued)

b. Objectives, strategies and activities

The school is a self-improving school which aims to support and inspire our students to achieve, through effective resources, community and partnership links, quality teaching and learning and excellent staffing.

Key priorities for the year 2018/19 were:

- To continue to maintain high exam results including those for Pupil Premium and SEND students
- To continue to run a range of extra - curricular activities and clubs
- To make a successful second bid to the Condition Improvement Fund for essential roofing repairs
- To continue with the school's rolling programme of repairs to toilet facilities i.e Library toilets and upstairs Deben toilet block.
- Carry out redecoration in 6th Form Buildings
- Carry out car park and paving repairs
- To continue one to one, or small group tuition in English, Maths and Science
- To continue with monitoring performance of all students
- To provide value for money for the funds expended
- To implement all changes to staff appraisal, Performance Management and staff pay
- To recruit new quality staff to replace vacant positions as they arrive
- To review the work undertaken through the Disadvantaged Student Grant (Pupil Premium Grant)
- Continue to work with Kesgrave High School as a Teaching School
- To continue to make robust plans to counter the drop in funding from the ESFA and increased staffing costs
- To continue to monitor the impact and effectiveness of the support staff restructuring, which took place in 2017-18.
- To develop and implement a coherent and effective programme to support student wellbeing and development, including through the embedding of a Character Development programme and the implementation of measures to promote good mental health among all students and staff and through the development of effective careers education for all students.
- To embed systems and approaches that engender positive Behaviour for Learning among students, that in turn improves the learning environment for all students.
- To continue progress towards fully-inclusive provision that allows all students to make good progress, regardless of their starting points or needs, through the following key developments: embedding Quality First Teaching approaches; developing a whole-school approach to enabling metacognition and self regulated learning; working with external providers to develop our inclusion programme.
- Following productive talks with Kesgrave High School and Bungay High School and rigorous due diligence the schools were pleased to receive notification of their successful MAT application. The schools are therefore pleased to be on course to become a Multi Academy Trust on 1 September 2019.

The list above is closely linked to the school budget to ensure that the school can deliver on its priorities. It is closely monitored by the board of trustees at the termly meetings through a series of full reports by the staff involved in the specified areas.

c. Public benefit

The Academy Trust trustees have complied with their duty to have due regard to exercising their powers to ensure that the trust is for the advancement of education, which includes citizenship and sporting activities for the inhabitants of Woodbridge and the surrounding area.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

Strategic report

a. Achievements and performance

Core subject performance was strong, with 74.5% of the cohort of 294 achieving grade 4 or better in both English and Maths, and 55% achieving grade 5 or better in both subjects. The latter figure represents a significant improvement on our 2018 figure. Our provisional 2019 Progress 8 score from the DfE's Performance Tables is +0.32, which shows strongly positive progress across the whole cohort.

Farlingaye High School's Sixth Form students have created tremendous opportunities for themselves with another fine set of results this year. The grades of our Year 13 students are excellent overall, with 29% of all A Level and equivalent grades at A*/A and 80.5% at A*-C. The overall pass rate was 99.5%. Our ALPS grade was 3 ('Excellent') and our 3-year ALPS score remained at 3.

100% of Y13 students with a destination either secured or planned. The great majority of leavers will be starting an undergraduate degree this year, and our students have again secured places at prestigious institutions such as the University of Cambridge, Durham University, and UCL. We also have a number of students who are pursuing exciting alternatives to university, including 'high-level' apprenticeships.

To ensure that standards are continually assessed, the Academy operates a programme of lesson observations, which are undertaken by Faculty Heads and the Senior Leadership Team.

Our focus continues on the Disadvantaged Students element of school funding (Pupil Premium Grant). Our Pupil Premium co-ordinator has an excellent monitoring system in place. A good team of Maths and Science one-to-one tutors continued to support those students and borderline students to achieve the best they can, and we are busy implementing an extensive reading support programme for Disadvantaged Students in Year Seven.

There have been many extracurricular activities. The main school production was 'Fiddler on the Roof' and the lower school production was 'Oliver'. The music department had a busy programme linking with primary schools, the Christmas concert, a summer concert, acoustic concert, lunchtime showcases and music tuition for over 300 students. There was a very good sports awards evening held outside with over 600 students and their families taking part, reflecting the excellent uptake of our sports teams and clubs programme. The students participate in the Bar Mock Trial and a range of national maths competitions. We are very well supported by parents and through the Farlingaye Foundation who organised a Craft Fair, Car Boot Sale and Quiz Night. They have donated £8,121 to the school this year to help towards the purchase of IT Equipment and visualizers, £3,800 of the funds raised was spent on Humanutopia.

Staff Training:

Staff training at Farlingaye continues to meet the diverse needs of the school staff as well as providing wider development opportunities for teachers from across Suffolk and beyond through its Teaching School work.

Within school the staff development programme has reflected the school's identified School Improvement priorities and individual development for teachers.

- In September staff benefited from a PD focus on Mental Health as well as Safeguarding.
- In January, the school held a very successful and engaging Professional Development Day focusing on building positive relationships within school. The headteacher also delivered a session on the value of high expectations as the school looks to continue to develop and improve on the high standards of behaviour management across the school.
- In April, all student facing staff attended the International Festival of Learning, taking place at West Suffolk College. This was a great opportunity for staff to take advantage of great CPD provided by a

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

Strategic report (continued)

range of presentations, workshops and other activities across the day. Participating as a whole school in an event with such a wide range of opportunities on offer will give staff a chance to tailor their personal programme to their own interests and professional development needs

- The school's wider CPD offer for staff continues to offer almost weekly sessions to staff to develop their practice. These focus on a range of aspects of teaching, from new technologies in the classroom to differing forms of differentiation. It has been pleasing that this year has seen a greater range of staff from across the school offering opportunities to others to learn from.

Teaching Schools

The work of the teaching school continues in part to focus on support for teacher recruitment and training, with Farlingaye and Kesgrave acting as a hub for applications via the GTP/SCITT scheme as well as supporting the Schools Direct programme. We were delighted to agree to continue to hold the majority of the GTP/SCITT core training here at Farlingaye, this offers developmental opportunities for our staff as well as giving us an opportunity to host those colleagues new to the profession who will be seeking their first teaching posts.

