

**EVERSHOLT ACADEMY TRUST**

**(A company limited by guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**



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| <p><b>EVERSHOLT ACADEMY TRUST</b><br/><b>(A company limited by guarantee)</b></p> |
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**REFERENCE AND ADMINISTRATIVE DETAILS**

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|--|---|
| <b>Members</b>                         | D P Hunt<br>Dr C Kotecki<br>Dr N M Muller<br>T J Peacock  |
| <b>Governors</b>                       | T J Peacock, Chairman <sup>1</sup><br>G V Miller, Principal and Accounting Officer <sup>1</sup><br>S C Allen<br>D P Hunt<br>M D Preen <sup>1</sup><br>D E McCallum <sup>1</sup><br>Dr C Kotecki<br>A C Roberts<br>E L Wadge (resigned 13 September 2019)<br>H M Jasper, Staff Governor<br>Dr N M Muller<br>J A Doherty (appointed 16 January 2020)<br>T A Raper (appointed 16 January 2020)<br><br><sup>1</sup> members of the Finance and General Purposes Committee |
| <b>Company registered number</b>       | 07697481  |
| <b>Company name</b>                    | Eversholt Academy Trust   |
| <b>Principal and registered office</b> | Eversholt Lower School<br>Church End<br>Eversholt<br>Milton Keynes<br>MK17 9DU  |
| <b>Senior management team</b>          | G V Miller, Principal<br>H M Jasper, Senior Teacher   |
| <b>Independent auditors</b>            | Streets Audit LLP<br>Chartered Accountants<br>Potton House<br>Wyboston Lakes<br>Great North Road<br>Wyboston<br>Bedford<br>MK44 3BZ   |
| <b>Bankers</b>                         | Lloyds Bank Plc<br>28 Secklow Gate West<br>Milton Keynes<br>Buckinghamshire<br>MK9 3EH  |

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**GOVERNORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Governors' report and a directors' report under company law.

The Trust operates an academy for pupils aged 4 to 9 serving a catchment area of the villages of Eversholt, Milton Bryan and Steppingley, and also pupils from further afield within Central Bedfordshire and Buckinghamshire. It has a notional pupil capacity of 75 (from reception to year 4) and had a roll of 60 in the most recent school census in October 2020 (October 2019: 61).

**Structure, governance and management**

**a. Constitution**

The academy 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.

The Governors of Eversholt Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Eversholt Academy and the school is also known as Eversholt Lower School..

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

**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. Governors' indemnities**

In accordance with normal commercial practice, the Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The cover is provided under the DfE risk protection arrangement (RPA) for academy trusts and, as detailed in "Section 5 – Governors' liability", the insurance currently provides cover of up to £10,000,000.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

**d. Method of recruitment and appointment or election of Governors**

Recruitment of Governors remains a core focus of the Trust given the invaluable role they play in the support and future of the Academy.

Governors are appointed when necessary to the board. The articles allow for the following composition of Governors (also referred to as governors):

- a. up to 7 governors appointed by the Members
- b. up to 2 staff governors
- c. up to 1 local authority ("LA") governor
- d. a minimum of 2 parent governors
- e. the Principal
- f. any co opted, additional or further governors pursuant to the terms of the articles

The number of Governors shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The Members may appoint up to 7 governors. The Members may appoint staff governors through such process as they may determine, provided that the total number of governors (including the Principal) who are employees of the Academy Trust does not exceed one third of the total number of governors. The Principal shall be treated for all purposes as being an ex officio governor. The LA may appoint the LA governor.

The parent governors shall be elected by parents of registered pupils at the Academy. A parent governor must be a parent of a pupil at the Academy at the time when he or she is elected.

Where a vacancy for a parent governor is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he or she is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of parent governors. Any election of parent governors which is contested shall be held by secret ballot.

The number of parent governors required shall be made up by parent governors appointed by the Governing Body if the number of parents standing for election is less than the number of vacancies.

In appointing a parent governor the Governing Body shall appoint a person who is the parent of a registered pupil at the Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

The Governors may appoint up to 3 co opted governors. A 'co opted governor' means a person who is appointed to be a governor by being co opted by Governors who have not themselves been so appointed.

**e. Policies adopted for the induction and training of Governors**

All new Governors will be given a tour of the Academy and the chance to meet staff and pupils. All governors are provided with access to the policies, procedures, minutes, accounts, budgets, plans and other documents they need to undertake their role as governors. Induction tends to be informal and is tailored to the specific individual, although all new Governors are encouraged to attend a Governors Training course run by the Local Education Authority or such other provider of the service to which the Academy subscribes, and also to complete a new governor visit to the school.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

**f. Organisational structure**

The structure consists of three levels: the Members of the Academy, the Governors and the Senior Leadership Team (SLT). The aim of the structure is to devolve responsibility and encourage involvement in decision making at all levels and avoid replication of works and roles.

The Members of the Academy are members of the local community who have had links with the school. They represent the community stakeholders with a view of the school and its objectives. The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Leadership Team are the Principal and the Senior Teacher. The Senior Leadership Team is responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and pupils. The Senior Leadership Team can authorise expenditure within agreed limits and budgets and some spending control is devolved to the office manager. Capital or other significant expenditure requires authorisation by the Finance & General Purposes Committee of the Governors subject to the Academy's best value policy. The Principal fulfils the role of the Accounting Officer of the Academy.

During the year under review the Governors held 9 full Governing Body meetings. In addition sub committees of the Governing Body met through the year, including the Finance & General Purposes Committee (F&GPC), and a Curriculum Committee established to cover Education, Learning and Standards. These or other sub committees, or individual Governors, have oversight of Staffing, Health & Safety, Marketing and Communications, Headteacher Performance Management, Child Safeguarding and Appeals.

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

A committee of the Governors is responsible for setting the pay and remuneration of the Principal under the framework of Headteacher Performance Management. The committee has worked closely with an external advisor (a retired Headteacher appointed by the Trust) to assist in assessing the Academy's and Principal's performance over the year. The advisor visited the Academy each term and met with the Chair of Governors and Principal to discuss progress against assessment criteria, in year pupil data and benchmarks against both LA and national data. Additional meetings are held at the beginning of the autumn term to assess previous year's performance against objectives and targets and to look forward to the coming year. This meeting is attended by two Governors in conjunction with the Principal and the advisor.

The Principal is managed by the standards set out in the National Standards of Excellence for Headteachers.

**Objectives and activities**

**a. Objects and aims**

The principal object and aim of the Eversholt Academy Trust is the operation of Eversholt Lower School to provide education for pupils of different abilities between the ages of 4 and 9 (covering limited nursery provision, reception, Key Stage 1 and the first 2 years of Key Stage 2) and to advance for the public benefit education in the United Kingdom.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Objectives and activities (continued)**

**b. Objectives, strategies and activities**

The Academy's main objective is encompassed in its mission statement which is:

To create a learning establishment where each individual feels valued and is given the opportunity to flourish and grow and learn. We believe that children are our future and as such we are all committed to providing the best possible start in life for our young pupils.

To this end the Academy's strategy and activities comprise:

- a. delivering an outstanding educational experience for all pupils through excellent teaching and inventive curricular experiences
- b. identifying and overcoming barriers to learning through early intervention enabling every child to achieve their potential
- c. engaging parents, carers and support networks in effective communication to enhance the holistic approach to learning
- d. celebrating with the wider community all the achievements of Eversholt Academy.

**c. Public benefit**

The principal activity of the Academy is to advance for the public benefit education in the UK by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. The academy trust's governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

**Strategic report**

**a. Achievements and performance**

Any review of the 2019/20 academic year has to begin by acknowledging the unprecedented circumstances created by the global coronavirus pandemic, including (but not limited to) the enforced closure (initially full and then partial) of the school from 23 March and throughout the final term of the year, and the successful implementation of its remote learning practices and support.

The senior leadership team - ably supported by staff, pupils, parents/carers and governors – faced and overcame the significant challenges resulting from the overall uncertainty of the situation and changing government guidance to ensure that the school operated remotely when and where required and was also able to partially re-open in "bubbles" to nursery, reception, Y1 and Y2 per government guidelines from 1 June, and, for the final two weeks, Y4 (for whom it was their final days at the school).

The senior leadership team worked closely with a working party of governors to ensure that a thorough risk assessment was undertaken and constantly reviewed/updated and new policies introduced and implemented to allow the safe re-opening. It is pleasing that, at the time of writing and despite a second lockdown, the school remains fully open along with provision of remote learning if and when required. Feedback from all stakeholders has been uniformly positive both as to how the school coped during the initial lockdown and full closure (with particular praise for how it was ready from day 1 with its remote learning platform) and subsequently.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Strategic report (continued)**

**(continued)**

We had about a 50% uptake on the partial re-opening offer for the respective year groups whilst the remainder stayed at home completing the online learning still being set by the class teachers. Assessments could not take place during this time, as a clear picture would not be achieved. With the whole school having returned in September 2020, the teachers have taken the time to settle the children and establish where any gaps in their learning appear. The majority of our school was accessing the online learning in one form or another as we continued to deliver the curriculum plans. We are aware of certain areas that will need to be revisited during this new school year.

Against this backdrop, and despite the continued financial pressure on small rural schools, the Academy has once again performed very strongly in academic terms, albeit that without formal assessments at the end of the year there is a lack of externally verifiable national and local results to compare performance against.

Below are some of the highlights of the very high standards achieved in March at the midpoint of the academic year.

- Year R (Reception) – 60% of pupils had already achieved GLD (a good level of development) in the prime areas of learning and in the specific areas of literacy and mathematics.
- Year 1 85% of pupils were already on track to meet the required standards in phonics - an exceptionally high outcome.
- Year 2 86% of pupils were already on track to achieve “expected or above” in reading, writing and maths – well above the local and national averages in recent years.
- Year 4 80% of pupils were already on track to achieve “expected or above” in reading, writing and maths – above or in line with the local averages in recent years.

**b. Key performance indicators**

**Educational KPIs**

With no formal assessment of any kind having taken place during the summer term 2020 we have set out below our previous data as an indicator of what the children have recently achieved at Eversholt.

The table below illustrates the significant improvements made in recent years in the Year 1 phonics assessment:

| % pass in Year 1 | 2012  | 2013       | 2014  | 2015               | 2016               | 2017                               | 2018               | 2019                               |
|------------------|-------|------------|-------|--------------------|--------------------|------------------------------------|--------------------|------------------------------------|
| ELS              | 57    | 56         | 67    | 87                 | 94                 | 100                                | 92                 | 100                                |
| Nat              | 58    | 69         | 74    | 77                 | 81                 | 81                                 | 82                 | 81                                 |
| Judgement        | Below | Well below | Below | Exceptionally high | Exceptionally high | Top 3% of all primaries nationally | Exceptionally high | Top 3% of all primaries nationally |



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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Strategic report (continued)**

(continued)

**KS1 SATs (Year 2):**

Attainment across all subjects is shown below, with a high percentage of Academy pupils achieving "at least expected" and "greater depth" in each subject:

|               | <u>Reading</u>             |                        | <u>Writing</u>             |                        | <u>Maths</u>               |                        | <u>Number of Pupils</u> |
|---------------|----------------------------|------------------------|----------------------------|------------------------|----------------------------|------------------------|-------------------------|
|               | <u>% Expected or above</u> | <u>% Greater depth</u> | <u>% Expected or above</u> | <u>% Greater depth</u> | <u>% Expected or above</u> | <u>% Greater depth</u> |                         |
| <u>ELS 17</u> | 94                         | 59                     | 94                         | 53                     | 94                         | 47                     | 17                      |
| <u>LA 17</u>  | 79                         | 33                     | 70                         | 21                     | 77                         | 25                     |                         |
| <u>NAT 17</u> | 76                         | 25                     | 68                         | 16                     | 75                         | 21                     |                         |
| <u>ELS 18</u> | 93                         | 71                     | 93                         | 57                     | 93                         | 43                     | 14                      |
| <u>LA 18</u>  | 79                         | 33                     | 73                         | 22                     | 79                         | 27                     |                         |
| <u>NAT 18</u> | 75                         | 26                     | 70                         | 16                     | 76                         | 22                     |                         |
| <u>ELS 19</u> | 86                         | 43                     | 86                         | 43                     | 87                         | 43                     | 14                      |
| <u>LA 19</u>  | 78                         | 32                     | 72                         | 20                     | 77                         | 28                     |                         |
| <u>NAT 19</u> | 75                         | 25                     | 69                         | 15                     | 76                         | 22                     |                         |

**Lower Key Stage 2 (Year 4):**

There are no national benchmarks for end of year 4 data. End of year 4 results are compared with the LA average below:

|               | <u>Reading</u>             |                        | <u>Writing</u>             |                        | <u>Maths</u>               |                        | <u>Number of Pupils</u> |
|---------------|----------------------------|------------------------|----------------------------|------------------------|----------------------------|------------------------|-------------------------|
|               | <u>% Expected or above</u> | <u>% Greater depth</u> | <u>% Expected or above</u> | <u>% Greater depth</u> | <u>% Expected or above</u> | <u>% Greater depth</u> |                         |
| <u>ELS 17</u> | 93                         | 47                     | 93                         | 20                     | 80                         | 40                     | 15                      |
| <u>LA 17</u>  | 82                         | 37                     | 72                         | 24                     | 76                         | 28                     |                         |
| <u>ELS 18</u> | 100                        | 82                     | 100                        | 64                     | 100                        | 82                     | 11                      |
| <u>LA 18</u>  | 82                         | 37                     | 73                         | 25                     | 79                         | 26                     |                         |
| <u>ELS 19</u> | 94                         | 89                     | 94                         | 67                     | 94                         | 56                     | 18                      |
| <u>LA 19</u>  | 82                         | 37                     | 73                         | 25                     | 78                         | 30                     |                         |

*Broader curriculum and overall school offer*

The Academy has developed our curriculum offer to ensure we deliver an enriched, broad progressive curriculum that focuses on the key skills and values children need to develop at the academy.