As a Teaching School we also continue to support the provision of high quality CPD and staff development across the region. This year, in partnership with Kesgrave High School we have hosted two NQT conferences to provide support for 80 teachers in their first year of the profession.

We have also been successful in securing funding for the Subject Specialism Maths training once more. It has run highly successfully for the last three years with non-specialist teachers attending regular training to improve their subject knowledge in maths. This initiative is expected to continue into 2019/20. The generous grant from the government received for this supported the training as well as the maths provision in the school.

The school also looks to continue development of pathways for those seeking to join the profession. We have hosted a large number of experience days at the school for those looking to gain a taste of what teaching is like, and this has led to several applications for training places. We have also continued our successful graduate intern programme this year and we will look to develop this further into next year, as we see it as an effective way of "growing our own" teachers of the future.

The Teaching School's work this term continues to focus on the recruitment and training of those new to the profession. The local picture though reflects national concerns regarding teacher recruitment with local providers reporting less applications for training places across all subject areas. This shortfall is worrying and is a key reason why we continue to explore other avenues to introduce potential teachers to the profession. We have also agreed to continue with our successful Graduate intern programme.

Charity Fund Raising:

The Academy has raised the following amounts of money for charity:

Readathon	£3,126
Enterprise Day	£1,026
Farlingaye Foundation	£3,800 (for Humanutopia)
Music Concerts	£552
Elmer Project	£1,768
Other donations:	
Young Art Project	£500
Seckford Foundation for Reading Club	£194

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

Strategic report (continued)

b. Key performance indicators

- The school was graded Outstanding by Ofsted in May 2013 and has maintained this standard since, with continuing improving GCSE and A level results.
- The school continues to be Leading Edge and Teaching School.
- A level results and GCSE results were strong including value added results.
- The school is almost full and the 6th form numbers remain steady.
- On roll in years 7 -11 was 1497 and attendance was 93.25%.
- The main financial performance indicator is the level of reserves at the balance sheet date. Spending is closely monitored to ensure that our reserves policy is adhered to.
- Staffing costs as a percentage of GAG for this year were 88.2%.

c. Going concern

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

Financial review

a. Financial review

Most of the Academy's income is obtained from the DfE via the ESFA (Education and Skills Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year end 31st August 2019 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE and are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

The Internal Audit Service was purchased from the company "All the Geese", who have visited the academy during the financial year with the focus for audit requested by the trustees. The report has outlined some areas for improvement in our Governance procedures and the transition of senior staff moving on from the school.

Key financial policies reviewed during the year include the Finance Policy which lays out the framework for financial management, including the financial responsibilities of the Trustees, Headteacher, Bursar and budget holders as well as the delegated authority for spending. In addition the following policies were reviewed in 2018/19:

Credit Card
Charging Policy
Bursary
Accounting
Pupil Premium

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

Strategic report (continued)

Financial review (continued)

b. Financial and risk management objectives and policies

The Academy has a Risk Register and a Risk Management Plan. The register and plan are formally reviewed annually.

The Academy is full and in some year groups over-subscribed, the risks to revenue funding from a falling role are small. However, the reduction in post 16 funding levels, the uncertainty regarding the introduction of the National Funding Formula means that the school is unable to make firm financial plans beyond the next year although it has complied with the ESFA requirement to produce a 3 year plan. There are more unknowns with increase in pension contributions imminent and Government announcements about pay to encourage teachers into the profession and those experienced teachers to be rewarded.

The Trustees review the budget formally once a term, and receive minutes from the Resource Committee meeting. The Chair of Trustees and the Headteacher review the cash flow forecast monthly and report exceptions to the Trust Board. The Trustees review the cash flow forecast annually unless there is cause for concern.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be significant effect on liquidity. This will be affected by building works over the summer 2019. The final instalment of grant is not due to be paid until December 2019, loan repayments will be payable from September 2019.

The Governing Body recognises that the defined benefit scheme deficit (Local Government Pension Scheme) represents a significant potential liability. However, the Academy is able to meet its known annual contribution commitments for the foreseeable future so the risk is minimised. The academy has also insured against ill health retirement claims in the future.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

Strategic report (continued)

Financial review (continued)

c. Reserves policy

The trustees review the reserves level of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The level of reserves will be kept under review by the trustees.

Moving forward into 2019/20 Trustees have agreed that the appropriate level of free reserves to operate in the current financial climate should be between 4.5 to 5% of overall income and are considering this in the context of the total reserves across the Trust in the new financial year.

In addition, the Academy will seek to build up free reserves in order to contribute to any pension's deficit that may arise from time to time and to develop the Academy's longer term goals and ambitions by building up seed funding for future staffing needs, educational initiatives and capital projects and for the benefit of students of Farlingaye Academy.

The net movement on total funds over the year was a deficit of £2,013,412 (2018 - £439,624 deficit).

Free (unrestricted) reserves at 31 August 2019 were £316,199 (2018 - £569,409).

Restricted fixed asset funds stood at £8,917,894 as at 31 August 2019 (2018 - £9,424,443). Included in the restricted fixed asset fund is a deficit balance of £247,521 (2018 - £nil) relating to amounts owing to the DfE for the CIF loan. This will be repaid from Devolved Formula Capital (DFC) grant income.

Restricted funds (excluding the Local Government Pension Scheme deficit) stood at a surplus of £13,448 at 31 August 2019 (2018 - £94,101).

The deficit on the Local Government Pension Scheme at 31 August 2019 was £2,044,000 (2018 - £871,000).

Total reserves (excluding pension and fixed asset funds) stood at £329,647, reflecting an in-year reduction of £333,863.

d. Investment policy

The trustees are committed to ensuring all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from Lloyds Bank Plc. Day to day management of the surplus funds is delegated to the Headteacher and Bursar within the guidelines of the investment policy.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

Strategic report (continued)

Financial review (continued)

e. Principal risks and uncertainties

The principal risks and uncertainties facing the Academy were assessed as follows:

Financial - the Academy has considerable reliance on the funding from the ESFA, there is no assurance that Government policy will remain the same or that public funding will continue on the same terms. The move towards fairer funding in 2017 now delayed until 2021 will provide the school with a more stable financial environment. However this is now subject to some further changes to the basic age weighted pupil unit which are being published. The government have promised not to cut funding for education by more than 1.5% but the outside influences of national living wage agreements and pension increases together with a 1% rise in salaries have to be funded from existing formula funding.

The school is still oversubscribed due to the exam results and the excellent reputation it has, a small expansion of admission numbers is underway. Dr Sievwright was appointed Head from September 2016 and has been carrying out a review of all staffing and staffing structures to make sure we are operating efficiently. This is ongoing to ensure that we are operating as efficiently as possible.

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.

Staffing- the success of the Academy is reliant on the quality of its staff, there is a programme of professional development in place, and subject specialist are used in most areas of teaching. The development of middle leaders continues.

Fraud and mismanagement of funds- the Academy has appointed an Internal Auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive the appropriate training to meet the requirements of charity accounting.

The academy has also appointed a Data Protection Officer in response to the new legislation General Data Protection regulations and they are tasked with producing a report following a full audit of all areas of the school.

Fundraising

The academy encourages students to participate in fundraising activities for recognised charities. This will either be through a non-uniform day, pop up cake or ice-cream shops at break time for one day only. The main fundraising activity for the school is the sponsored walk which is a whole school activity that takes place every two years. This will next be due October 2019 any money is collected through online software Parentpay, this will be reflected in 2019/20. All other charity collections will be by supervised students which is then credited to a separate internal account. The trustees believe this adds to the school community and therefore are acting in the best interest of the charity and do not use any professional fundraisers to act on their behalf.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

Plans for future periods

From 1 September 2019 the school operated within a Multi Academy Trust. The future plans are detailed below for both Farlingaye High School and the Multi Academy Trust.

Farlingaye High School

- The academy will continue to strive to provide outstanding education and improve the levels of performance of its students at all levels. The academy will continue to attract high quality teachers and support staff in order to deliver its objectives;
- The academy will continue to work with its partner schools to improve the educational opportunities for students in the wider community. It will organise a programme of training for newly qualified teachers in the area.
- The academy continues to enjoy the services of a Mental Health Lead as part of the Student Wellbeing and Development initiative. This is being funded in 2019/20 by Vision & Voice, a two year pilot, funded by NHS Ipswich and East School Clinical Commissioning Group (IESCCG) and Suffolk County Council (SCC), to deliver a range of initiatives to help children take the lead on their mental wellbeing at four east Suffolk secondary schools, along with their feeder primaries - with the potential to reach more than 1,000 students.
- One of our Assistant Headteachers will continue in the role of Raising Standard Co-ordinator for KS4 to focus on reducing any gender gap achievement and increase the number of students achieving grades 7-9.
- Reduce variation in A level performance
- Provide a fully inclusive provision including 'Quality First' Teaching
- Have a coherent and positive community
- Consider teacher workload
- Explore linking with other schools in a Multi Academy Trust
- Replace IT and carry out maintenance in the school as the budget allows.

Trust

- Explore opportunities to expand and grow the Trust to 5 plus schools by 2021.
- Review policies to bring academies in to line across the Trust.
- Review procurement to take advantage of savings through joint purchases and sharing best practice.
- To embed changes in procedures to refine back office functions.
- To review teachers' workload, TLR structure and timetables to maximise use of resources.
- To review premises/IT risks & requirements.

Funds held as custodian on behalf of others

The Academy and its trustees do not act as the Custodian Trustees of any other Charity.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Academy Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the trustees.

The Academy Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Academy Trust's equal opportunities policy, the Academy Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Academy Trust's offices.

Disclosure of information to auditors

Insofar as the trustees are aware:

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

The auditors, MHA Larking Gowen, are willing to continue in office on behalf of the Multi Academy Trust and a resolution to appoint them will be proposed at the MAT annual general meeting.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 9 December 2019 and signed on its behalf by:

Dr L Franks
Chair of Trustees



EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that East Anglian Schools Trust Ltd 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 Headteacher, 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 East Anglian Schools Trust Ltd and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
Dr L Franks, Chair	6	6
Dr A Sievwright, Accounting Officer to 31 August 2019	6	6
Mrs J Cowles	4	6
Mr N Edge	5	5
Mr N Webb	6	6
Mr N Howe	3	6
Mrs M Stevens	1	2
Mrs E Crookall	4	6
Mr A Dalby	3	6
Mrs S Harris	5	6
Mrs B Rogers	0	0
Mrs K Thomas	6	6
Mrs B Jarvis	0	0
Mr J Steventon-Barnes	5	6
Ms B Clark	2	4
Ms J Newall	0	0
Mr A Van Marle	5	5

The members of the board have changed this year with J Steventon Barnes and A Van Marle joining the board as Parent Governors following a parental ballot in November 2018. J Newall resigned at the end of the school year in August 2018. B Clark joined the Governing Board as a co-opted governor in October 2018 but was unable to remain as a governor beyond December 2018 due to pressure of personal workload. M Stevens and N Edge both completed their Terms of Office during the year. B Jarvis resigned due to family circumstances in April 2019 and B Rogers resigned at the end of August 2019 due to pressure of personal workload.

The school explored the possibility of forming a Multi Academy Trust with two other secondary schools. The work of the Governing Body continues to evolve in line with the school risk register and the demands of the ESFA. The established Quality Committee monitors student progress, assessment, attendance and curriculum provision, which includes pupil premium students. The data that is used is from the exam boards for progress and outcomes which is stored in SIMS. We also use 4 matrix software which draws information from SIMS and compares data against national data sets. This gives the governors a clear picture of performance against others, there are clear reports for Governing Boards.

EAST ANGLIAN SCHOOLS TRUST LTD
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Resource (Finance and Staffing) Committee is a sub-committee of the main board of trustees. Its purpose is to assist the decision making of the board of trustees, by enabling more detailed consideration to be given to the best means of fulfilling the board of governor's responsibility to ensure sound management of the academy's finance and resources including staffing, through proper planning, monitoring and probity.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
L Franks	2	6
B Jarvis (Committee Chair)	3	4
A Sievwright	4	6
K Thomas	3	6
N Edge	5	6
J Cowles	5	5
L Crookall	5	5
M Stevens	1	3
J Steventon-Barnes	1	2
A Dalby	0	2

The Governing Body continues to establish strengths and expertise in areas and highlight any areas of weakness that need to be considered. Training takes place annually to ensure any areas of weakness are addressed. Governors have access to high quality training both in house and from Schools' Choice.