Our school music lessons continue to be enhanced by the peripatetic teaching from a specialist music leader; all children in KS2 are using real instruments in their instruction. The KS1 children are all learning to play the ocarinas as a whole class initiative.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Strategic report (continued)**

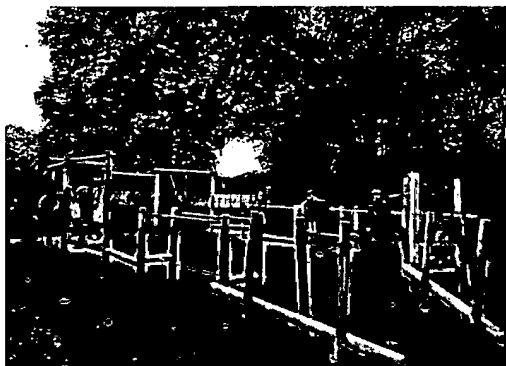
**(continued)**

For the second year we have been credited as a Music Mark School as part of a national organisation, Subject Association for Music Education. It was awarded to Eversholt Academy for 'all the hard work you and your colleagues do to ensure that pupils at your school are able to access and engage with a high-quality music education. Your dedication to offering and delivering a broad and balanced curriculum is both welcomed and celebrated.'

The arts remain a high focus at the academy and, as such, we have begun our journey to attain the Arts School accreditation. This journey usually takes 2 years but, due to COVID restrictions currently in place, this will be extended. We continue to strive for Silver status.

As an Academy, we always strive to be forward thinking with our technology. During the year we invested in a class set of chrome books. Prior to lockdown we were able to get all the children signed up to Google Classroom so, from the very first day, the children working from home were able to have access to daily lessons in English and maths as well as a curriculum subject. This work was returned to the teacher and then sent back to the pupils with feedback provided. The teachers videoed themselves reading stories to the children and they held weekly Google meets in their classes. Subsequently, our IT lead has linked with another local lower school to help them on their journey in setting up Google classroom. The parents were extremely appreciative and we were commended on our approach from the outset.

To continue our offer of global learning we have signed up with Picture News. This resource is designed to provide opportunities for children to learn from our world and develop respect for others' beliefs, feelings and faiths. It encourages exploration and discussion, challenging and inspiring children to learn and is linked to our British Values. It has been noted that although the Academy lacks diversity in its settings, the children are aware of the larger world around them. In sports, the Academy continues to thrive, with teams representing the Academy in sporting tournaments during the Autumn term regularly winning the values award. During lockdown our sports partnership held two virtual competitions with many of our children taking part and we had children in each year group finishing in the top three spots. This is a remarkable achievement for such a small school. Unfortunately, our offer to extend our school swimming to our younger pupils did not take place due to COVID, but talks have already taken place with the village swimming pool committee to make this offering available for summer 2021. Work was completed on our new all-weather activity trail, which is used daily by all year groups.



We continue to maintain our healthy schools status; once again, the school achieved the Gold PE mark in all age phases this year. Our 30:30 strategy initiative is now fully embedded; children have access to the golden mile and our new activity trail. Our lunchtime play leader leads focused physical activities at lunchtime as well as wellbeing time inside the classroom.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Strategic report (continued)**

**(continued)**

Prior to the COVID outbreak, the Academy continued to provide a successful and popular Breakfast Club; in addition, it has further developed its offer of afterschool clubs. We are looking to offer wrap around care again in the future, but will revisit this at a later date due to COVID restrictions.

*School Improvement*

The Academy believes that transparency and open data on the school is both important to parental choice and an enabler of data driven standards improvement. The Academy is using the services from the Local Authority School Improvement Adviser.

The Academy strives to ensure that standards are continually raised. As its School Improvement Plan states, "we challenge ourselves to constantly innovate and improve, always aiming to provide an outstanding education for our children". The Academy's plan for ongoing, continuous self improvement is always "to sustain consistent high standards", which includes Governor oversight and assessment of progress against that plan through the academic year.

This coming year we are looking to embed outdoor learning into our everyday curriculum. We have access to a woodland area which will take on a forest school type approach and we are looking to convert our old kitchen into a purpose built music room where children can practise, play, sing and record to develop their joy of music.

We see both these areas as a way to improve all round standards and what the Academy can offer in comparison to other local lower schools.

**c. Financial performance**

A financial review of the year is provided in the following section. Below are some of the key financial indicators:

|   |           |                   |
|---|-----------|-------------------|
| • Operational income (exc LGPS pension):                        | £414,554  | (2019: £382,596)  |
| • Operational expenditure (exc LGPS pension and depreciation) : | £371,180* | (2019: £386,337*) |
| • Operating surplus/(deficit):                                  | £43,374*  | (2019: £(3,741)*) |
| • Aggregate free reserves at year end:                          | £112,073  | (2019: £68,699*)  |
| • Staff costs as % of operational expenditure (per above):      | 79.6%     | (2019: 76.7%)     |
| • Staff costs as % of GAG funding:                              | 93.5%     | (2019: 96.4%)     |

\*adjusted to reflect the funding and expenditure profile relating to the new all weather playground and activity trail which was completed (and paid for) in 2019/20 but involved rolled-over prior year PE funding and associated spending plans – this results in the presentation of more meaningful underlying metrics.

**d. Financial projections**

Following the relatively significant budget surplus achieved during 2019/20 (and considered further under the Financial Review below), over the next 3 financial years (2020/21, 2021/22 and 2022/23) the Governors currently expect to return to in-year budget deficits which would continue to be addressed from accumulated funds and reserves (which were boosted during 2019/20).