Review of value for money

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

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

Improving Educational Outcomes

Targeted improvement

The school works very hard to improve educational outcomes for all students. The curriculum is well supported by a robust staffing structure, and a recruitment policy to employ subject specialists. The school is fully staffed and has good contacts when additional expertise is needed. Year groups have days where they consider their own selves for example through the Humanutopia company Year 9 were able to think about 'Who Am I' to build confidence in schools and out towards the workplace.

The school has an Endeavour programme to extend the students who show talent in a particular area. The disadvantaged students all receive one to one Maths and English tuition as necessary, and have the opportunity to have subsidised musical tuition and financially supported curriculum activities.

To support exam groups, the staff run additional revision classes, revision breakfasts, holiday sessions, coursework evenings and residential day courses for year 11.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

There are over 50 clubs that are available at lunchtime, as well as numerous sporting and musical, dance and drama events after school. A late bus service is paid for by the school to enable all students to take part in extra curricula activities.

Collaboration

The school is a Teaching School and collaborates closely with Kesgrave High School. It is a Leading Edge School and works with its feeder primary schools encouraging students to participate in maths, computing and sports. All of these partnerships lead to a sharing of good practice and excellent continuous professional development opportunities for staff. The school's plans to form a Multi Academy Trust from 1 September 2019, initially with partners Kesgrave and Bungay High Schools is designed to build on our current partnerships for the benefit of all.

Financial Oversight

Governance

The Accounting Officer meets with the Bursar and HR Manager fortnightly and the Trustees' Resource Committee met six times during the year to consider HR and Finance reports and budget commentary. Any training for trustees is available through the local authority or from our auditors. All purchases over £10,000 are discussed at the committee meeting and all contracts that are renewed are highlighted for ratification.

The school is fortunate that the trustees are from a wide background offering different skills to the board.

A wider internal audit was conducted by Nikki Messer from "All the Geese". This was used to assess the work of the Bursar, the finance team and how robust policies and financial practice is.

The school has a community of over 2000 people so its purchasing power is considerable, it has not needed to enter into collaborative agreements in 2018 -19. This will however happen as part of a Multi Academy Trust from 1 September 2019.

The school continues to review all contracts. The school employs a Premises Manager who works closely with the Bursar. All contracts are being examined to ensure the contractor is delivering the agreed works.

Maximising Income Generation

The academy explores every opportunity to generate income through the hire of facilities and targeted bids for premises improvements. We have a good relationship with the local Adult Leisure Learning Company who use our facilities to promote a wide range of activities.

The purpose of the system of internal control

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

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by 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
- identification and management of risks

The board of trustees has considered the need for a specific internal audit function and has decided to purchase an Internal Audit service from Nickii Messer and her company "All the Geese" to give a fresh approach to the internal audit process.

The internal auditor's role includes giving advice on financial matters, best practice and performing a range of checks on the academy trust's financial systems, this year the HR systems and processes were also included.

On an annual basis, the internal auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the trustees' financial responsibilities.

The internal auditor has delivered the schedule of work as planned and any items raised have been reviewed and reported on at the next meeting of the Resource Committee. There have been no material control issues raised during these audits.

The Trustees are reconsidering internal audit from 1 September 2019 in light of the new systems and processes in place for the MAT.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

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

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

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

Dr L Franks
Chair of Trustees



N Burgoyne
Accounting Officer



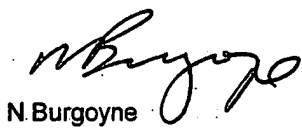
EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



N. Burgoyne
Accounting Officer

Date: 9/12/19

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

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

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

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

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

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

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

Approved by order of the members of the board of trustees on 9 December 2019 and signed on its behalf by:

Dr L Franks
Chair of Trustees



EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF EAST ANGLIAN SCHOOLS TRUST LTD

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF EAST ANGLIAN SCHOOLS TRUST LTD (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic 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 Trustees' report including the Strategic report.

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

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

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF EAST ANGLIAN SCHOOLS TRUST LTD (CONTINUED)

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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



Giles Kerkham FCA DChA (Senior statutory auditor)

for and on behalf of
Larking Gowen LLP

Chartered Accountants
Statutory Auditors

Ipswich

12 December 2019

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EAST ANGLIAN SCHOOLS TRUST LTD AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 2 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by East Anglian Schools Trust Ltd during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to East Anglian Schools Trust Ltd and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to East Anglian Schools Trust Ltd 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 East Anglian Schools Trust Ltd and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of East Anglian Schools Trust Ltd's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of East Anglian Schools Trust Ltd's funding agreement with the Secretary of State for Education dated 21 March 2011 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EAST ANGLIAN SCHOOLS TRUST LTD AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Approach

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

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

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

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

In planning and conducting our work we had due regard to professional guidance, including the Academies Accounts Direction 2018 to 2019 and the ICAEW Assurance Sourcebook. The work undertaken to draw our conclusion, includes, but is not limited to:

- Enquiry of senior management and the Academy Trust's trustees;
- Review of the results of the Academy Trust's process of independent checking of financial controls, systems, transactions and risks;
- Inspection and review of the accounting records, meeting minutes, internal control procedures, management representations and declarations of interest;
- Observation and re-performance of the financial controls; and
- Review of governance arrangements.

Conclusion

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

MHA Larkling Gowen

Giles Kerkham FCA DChA (Senior statutory auditor)

Larkling Gowen LLP

Date: 12/12/2019

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	14,100	4,375	427,801	446,276	312,130
Charitable activities	4	533,880	9,164,877	-	9,698,757	9,708,974
Other trading activities	5	50,371	-	-	50,371	52,019
Investments	6	8,156	-	-	8,156	7,999
Total income		606,507	9,169,252	427,801	10,203,560	10,081,122
Expenditure on:						
Charitable activities	7	859,717	9,937,093	424,162	11,220,972	11,064,746
Total expenditure		859,717	9,937,093	424,162	11,220,972	11,064,746
Net (expenditure)/income		(253,210)	(767,841)	3,639	(1,017,412)	(983,624)
Transfers between funds	17	-	510,188	(510,188)	-	-
Net movement in funds before other recognised gains/(losses)		(253,210)	(257,653)	(506,549)	(1,017,412)	(983,624)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(996,000)	-	(996,000)	544,000
Net movement in funds		(253,210)	(1,253,653)	(506,549)	(2,013,412)	(439,624)
Reconciliation of funds:						
Total funds brought forward		569,409	(776,899)	9,424,443	9,216,953	9,656,577
Net movement in funds		(253,210)	(1,253,653)	(506,549)	(2,013,412)	(439,624)
Total funds carried forward		316,199	(2,030,552)	8,917,894	7,203,541	9,216,953

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)
REGISTERED NUMBER: 07667407

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	9,070,730	9,372,493
		<u>9,070,730</u>	<u>9,372,493</u>
Current assets			
Debtors	14	266,463	333,119
Cash at bank and in hand		752,978	941,360
		<u>1,019,441</u>	<u>1,274,479</u>
Creditors: amounts falling due within one year	15	(619,861)	(559,019)
Net current assets		<u>399,580</u>	<u>715,460</u>
Total assets less current liabilities		<u>9,470,310</u>	<u>10,087,953</u>
Creditors: amounts falling due after more than one year	16	(222,769)	-
Net assets excluding pension liability		<u>9,247,541</u>	<u>10,087,953</u>
Defined benefit pension scheme liability	23	(2,044,000)	(871,000)
Total net assets		<u><u>7,203,541</u></u>	<u><u>9,216,953</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	8,917,894	9,424,443
Restricted income funds	17	13,448	94,101
		<u>8,931,342</u>	<u>9,518,544</u>
Restricted funds excluding pension asset	17	8,931,342	9,518,544
Pension reserve	17	(2,044,000)	(871,000)
Total restricted funds	17	<u>6,887,342</u>	<u>8,647,544</u>
Unrestricted income funds	17	<u>316,199</u>	<u>569,409</u>
Total funds		<u><u>7,203,541</u></u>	<u><u>9,216,953</u></u>

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements on pages 28 to 59 were approved by the trustees, and authorised for issue on 09 December 2019 and are signed on their behalf, by:

Dr L Franks
(Chair of Trustees)



The notes on pages 32 to 59 form part of these financial statements.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash used in operating activities	19	(342,511)	(350,590)
Cash flows from investing activities	21	(92,871)	(103,520)
Cash flows from financing activities	20	247,000	(24,839)
Change in cash and cash equivalents in the year		(188,382)	(478,949)
Cash and cash equivalents brought forward		941,360	1,420,309
Cash and cash equivalents at the end of the year	22	<u>752,978</u>	<u>941,360</u>

The notes on pages 32 to 59 form part of these financial statements

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

1 Accounting policies

East Anglian Schools Trust Ltd is a company incorporated in England and Wales, registered number 07667407. The registered office is Farlingaye High School, Ransom Road, Woodbridge, Suffolk, IP12 4JX.

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

1.1 Basis of preparation of financial statements

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

East Anglian Schools Trust Ltd meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.5 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Leasehold buildings	- 15 - 50 years straight line
Leasehold land	- 125 years straight line
Furniture and equipment	- 10 years straight line
Plant and equipment	- 5-10 years straight line
Computer equipment	- 3 years straight line

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.

1.6 Interest receivable

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

1.7 Operating leases

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

1.8 Debtors

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

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.9 Liabilities

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

1.10 Provisions

Provisions are recognised when the Academy 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 risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 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.

1.12 Taxation

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

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

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.13 Pensions

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

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

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

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

1.14 Fund accounting

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

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

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

1.15 Agency arrangements

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from 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 Academy Trust does not have a beneficial interest in the individual transactions. The 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 in amounts due to the ESFA.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	14,100	4,375	-	18,475	10,172
Capital Grants	-	-	427,801	427,801	301,958
	<u>14,100</u>	<u>4,375</u>	<u>427,801</u>	<u>446,276</u>	<u>312,130</u>
<i>Total 2018</i>	<u>10,122</u>	<u>50</u>	<u>301,958</u>	<u>312,130</u>	

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant	-	8,588,984	8,588,984	8,501,193
GAG Pupil Premium	-	324,161	324,161	326,682
GAG Rates Relief	-	39,309	39,309	38,406
GAG Looked after Children	-	25,531	25,531	34,780
Other Grants - Bursary administration fee	1,663	-	1,663	1,715
	<u>1,663</u>	<u>8,977,985</u>	<u>8,979,648</u>	<u>8,902,776</u>
Other government grants				
LA Grants - Special Educational Needs	-	52,251	52,251	49,336
Other Government Grants	28,850	19,630	48,480	29,128
Special Educational Projects - Schools Direct	-	-	-	33,937
Maths TSST	-	27,750	27,750	30,000
Teachers' Pay Grant	-	87,261	87,261	-
	<u>28,850</u>	<u>186,892</u>	<u>215,742</u>	<u>142,401</u>
Other income from the Academy Trust's educational activities				
Insurance claims	10,136	-	10,136	30,405
Exam resit fees	12,482	-	12,482	17,134
Music tuition and exams	62,882	-	62,882	70,463
School productions and shows	11,708	-	11,708	18,241
Other income	84,382	-	84,382	151,395
Trips and visits	321,777	-	321,777	376,159
	<u>503,367</u>	<u>-</u>	<u>503,367</u>	<u>663,797</u>
Total 2019	<u>533,880</u>	<u>9,164,877</u>	<u>9,698,757</u>	<u>9,708,974</u>
Total 2018	<u>674,670</u>	<u>9,034,304</u>	<u>9,708,974</u>	

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Hire of facilities	14,271	14,271	13,337
Items sold	36,100	36,100	38,682
	<u>50,371</u>	<u>50,371</u>	<u>52,019</u>