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**GOVERNORS' REPORT (CONTINUED)**  
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**Strategic report (continued)**

**(continued)**

The costs of running the school continue to increase annually, with staff costs (which make up the vast majority of expenditure) increasing as individuals move up their respective pay-scales and/or pay at each pay-point increases. Non-staff costs also face upward inflationary pressure. Against this, government funding has recently remained broadly flat on a like-for-like basis (that is, assuming the same number on roll given the "per pupil" basis of funding). However, the number on roll at the school has fallen over the past few years and this has a detrimental impact on the school's funding which has fallen at the same time as costs generally rise. While the Governors key strategic focus is to increase and maintain the number on roll over the next few years (currently 60, down over past few years from recent historic range of 70 to 75), there can be no guarantees of success. However, early signs of improvement continue, following the 2019/20 reception class being oversubscribed (15 max) for the first time in a number of years, and there appears to be generally higher demand for places especially in the younger age groups. The school has also enjoyed some success in recent years in in-year admissions and it intends to continue to market and promote the school in the surrounding areas. It is however likely to be some time before the roll returns towards the notional capacity of 75 at which it ought to be able to maintain a balanced in-year budget. Medium to long term financial planning remains challenging given uncertainties over the timing, implementation and precise impact of the National Funding Formula, and general economic uncertainty given the impact of the global pandemic.

At the same time as closely monitoring and seeking to control/reduce costs, the school is also seeking to increase income from fundraising, donations and other sources. Following open communication with parents and local stakeholders around the school's financial constraints, fundraising support during the financial year was again highly successful and the local Parochial Charity also divert certain educational funds direct to the school rather than to local children of school age as had been its recent practice. This local community support is very welcome and all the more important in the coming years given funding pressures.

As noted elsewhere in this report, the Governors resolved not to join the new local multi-academy trust (MAT) with certain other pyramid schools at the time of its launch earlier in 2020, however the school continues to work closely with these and other local schools and the Governors continue to review strategic options for the school's future and potential operational models, with the finances and economics of running the school forming a key part of those considerations.

**e. Going concern**

After making appropriate enquiries, the board of Governors has a reasonable expectation that the academy 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**

The significant points to note from a financial review of the year are:

- The Trust achieved a relatively significant in-year budget surplus (c. £43k on the basis described under "Financial Performance" above) having originally forecast a smaller surplus for the period (following a number of recent in-year deficits). This allowed the Trust to replenish recently reduced reserves, which in turn will provide financial support for the coming years in which a return to in-year deficits is forecast.

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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- Whilst the impact of the global pandemic on the school created significant operational challenges, from a purely financial perspective there were a number of positive impacts. The planned recruitment of a supply teacher for the summer term for years 3 and 4 (to replace a departing medium-term supply teacher) was rendered unnecessary due to the pandemic and those year groups being taught, for the most part, remotely. The Headteacher took on teaching responsibilities for that class. Given the relatively small number of teaching staff, and the high proportion of overall costs that relate to staff, the impact of this change in staffing was relatively material in financial terms.
- Furthermore, there were other unplanned savings in terms of certain goods and services that were not required during the school's full and then partial closure, albeit that some of these savings were offset by additional Covid related costs such as increased cleaning services and materials, as well as PPE. More pro-actively there were other cost savings secured throughout the year from prudent financial management, including securing maternity cover for a member of staff at a significantly reduced cost to that of the absent staff member (whose own maternity pay was met by insurance). This was combined with otherwise lower teaching staff costs compared to the prior year due to the new Headteacher (in her first full year in 2019/20) starting on a lower payscale to her predecessor.
- On the other side of the equation, overall funding was higher than anticipated, driven by non-governmental sources. Whilst the school's usual fundraising activities were negatively impacted by the restrictions enforced by the pandemic, the Trust received additional financial support from the local Parochial Charity as well as a one-off contribution from HAST (the Trust formed by the local pyramid schools which was wound-up given the establishment of the new multi-academy trust by certain of those schools).
- PE funding remained at the higher level seen in recent years (as for all schools). The excess (over and above the more typical use of these funds) was put towards the new all weather surfaced play area with play equipment that was completed during the summer months and is being enjoyed and well used by pupils, having been in the development plan for the past 3 years. In 2020/21 the school also hopes to secure a new plot of adjoining land on which to establish a woodland trail, further complementing the school's outdoor learning and activities.
- There was further good news in terms of development planning with capital funding finally secured (after 5 years of applying) for the much needed replacement of the school's windows and doors. As this was only secured in an additional round of such funding later in the year, works were not able to start during 2019/20 but the funding will be provided and the works are planned for completion during 2020/21.
- Universal Infant Free School Meals (UIFSM) funding was again allocated as a grant and paid in two instalments. However, as noted in prior years, the removal of the additional UIFSM funding for small schools means that it will become ever more challenging to break even on the provision of school meals going forward given the cost of maintaining the kitchen on site. As such, the Governors resolved to revert to off-site meal preparation and delivery which should deliver cost savings over time (without any apparent decrease in food quality) and also frees up the existing kitchen space for alternative usage (with a new music room under consideration).
- At the end of the financial year the Trust had aggregate free reserves of £112,073 (2019: £68,699 after adjusting for the proposed spend on the playground project in 2019/20 referred to above).

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**EVERSHOLT ACADEMY TRUST**  
**(A company limited by guarantee)**

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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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- The financial position and projections of the Trust show the Academy to have sufficient reserves to fund anticipated in year deficits to at least the end of the 2024/25 financial year on a "business as usual" basis, assuming a gradually improving number on roll. However, the longer term financial position of the Academy remains less certain at this stage pending greater visibility as to government school funding plans and their impact on the Academy and evidence of a sustained improvement in roll, along with any local educational changes (ie MATs, new schools, move from three-tier to two-tier). The Governors are wholly cognisant of the issue and are focused on securing the long term future of the school where it remains in the best interests of the pupils, through organic growth and funding opportunities, as well as further developing strategic options.
- The Academy is in the bottom 1% of academies by GAG funding. With currently only 60 (of a notional capacity 75) pupils on roll, and no additional business income available to such a small school, the school is focused on minimising controllable costs noting that staff costs as a proportion of funding income remain the key operating cost for the Academy.
- Given a significant portion of the Academy's funding is pupil led, the Trust continues to focus on ensuring the Academy is an attractive option for parents in and out of catchment. The Board and SLT continue to focus on the whole school offer to put the Academy at the centre of our families' lives into the future.
- With strong results achieved for all pupils, and rigorous focus on best value services and management of controllable costs, we believe the Academy delivers good value for money for all stakeholders. The Academy will continue to seek to improve the level of performance of its pupils at all levels and to develop and support the school ethos and values learning. The Academy will remain open to alternative routes of income generation which would aid the Academy in achieving its aims and mission statement.

**a. Reserves policy**

The Governors review the reserve levels of the Academy termly at each meeting of the F&GPC as part of overall financial review. This review examines the income and expenditure streams against the forecasts to match commitments and likely future expenditures, and to identify or forecast any potential shortfall.

Given the strategic direction of the Academy balanced against the factors described in the statement of risk, and specifically the uncertain long-term financial position of the Academy due to the gradual implementation of the school funding formula and volatility of pupil roll, in order to ensure the Academy remains a going concern to at least the end of the financial year 2021/22, the Governors have determined the appropriate level of reserves should be £30,000.

The Governors feel it prudent to allocate funds to provide:

- capital to cover any unforeseen costs in delivering the Academy's vision
- sufficient working capital to cover delays between spending and receipt of income from the applicable streams
- a cushion for unexpected expenditure and emergencies; and
- cover to meet any shortfall in future operational funding.

The Academy will continue to keep the level of reserves under review.

**b. Investment policy**

The Academy Trust does not invest its reserves in anything other than interest bearing bank accounts (riskless investment). Given the reserve funds the Trust holds, the Governors may look to review the investment policy and seek appropriate advice in terms of higher returning investments that still carry zero risk (i.e. risk free return as the benchmark).

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**EVERSHOLT ACADEMY TRUST**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**c. Principal risks and uncertainties**

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented systems to assess the risks that the school faces, especially in the operational areas (i.e. in relation to teaching, health and safety, and safeguarding) and in relation to the control of finance. The Governors have established operational procedures (e.g. vetting of new staff, visitors, governors, supervision of the grounds and buildings) and internal financial controls in order to minimise risk.

During 2019/20, and currently, the coronavirus pandemic has created the need for a detailed risk assessment relating to the on-going operation of the school with the health and safety of pupils and staff the paramount concern. This has formed a separate exercise lead by the SLT and reviewed by a working party of governors and the full governing body. This risk assessment is kept under regular review as risks, mitigating factors and related circumstances change.

The table on the following page provides disclosure of the other principal risks and uncertainties that the Governors have identified and mitigations of those risks:

**EVERSHOLT ACADEMY TRUST**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

| Risk   | Sources of Risk  | Mitigations   |
|--|--|---|
| Ability of the Academy to remain a going concern beyond 2024/25                      | Uncertainty over schools funding and budget position of small schools. Lower number on roll and ever increasing costs result in forecast annual operating budgets showing deficits throughout the 5 year planning period.  | Detailed financial planning and identification of required reserves to ensure the Academy is a going concern to at least the end of financial year 2024/25. SLT and Governors continue to explore cost savings, alternative sources of revenue and funding for the Academy as well as promotion/marketing of the school to secure higher number on roll and developing strategic options for the future. Increased reserves following 2019/20 budget surplus provide additional short-term comfort.   |
| 3 tier to 2 tier school structure  | Stated intention of the local authority to transition all schools to primary and secondary structure, potentially resulting in need for the school to add an additional 2 year groups (Years 5 and 6). This would require school expansion and consideration of demand for small primaries (given neighbouring provision) and financial viability. | Governors will consider the viability of expansion into a primary along with other strategic options.   |
| Overall lack of development funds to invest in school improvement                    | Budget uncertainty and need to mitigate longer term financial risks mean that capacity for the school to invest in key projects will be limited.   | Multiyear budget planning being used to develop a clear set of spending limits, which will enable the SLT to focus on key school priorities identified in the school development plan. Specific PE funding and additional capital grants during the year were supplemented by fundraising proceeds to support the new all-weather playground and activity trail. Funding for new windows has been secured for 2020/21 and there will be a review of IT needs as part of a "rolling refresh". Potential woodland trail and new music room under consideration. |
| Threat to school income from relatively small variances in numbers of pupils on roll | Competition from other schools and demographics leading to an oversupply of lower school places presenting a risk to the number of pupils on roll and in our pipeline.   | Focus on high academic standards, curriculum innovation and communication and marketing of school success to parents and prospective parents.<br>Rigorous ongoing control of operational expenditure to ensure maximum possible operating margin in any eventuality.  |



**EVERSHOLT ACADEMY TRUST**  
(A company limited by guarantee)

**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

|   |  |  |
|---|--|--|
| Loss of pupils on roll from Years 3 and 4 to private school sector impacting on funding | Parents choosing to withdraw pupils from Years 3 and 4 and place them in private fee paying schools, creating a reduction in numbers on roll as difficulty in filling spaces in Years 3 & 4. | Focus on high academic standards, curriculum innovation and communication and marketing of school success to parents.    |
| Maintenance of capacity to improve through staff and governor retention                 | Retention and recruitment of skilled and committed governors; retention of high quality staff.   | Provide a great working environment, ethos and effective management. Communication with parents and potential governors. |
| Ability to manage the administrative workload placed on the school                      | Lack of administrative staff, workload on governors and SLT.   | Clearly defined "rhythm of business" calendar to ensure planned and efficient administration.                            |

### **Fundraising**

The Trust operates a fundraising committee comprising parents of Academy pupils. Given the school's challenging funding and financial position, the majority of funds raised by the committee are for use by the Academy but there are other occasions through the year when funds are raised for other local or national causes or charities. Nationwide charity days such as Children in Need are participated in and the children donate money for being allowed to dress in pyjamas or mufti clothing.

Funds raised directly for the school may be allocated to specific items (e.g. ICT equipment, playground equipment) or used to support school activities, trips and other events. Any excess funds raised over and above specific usage in the year are allocated to school reserves. The committee reports to the governing body and events (and use of funds raised) are publicised in the school newsletter.

### **Plans for future periods**

The governors acknowledge all of the risks identified above and the strain an in-year deficit puts on school finances and future plans. Our strategy holds strong, where the governors are focused on increasing and maintaining the numbers on roll, remaining relevant as a small rural school to our pupils/families and ensuring we have an operating model that is viable in the longer term.

Whilst the Governors have resolved not to join the new local multi-academy trust formed by a number of neighbouring pyramid schools at this time, staff and governors remain close to those schools and the MAT's governing body and will continue to evaluate the merits of joining in the future. Our Chair of Governors was appointed a trustee of the MAT and attends termly meetings. The governors are considering all options for the future, given the current economic and funding climate as well as the evolving changes to the local educational landscape. It is important to note that these discussions centre around pupil learning, well-being and outcomes. We will continue to seek to improve the level of performance of pupils at all levels and to develop and support the school ethos and values learning. The Academy will remain open to alternative routes of income generation which would aid the Academy in achieving its aims and mission statement.

The Academy has a structured and coherent approach to updating its school improvement plan to react to changes on all levels, and to ensure a long term benefit for its students and wider community.

The leadership team and governing body's on-going focus on sound financial oversight and detailed cost control will ensure the school is best placed to react to the rapidly changing educational context in the United Kingdom.

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**EVERSHOLT ACADEMY TRUST**  
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**GOVERNORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

The Academy does not hold any assets or have any other arrangements to act as Custodian Trustee on behalf of others.