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	8,156	8,156	7,999

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Educational operations:					
Direct costs	7,275,880	394,634	151,739	7,822,253	7,891,349
Allocated support costs	1,210,829	1,031,342	1,156,548	3,398,719	3,173,397
	<u>8,486,709</u>	<u>1,425,976</u>	<u>1,308,287</u>	<u>11,220,972</u>	<u>11,064,746</u>
<i>Total 2018</i>	<u>8,291,734</u>	<u>1,296,036</u>	<u>1,476,976</u>	<u>11,064,746</u>	

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Educational operations	7,822,253	3,398,719	11,220,972	11,064,746
<i>Total 2018</i>	<i>7,891,349</i>	<i>3,173,397</i>	<i>11,064,746</i>	

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Staff costs	1,568,829	1,352,228
Pupil recruitment and support	129,750	111,546
Staff recruitment and support	37,580	60,936
Maintenance of premises and equipment	527,846	526,139
Other support costs	34,969	50,403
General premises expenses	503,496	488,908
Supplies, printing and telephone	191,813	181,388
Professional fees	8,269	59,729
Trips and visits	283,690	323,815
Governance costs	112,477	18,305
	3,398,719	3,173,397

Maintenance of premises and equipment includes the £439,978 (2018:£388,658) costs of re-roofing works.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2019 £	2018 £
Depreciation of tangible fixed assets	394,634	408,966
Fees paid to auditors for:		
- audit	9,700	9,425
- other services	7,084	3,950
	<u> </u>	<u> </u>

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	6,587,452	6,337,666
Social security costs	581,473	582,032
Pension costs	1,258,005	1,319,753
	<u> </u>	<u> </u>
	8,426,930	8,239,451
Agency supply teacher costs	59,779	52,283
	<u> </u>	<u> </u>
	<u>8,486,709</u>	<u>8,291,734</u>

b. Non-statutory/non-contractual staff severance payments

Included in wages and salaries is a non-statutory severance payment amounting to £Nil (2018: £5,865).

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

10. Staff costs (continued)

c. Staff numbers

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

	2019 No.	2018 No.
Teachers	120	128
Administration and support	119	118
Management	8	8
Casual staff	21	32
	<u>268</u>	<u>286</u>

d. Higher paid staff

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

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

All of the above employees participate in the Teachers' Pension Scheme which is a defined benefit scheme. During the year ended 31 August 2019 pension contributions for these employees amounts to £62,417 (2018: £40,751).

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £852,203 (2018: £868,346).

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

11. Trustees' remuneration and expenses

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

		2019 £	2018 £
Dr A Sievwright, Accounting Officer to Remuneration 31 August 2019		105,000 - 110,000	105,000 - 110,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000
Mr N Edge	Remuneration	45,000 - 50,000	45,000 - 50,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
Mr N Webb	Remuneration	45,000 - 50,000	40,000 - 45,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
Mrs E Crookall	Remuneration	15,000 - 20,000	15,000 - 20,000
	Pension contributions paid	0 - 5,000	0 - 5,000

During the year ended 31 August 2019, no trustee expenses have been incurred (2018 - £NIL).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim. The cost of this cover is included within the general cover provided to the Academy and it is not possible to separate the specific amount paid in respect of Trustees' indemnity for the years ended 31 August 2018 and 31 August 2019.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

13. Tangible fixed assets

	Freehold property £	Plant and machinery £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2018	11,053,758	323,290	329,778	394,059	12,100,885
Additions	31,450	11,760	10,000	39,661	92,871
At 31 August 2019	11,085,208	335,050	339,778	433,720	12,193,756
Depreciation					
At 1 September 2018	2,059,642	188,027	182,409	298,314	2,728,392
Charge for the year	288,636	16,371	33,027	56,600	394,634
At 31 August 2019	2,348,278	204,398	215,436	354,914	3,123,026
Net book value					
At 31 August 2019	8,736,930	130,652	124,342	78,806	9,070,730
At 31 August 2018	8,994,116	135,263	147,369	95,745	9,372,493

14. Debtors

	2019 £	2018 £
Trade debtors	2,650	12,802
Other debtors	49,947	39,477
Prepayments and accrued income	213,866	280,840
	266,463	333,119

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

15. Creditors: Amounts falling due within one year

	2019 £	2018 £
Salix Loan	-	521
Other loans	24,752	-
Trade creditors	54,859	139,369
Other taxation and social security	147,960	147,391
Other creditors	37,895	38,605
Accruals and deferred income	354,395	233,133
	<u>619,861</u>	<u>559,019</u>
	2019 £	2018 £
Deferred income		
Deferred income at 1 September 2018	123,634	136,934
Resources deferred during the year	57,419	123,634
Amounts released from previous periods	(123,634)	(136,934)
	<u>57,419</u>	<u>123,634</u>

At the balance sheet date the academy trust was holding funds received in advance in respect of grants where the academy trust does not yet have entitlement to the income, music tuition taking place in the Autumn Term 2019 and trips taking place in the 19/20 school year.

16. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Other loans	<u>222,769</u>	<u>-</u>

Loans of £247,521 are from the Condition Improvement Fund which is provided on the following terms.

The loan is being repaid in equal annual installments over ten years and will be fully repaid in the year to 31 August 2029. Interest is being charged at 1.85%.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

17. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	569,409	606,507	(859,717)	-	-	316,199
Restricted general funds						
General Annual Grant (GAG)	-	8,588,984	(9,099,172)	510,188	-	-
Pupil Premium	58,672	324,161	(382,833)	-	-	-
Rates Relief	23,143	39,309	(62,452)	-	-	-
Special Educational Needs	-	52,251	(52,251)	-	-	-
Looked After Children	7,415	25,531	(32,946)	-	-	-
Other	4,871	107,266	(102,689)	-	-	9,448
Maths TSST	-	27,750	(27,750)	-	-	-
Donations	-	4,000	-	-	-	4,000
Pension reserve	(871,000)	-	(177,000)	-	(996,000)	(2,044,000)
	<u>(776,899)</u>	<u>9,169,252</u>	<u>(9,937,093)</u>	<u>510,188</u>	<u>(996,000)</u>	<u>(2,030,552)</u>
Restricted fixed asset funds						
Transfer from local authority on conversion	8,966,641	-	(379,973)	-	-	8,586,668
Salix loan transferred on conversion	(521)	-	-	521	-	-
Capital expenditure post conversion	458,323	427,801	(44,189)	(263,188)	-	578,747
CIF loan	-	-	-	(247,521)	-	(247,521)
	<u>9,424,443</u>	<u>427,801</u>	<u>(424,162)</u>	<u>(510,188)</u>	<u>-</u>	<u>8,917,894</u>

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

17. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Total Restricted funds	8,647,544	9,597,053	(10,361,255)	-	(996,000)	6,887,342
Total funds	9,216,953	10,203,560	(11,220,972)	-	(996,000)	7,203,541

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State the academy trust was not subject to a limit on the GAG that it could carry forward to 31 August 2019.