**Disclosure of information to auditors**

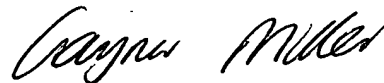
Insofar as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governors 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 Governors' report, incorporating a strategic report, was approved by order of the Board of Governors, as the company directors, on 3 December 2020 and signed on its behalf by:



**T J Peacock**  
Chair of Governors



**G V Miller**  
Accounting Officer

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**EVERSHOLT ACADEMY TRUST**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

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

The board of Governors has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Eversholt Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Governors any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The board of Governors has formally met 9 times during the year.

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

| Governor                                     | Meetings attended | Out of a possible |
|--|-------------------|-------------------|
| T J Peacock, Chairman                        | 9                 | 9                 |
| G V Miller, Principal and Accounting Officer | 9                 | 9                 |
| S C Allen                                    | 9                 | 9                 |
| D P Hunt                                     | 8                 | 9                 |
| M D Preen                                    | 9                 | 9                 |
| D E McCallum                                 | 8                 | 9                 |
| Dr C Kotecki                                 | 7                 | 9                 |
| A C Roberts                                  | 8                 | 9                 |
| E L Wadge                                    | 0                 | 0                 |
| H M Jasper, Staff Governor                   | 9                 | 9                 |
| Dr N M Muller                                | 9                 | 9                 |
| J A Doherty                                  | 6                 | 6                 |
| T A Raper                                    | 5                 | 6                 |

The Trust undertook a high level review of governance effectiveness in the reporting period. The intention is to complete a self assessment of governance effectiveness during the next financial year using National Governors Association resources and materials.

The Finance and General Purposes Committee (F&GPC) is a sub-committee of the main board of Governors. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity, and to make appropriate comments and recommendations on such matters to the governing body on a regular basis, noting that significant issues will be referred to the full governing body for ratification.

Key focus items during the year included review of prior year financial performance, regular reviews of current year financial performance against budget, budget planning for the following year and high level 3 year forecasting. This committee also sits as the audit committee as required. The committee also considered matters relating to staffing and to the maintenance and improvement of the premises and resources.

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**EVERSHOLT ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

Attendance during the year at meetings was as follows:

| Governor     | Meetings attended | Out of a possible |
|--------------|-------------------|-------------------|
| M D Preen    | 2                 | 2                 |
| T J Peacock  | 1                 | 2                 |
| D E McCallum | 2                 | 2                 |
| G V Miller   | 2                 | 2                 |

There were fewer formal meetings than usual, due to the impact of the global pandemic, but there was regular communication between members on key F&GPC matters.

The office manager is also invited to F&GPC meetings.

**Review of value for money**

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

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

- The most significant cost to the Academy are staff costs, and in the year to 31 August 2020 the staff costs as a proportion of GAG funding income were 93.5%. As noted earlier, the Headteacher took on additional teaching duties for the KS2 class during lockdown (rather than engaging the proposed supply teacher) leading to a material saving for the school
- Decision to end the provision of on-site meals and revert to off-site preparation and delivery, resulting in significant savings due to reduced kitchen maintenance and repair costs without a reduction in food quality
- Review of photocopier rental and service arrangements leading to securing new equipment at lower annual cost
- Maintaining rigour and challenge over all discretionary spend

**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 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 Eversholt Academy Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

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|---|
| <p style="text-align: center;"><b>EVERSHOLT ACADEMY TRUST</b><br/><b>(A company limited by guarantee)</b></p> |
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Capacity to handle risk**

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

**The risk and control framework**

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

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

The Board of Governors has decided not to appoint an internal auditor. However, the Governors have appointed Mike Preen, a Governor, to carry out a programme of internal checks and plans to appoint an 'independent' governor to undertake this role going forwards.

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

- overview of the financial systems in place
- procedures for approval & levels of authority
- quotation requirements & process
- contracts in place
- supply agreements in place
- bank reconciliations
- income streams
- specific transactions review
- quarterly payment checks
- payroll review

On an annual basis, the reviewer reports to the board of Governors through the finance and general purposes committee on the operation of the systems of control and on the discharge of the Governors' financial responsibilities.

The reviewer has provided reports during the period and no material control issues were highlighted.

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**EVERSHOLT ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of effectiveness**

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

- the work of the reviewer;
- the work of the external auditors;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Governors on 3 December 2020 and signed on their behalf by:



**T J Peacock**  
Chair of Governors



**G V Miller**  
Accounting Officer

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**EVERSHOLT ACADEMY TRUST**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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



**G V Miller**  
Accounting Officer  
Date: 3 December 2020

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**EVERSHOLT ACADEMY TRUST**  
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**STATEMENT OF GOVERNORS' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- 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 Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Board of Governors on 3 December 2020 and signed on its behalf by:

  
**T J Peacock**  
Chair of Governors



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**EVERSHOLT ACADEMY TRUST**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
EVERSHOLT ACADEMY TRUST**

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### **Opinion**

We have audited the financial statements of Eversholt Academy Trust (the 'academy') for the year ended 31 August 2020 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 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and 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 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 Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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**EVERSHOLT ACADEMY TRUST**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
EVERSHOLT ACADEMY TRUST (CONTINUED)**

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**Other information**

The Governors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Governors' 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 Governors' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' 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 and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report including the Strategic report.

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

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

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**EVERSHOLT ACADEMY TRUST**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
EVERSHOLT ACADEMY TRUST (CONTINUED)**

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**Responsibilities of trustees**

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

In preparing the financial statements, the Governors are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the academy 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Other matters**

Only partial disclosure has been made in respect of Governors' remuneration (note 10).

**Use of our report**

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

**EVERSHOLT ACADEMY TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
EVERSHOLT ACADEMY TRUST (CONTINUED)**



**Alan Endersby (Senior statutory auditor)**  
for and on behalf of  
**Streets Audit LLP**  
Chartered Accountants  
Statutory Auditors  
Potton House

Wyboston Lakes  
Great North Road  
Wyboston  
Bedford  
MK44 3BZ

Date: 15/12/2020

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**EVERSHOLT ACADEMY TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EVERSHOLT ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 24 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Eversholt Academy Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Eversholt Academy Trust's accounting officer and the reporting accountant**

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

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

**Approach**

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

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

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

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

The work undertaken to draw our conclusions included:

- Review of the Academy's systems and controls to ensure effective design;
- Confirmation of satisfactory operation of controls during the year, including authorisation of invoices, payments and salary adjustments;
- Review of a sample of expenses focussing on those nominal codes considered to include transactions of a greater risk;
- Review of the reports from internal scrutiny work undertaken during the year;
- Discussions with the Finance Team.