The Pension reserve represents the Academy's net liability in respect of the Local Government Pension Scheme.

The Pupil Premium income represents as additional grant to support those students on free school meals and who are from service families. Costs incurred for this purpose such as additional teaching and support staff expenses have been set off against this income.

Looked after Children income has been received from the County Council. Any costs that have been specifically incurred by that 'looked after child' have been set off against this income.

Special Educational Needs funding is High Needs Tariff funding received to support students with significant special educational needs beyond mainstream schooling.

Rates Relief represents funding received via the ESFA to cover a proportion of the Academy Trust's expenditure on rates.

Maths TSST represents funding received to go towards teacher subject specialism training for Maths.

Other restricted funds represents other small grants for restricted purposes.

CIF loan represents the balance owing to the DfE on the CIF loan. The loan will be repaid from Devolved Formula Capital (DFC) grant income.

Assets transferred from the local authority on conversion represent the net book value of leasehold land and buildings and other assets transferred from the predecessor school upon becoming an academy.

Salix loan transferred on conversion represents the amount owed in respect of a loan taken out to fund the purchase of assets pre-conversion, which was transferred from the predecessor school upon becoming an Academy.

Capital expenditure post-conversion represents fixed assets purchased from that grant funding.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

17. Statement of funds (continued)

Transfers

£521 was transferred from GAG to restricted fixed asset funds to reflect the repayment of the Salix loan.

£247,521 was transferred from CIF loan to GAG in relation to the loan received to assist with the roof works.

£262,667 was transferred from capital expenditure post conversion to GAG in relation to the CIF grant received being spent on revenue expenditure.

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

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

17. Statement of funds (continued)

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

	<i>Balance at 1 September 2017</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers in/out</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 August 2018</i> £
Unrestricted funds						
General Funds	1,093,024	744,810	(1,183,067)	(85,358)	-	569,409
Restricted general funds						
General Annual Grant (GAG)	39,078	8,501,193	(8,020,891)	(519,380)	-	-
Pupil Premium	124,062	326,682	(392,072)	-	-	58,672
Rates Relief	23,129	38,406	(38,392)	-	-	23,143
Special Educational Needs	-	49,336	(49,336)	-	-	-
Looked After Children	1,625	34,780	(28,990)	-	-	7,415
Other	16,882	20,020	(32,031)	-	-	4,871
Maths TSST	-	30,000	(30,000)	-	-	-
Summer School	4,951	-	(4,951)	-	-	-
Schools Direct	-	33,937	(33,937)	-	-	-
Pension reserve	(1,163,000)	-	(529,000)	277,000	544,000	(871,000)
	<u>(953,273)</u>	<u>9,034,354</u>	<u>(9,159,600)</u>	<u>(242,380)</u>	<u>544,000</u>	<u>(776,899)</u>

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

17. Statement of funds (continued)

	£	£	£	£	£	Balance at 31 August 2018 £
Restricted fixed asset funds						
Transfer from local authority on conversion	9,317,961	-	(351,320)	-	-	8,966,641
Salix loan transferred on conversion	(25,360)	-	-	24,839	-	(521)
Capital expenditure post conversion	224,225	301,958	(370,759)	302,899	-	458,323
	<u>9,516,826</u>	<u>301,958</u>	<u>(722,079)</u>	<u>327,738</u>	<u>-</u>	<u>9,424,443</u>
Total Restricted funds	<u>8,563,553</u>	<u>9,336,312</u>	<u>(9,881,679)</u>	<u>85,358</u>	<u>544,000</u>	<u>8,647,544</u>
Total funds	<u>9,656,577</u>	<u>10,081,122</u>	<u>(11,064,746)</u>	<u>-</u>	<u>544,000</u>	<u>9,216,953</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	9,070,730	9,070,730
Current assets	364,323	412,211	242,907	1,019,441
Creditors due within one year	(48,124)	(398,763)	(172,974)	(619,861)
Creditors due in more than one year	-	-	(222,769)	(222,769)
Provisions for liabilities and charges	-	(2,044,000)	-	(2,044,000)
Total	<u>316,199</u>	<u>(2,030,552)</u>	<u>8,917,894</u>	<u>7,203,541</u>

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	-	9,372,493	9,372,493
Current assets	569,409	652,599	52,471	1,274,479
Creditors due within one year	-	(558,498)	(521)	(559,019)
Provisions for liabilities and charges	-	(871,000)	-	(871,000)
Total	569,409	(776,899)	9,424,443	9,216,953

19. Reconciliation of net expenditure to net cash flow from operating activities

	2019 £	2018 £
Net expenditure for the year (as per Statement of financial activities)	(1,017,412)	(983,624)
Adjustments for:		
Depreciation charges	394,634	408,966
Defined benefit pension scheme cost less contributions payable	151,000	220,000
Defined benefit pension scheme finance cost	26,000	32,000
Decrease/(Increase) in debtors	66,656	(79,695)
Increase in creditors	36,611	51,763
Net cash used in operating activities	(342,511)	(350,590)

20. Cash flows from financing activities

	2019 £	2018 £
Cash inflows from new borrowing	247,521	-
Repayments of borrowing	(521)	(24,839)
Net cash provided by/(used in) financing activities	247,000	(24,839)

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

21. Cash flows from investing activities

	2019	2018
	£	£
Purchase of tangible fixed assets	(92,871)	(103,520)
Net cash used in investing activities	(92,871)	(103,520)

22. Analysis of cash and cash equivalents

	2019	2018
	£	£
Cash in hand	752,978	941,360
Total cash and cash equivalents	752,978	941,360

23. Pension commitments

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

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

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

The previous actuarial valuation was carried out as at 31 March 2012 and determined the contributions for the period, which were paid at a rate of 16.48%. This rate has been paid since September 2015.