**EVERSHOLT ACADEMY TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EVERSHOLT  
ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

**Conclusion**

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



Alan Endersby, ACA (Senior Statutory Auditor)  
**Streets Audit LLP**  
Chartered Accountants  
Statutory Auditors

Potton House  
Wyboston Lakes  
Great North Road  
Wyboston  
Bedford  
MK44 3BZ

Date: 15/12/2020

**EVERSHOLT ACADEMY TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2020**

|   | Note | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Restricted<br>fixed asset<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|---|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| <b>Income from:</b>   |      |                                    |                                  |   |                             |                             |
| Donations and capital grants  | 3    | 19,764                             | -                                | 4,722   | 24,486                      | 27,485                      |
| Charitable activities   |      | -                                  | 390,009                          | -   | 390,009                     | 357,743                     |
| Investments   | 5    | 59                                 | 11,000                           | -   | 11,059                      | 61                          |
| <b>Total income</b>   |      | <b>19,823</b>                      | <b>401,009</b>                   | <b>4,722</b>                                    | <b>425,554</b>              | <b>385,289</b>              |
| <b>Expenditure on:</b>  |      |                                    |                                  |   |                             |                             |
| Charitable activities   |      | -                                  | 395,101                          | 25,389  | 420,490                     | 420,661                     |
| <b>Total expenditure</b>  |      | <b>-</b>                           | <b>395,101</b>                   | <b>25,389</b>                                   | <b>420,490</b>              | <b>420,661</b>              |
| <b>Net income/(expenditure)</b>                                     |      | <b>19,823</b>                      | <b>5,908</b>                     | <b>(20,667)</b>                                 | <b>5,064</b>                | <b>(35,372)</b>             |
| Transfers between funds   | 16   | -                                  | 4,722                            | (4,722)   | -                           | -                           |
| <b>Net movement in funds before other recognised gains/(losses)</b> |      | <b>19,823</b>                      | <b>10,630</b>                    | <b>(25,389)</b>                                 | <b>5,064</b>                | <b>(35,372)</b>             |
| <b>Other recognised gains/(losses):</b>                             |      |                                    |                                  |   |                             |                             |
| Actuarial losses on defined benefit pension schemes                 | 22   | -                                  | (231,000)                        | -   | (231,000)                   | (46,000)                    |
| <b>Net movement in funds</b>  |      | <b>19,823</b>                      | <b>(220,370)</b>                 | <b>(25,389)</b>                                 | <b>(225,936)</b>            | <b>(81,372)</b>             |
| <b>Reconciliation of funds:</b>                                     |      |                                    |                                  |   |                             |                             |
| Total funds brought forward   |      | 68,920                             | (121,300)                        | 233,946   | 181,566                     | 262,938                     |
| Net movement in funds   |      | 19,823                             | (220,370)                        | (25,389)  | (225,936)                   | (81,372)                    |
| <b>Total funds carried forward</b>                                  |      | <b>88,743</b>                      | <b>(341,670)</b>                 | <b>208,557</b>                                  | <b>(44,370)</b>             | <b>181,566</b>              |

The Statement of financial activities includes all gains and losses recognised in the year.

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**EVERSHOLT ACADEMY TRUST**  
**(A company limited by guarantee)**

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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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The notes on pages 34 to 55 form part of these financial statements.



**EVERSHOLT ACADEMY TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07697481**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

|  | Note | 2020<br>£              | 2019<br>£             |
|--|------|------------------------|-----------------------|
| <b>Fixed assets</b>                            |      |                        |                       |
| Tangible assets                                | 12   | 208,557                | 233,946               |
|  |      | <u>208,557</u>         | <u>233,946</u>        |
| <b>Current assets</b>                          |      |                        |                       |
| Debtors  | 13   | 14,427                 | 26,014                |
| Cash at bank and in hand                       |      | 137,242                | 83,121                |
|  |      | <u>151,669</u>         | <u>109,135</u>        |
| Creditors: amounts falling due within one year | 14   | (39,596)               | (29,515)              |
| <b>Net current assets</b>                      |      | <u>112,073</u>         | <u>79,620</u>         |
| <b>Total assets less current liabilities</b>   |      | <u>320,630</u>         | <u>313,566</u>        |
| <b>Net assets excluding pension liability</b>  |      | <u>320,630</u>         | <u>313,566</u>        |
| Defined benefit pension scheme liability       | 22   | (365,000)              | (132,000)             |
| <b>Total net assets</b>                        |      | <u><u>(44,370)</u></u> | <u><u>181,566</u></u> |
| <b>Funds of the academy</b>                    |      |                        |                       |
| <b>Restricted funds:</b>                       |      |                        |                       |
| Fixed asset funds                              | 16   | 208,557                | 233,946               |
| Restricted income funds                        | 16   | 23,330                 | 10,700                |
|  |      | <u>231,887</u>         | <u>244,646</u>        |
| Restricted funds excluding pension asset       | 16   | 231,887                | 244,646               |
| Pension reserve                                | 16   | (365,000)              | (132,000)             |
| <b>Total restricted funds</b>                  | 16   | <u>(133,113)</u>       | <u>112,646</u>        |
| <b>Unrestricted income funds</b>               | 16   | <u>88,743</u>          | <u>68,920</u>         |
| <b>Total funds</b>                             |      | <u><u>(44,370)</u></u> | <u><u>181,566</u></u> |

**EVERSHOLT ACADEMY TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07697481**

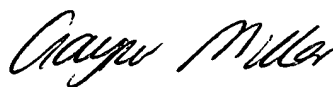
**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2020**

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 29 to 55 were approved by the Governors, and authorised for issue on 03 December 2020 and are signed on their behalf, by:



**T J Peacock**  
Chair of Governors



**G V Miller**  
Accounting Officer

The notes on pages 34 to 55 form part of these financial statements.

**EVERSHOLT ACADEMY TRUST**  
**(A company limited by guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

|   | Note   | 2020<br>£      | 2019<br>£     |
|---|--------|----------------|---------------|
| <b>Cash flows from operating activities</b>             |        |                |               |
| Net cash provided by/(used in) operating activities     | 18     | 54,062         | (11,749)      |
| <b>Cash flows from investing activities</b>             | 19     | 59             | 61            |
| <b>Change in cash and cash equivalents in the year</b>  |        | 54,121         | (11,688)      |
| Cash and cash equivalents at the beginning of the year  |        | 83,121         | 94,809        |
| <b>Cash and cash equivalents at the end of the year</b> | 20, 21 | <u>137,242</u> | <u>83,121</u> |

The notes on pages 34 to 55 form part of these financial statements

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**EVERSHOLT ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. Accounting policies**

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, 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**1.2 Going concern**

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

**1.3 Income**

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

• **Grants**

Grants are included in the 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.