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

The employer's pension costs paid to TPS in the year amounted to £749,005 (2018 - £749,753).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

Scheme changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

23. Pension commitments (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 2019 was £432,000 (2018 - £350,000), of which employer's contributions totalled £358,000 (2018 - £277,000) and employees' contributions totalled £ 74,000 (2018 - £73,000). The agreed contribution rates for future years are 24.8 per cent for employers and variable per cent for employees.

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

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	2.6	2.7
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	1.8	2.8

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	21.3	21.9
Females	23.5	24.4
<i>Retiring in 20 years</i>		
Males	22.3	23.9
Females	24.9	26.4

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

23. Pension commitments (continued)

Sensitivity analysis

	2019 £	2018 £
Discount rate +0.1%	(194,000)	(146,000)
Discount rate -0.1%	194,000	146,000
Mortality assumption - 1 year increase	312,000	239,000
Mortality assumption - 1 year decrease	(312,000)	(239,000)
CPI rate +0.1%	167,000	123,000
CPI rate -0.1%	(167,000)	(123,000)

For sensitivity purposes the Actuary has advised that they estimate that a one year increase in life expectancy would increase the Employers Defined Benefit Obligation by 3-5%, but that in practice the actual cost would depend on the structure of the revised assumption. The table above discloses the monetary impact on a 4% change.

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	2,875,000	3,166,000
Property	1,265,000	511,000
Cash and other liquid assets	57,000	51,000
Debt instruments	1,552,000	1,379,000
Total market value of assets	5,749,000	5,107,000

The actual return on scheme assets was £299,000 (2018 - £234,000).

The amounts recognised in the Statement of financial activities are as follows:

	2019 £	2018 £
Current service cost	(485,000)	(497,000)
Past service cost	(24,000)	-
Interest income	148,000	118,000
Interest cost	(174,000)	(150,000)
Total amount recognised in the Statement of financial activities	(535,000)	(529,000)

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

23. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	5,977,000	5,734,000
Current service cost	485,000	497,000
Interest cost	174,000	150,000
Employee contributions	74,000	73,000
Actuarial losses/(gains)	1,121,000	(428,000)
Benefits paid	(62,000)	(49,000)
Past service costs	24,000	-
At 31 August	7,793,000	5,977,000

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

	2019 £	2018 £
At 1 September	5,106,000	4,571,000
Interest income	148,000	118,000
Actuarial gains	125,000	116,000
Employer contributions	358,000	277,000
Employee contributions	74,000	73,000
Benefits paid	(62,000)	(49,000)
At 31 August	5,749,000	5,106,000

24. Operating lease commitments

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

	2019 £	2018 £
Not later than 1 year	15,293	18,073
Later than 1 year and not later than 5 years	-	15,293
	15,293	33,366

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

25. Other financial commitments

At the year end there is a financial commitment of £112,632 in relation to ongoing roof repairs.

26. 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.

27. Related party transactions

Owing to the nature of the academy trust 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 AFH, 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 party transactions. The following related party transactions took place in the financial period.

During the year, the academy received income in respect of teacher training of £18,200 (2018 - £20,241) from Farlingaye Kesgrave Teaching Alliance, a joint venture under common control of the school.

During the year the academy purchased services from P.L.O.T. Community Interest Company, a company which Beverly Clark is a director and member. Beverly Clark was both a director and trustee of the Trust for the period 8 October 2018 to 8 December 2018. During this period purchases were £5,229, purchases for the financial year totalled £19,593. The purchases were part of an ongoing provision arranged before Beverly Clark was appointed as a trustee.

28. Post balance sheet events

On the 1 September 2019 Bungay High School and Kesgrave High School transferred their operations, assets and liabilities into East Anglian Schools Trust Ltd to form a multi academy trust. Farlingaye Kesgrave Teaching Alliance assets were also transferred on 1 September 2019.

The book value of net assets transferred were as follows:

	2019 £
Bungay High School	14,485,017
Kesgrave High School	13,826,174
Farlingaye Kesgrave Teaching Alliance	105,357
	<hr/> 28,416,548 <hr/>

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

29. Agency arrangements

The Academy Trust administers the disbursement of the new discretionary support for learners, 16-19 Bursary Funds on behalf of the ESFA. In the year it received £33,250 (2018: £34,305) and disbursed £30,600 (2018: £36,695). An amount of £1,458 (2018: £471) is repayable to ESFA at 31 August 2019 and is included in accruals and deferred income. The Academy Trust retained a beneficial interest in individual transactions such that £1,664 (2018: £1,715) has been recognised in income and expenditure in the Statement of financial activities.

30. Controlling party

There is no ultimate controlling party.

31. Joint Venture

The Academy Trust is a 50% joint member of Farlingaye Kesgrave Teaching Alliance, a company limited by guarantee and registered in England and Wales (Company number 08160407). The other member of the company is Kesgrave High School.

Kesgrave High School and Farlingaye High School were designated as a joint Teaching School in July 2011. As a result, they formed the Farlingaye Kesgrave Teaching Alliance to strive to continually improve the quality of teaching, learning and standard for students locally.

The investment is accounted for at cost less impairment, which is £Nil as at 31 August 2019 (2018: £Nil).

If the investment in Farlingaye Kesgrave Teaching Alliance had been accounted for using the equity method the impact would have been:

	2019	2018
	£	£
Impact on surplus	(6,110)	(4,727)
Impact on investments	52,679	58,788
	=====	=====

The Academy Trust's share of the results of Farlingaye Kesgrave Teaching Alliance for the year ended 31 August 2019 and the balance sheet as at that date are:

EAST ANGLIAN SCHOOLS TRUST LTD
(A company limited by guarantee)

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

	2019 £	2018 £
Income derived from educational activities	125,667	241,850
Expenditure derived from educational activities	(131,777)	(246,577)
Assets	84,665	113,261
Liabilities	(31,986)	(54,473)
Reserves	52,679	58,788