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**EVERSHOLT ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. Accounting policies (continued)**

**1.3 Income (continued)**

- **Other income**

Other income is recognised in the year it is receivable and to the extent the academy 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's educational operations, including support costs and costs relating to the governance of the academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

**1.5 Interest receivable**

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

**1.6 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 and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

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**EVERSHOLT ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. Accounting policies (continued)**

**1.6 Tangible fixed assets (continued)**

Depreciation is provided on the following bases:

|                              |   |
|------------------------------|---|
| Long Term Leasehold Property | - over the remaining useful life of 16.75 years,<br>with effect from 1 September 2012 |
| Computer equipment           | - 20% straight line per annum   |

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.

**1.7 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.

**1.8 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**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 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 Financial instruments**

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy 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 13. Prepayments are not financial instruments.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. 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.

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| <b>EVERSHOLT ACADEMY TRUST</b><br><b>(A company limited by guarantee)</b> |
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. Accounting policies (continued)**

**1.11 Pensions**

Retirement benefits to employees of the academy 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 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 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.

**1.12 Fund accounting**

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

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

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

**EVERSHOLT ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**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 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 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The long leasehold buildings are carried in the balance sheet of the academy based on the ESFA valuation carried out at the date of conversion, and depreciated over the useful economic life contained with this valuation report. The premises at Eversholt Academy Trust remain under the ownership of the St Albans Diocese of the Church of England and Woburn Estate Company Limited, but are used by the academy under the terms of a long lease which transfers the benefits of ownership to the trust. For this reason the buildings are recognised as assets of the academy.

The annual depreciation charge for each class of tangible asset is based on an estimate of the useful economic life of the respective assets. This is reviewed periodically by the trustees to ensure that they reflect both the external and internal factors.

**3. Income from donations and capital grants**

|                   | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>fixed asset<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|-------------------|------------------------------------|---|-----------------------------|-----------------------------|
| Donations         | 19,764                             | -   | 19,764                      | 17,438                      |
| Capital Grants    | -                                  | 4,722   | 4,722                       | 10,047                      |
|                   | <u>19,764</u>                      | <u>4,722</u>                                    | <u>24,486</u>               | <u>27,485</u>               |
| <i>Total 2019</i> | <u>17,438</u>                      | <u>10,047</u>                                   | <u>27,485</u>               |                             |



**EVERSHOLT ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**4. Funding for the academy's educational operations**

|                                | Restricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|--------------------------------|----------------------------------|-----------------------------|-----------------------------|
| <b>DfE/ESFA grants</b>         |                                  |                             |                             |
| General Annual Grant (GAG)     | 315,964                          | 315,964                     | 307,258                     |
| Other DfE / ESFA Grants        | 51,250                           | 51,250                      | 36,330                      |
|                                | <u>367,214</u>                   | <u>367,214</u>              | <u>343,588</u>              |
| <b>Other government grants</b> |                                  |                             |                             |
| Local Authority Grants         | 8,337                            | 8,337                       | 8,397                       |
|                                | <u>8,337</u>                     | <u>8,337</u>                | <u>8,397</u>                |
| <b>Other funding</b>           |                                  |                             |                             |
| Catering Income                | 425                              | 425                         | 679                         |
| Other Income                   | 14,033                           | 14,033                      | 5,079                       |
|                                | <u>14,458</u>                    | <u>14,458</u>               | <u>5,758</u>                |
|                                | <u>390,009</u>                   | <u>390,009</u>              | <u>357,743</u>              |
| <i>Total 2019</i>              | <u>357,743</u>                   | <u>357,743</u>              |                             |

**5. Investment income**

|                   | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Interest received | 59                                 | -                                | 59                          | 61                          |
| Pension income*   | -                                  | 11,000                           | 11,000                      | -                           |
|                   | <u>59</u>                          | <u>11,000</u>                    | <u>11,059</u>               | <u>61</u>                   |
| <i>Total 2019</i> | <u>61</u>                          | <u>-</u>                         | <u>61</u>                   |                             |

\*the above pension income relates to a non-cash adjustment in relation to the LGPS pension scheme.

**EVERSHOLT ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**6. Expenditure**

|                                   | Staff Costs<br>2020<br>£ | Premises<br>2020<br>£ | Other<br>2020<br>£   | Total<br>2020<br>£    | Total<br>2019<br>£ |
|-----------------------------------|--------------------------|-----------------------|----------------------|-----------------------|--------------------|
| Academy's educational operations: |                          |                       |                      |                       |                    |
| Direct costs                      | 237,142                  | -                     | 31,901               | <b>269,043</b>        | 262,165            |
| Allocated support costs           | 58,398                   | 26,391                | 66,658               | <b>151,447</b>        | 158,496            |
|                                   | <u>295,540</u>           | <u>26,391</u>         | <u>98,559</u>        | <u><b>420,490</b></u> | <u>420,661</u>     |
| <i>Total 2019</i>                 | <u><u>296,311</u></u>    | <u><u>29,640</u></u>  | <u><u>94,710</u></u> | <u><u>420,661</u></u> |                    |

**7. Analysis of expenditure by activities**

|                                  | Direct costs<br>2020<br>£ | Support<br>costs<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|----------------------------------|---------------------------|-------------------------------|-----------------------------|-----------------------------|
| Academy's educational operations | <u>269,043</u>            | <u>151,447</u>                | <u><b>420,490</b></u>       | <u>420,661</u>              |
| <i>Total 2019</i>                | <u><u>262,165</u></u>     | <u><u>158,496</u></u>         | <u><u>420,661</u></u>       |                             |

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**7. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

|                      | Academy's<br>educational<br>operations<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|----------------------|---|-----------------------------|-----------------------------|
| Staff costs          | 237,142   | 237,142                     | 245,485                     |
| Educational supplies | 31,901  | 31,901                      | 16,680                      |
|                      | <u>269,043</u>                                      | <u>269,043</u>              | <u>262,165</u>              |
| <i>Total 2019</i>    | <u>262,165</u>                                      | <u>262,165</u>              |                             |

**Analysis of support costs**

|                                       | Academy's<br>educational<br>operations<br>2020<br>£ | Total<br>funds<br>2020<br>£ | Total<br>funds<br>2019<br>£ |
|---------------------------------------|---|-----------------------------|-----------------------------|
| Pension finance costs                 | -   | -                           | 2,000                       |
| Staff costs                           | 58,398  | 58,398                      | 50,826                      |
| Depreciation                          | 25,389  | 25,389                      | 25,552                      |
| Recruitment and support               | 1,405   | 1,405                       | 4,672                       |
| Maintenance of premises and equipment | 9,559   | 9,559                       | 11,522                      |
| Cleaning                              | 1,540   | 1,540                       | 2,124                       |
| Rent and rates                        | 10,888  | 10,888                      | 9,713                       |
| Heat and light                        | 4,404   | 4,404                       | 6,281                       |
| Insurance                             | 3,160   | 3,160                       | 2,182                       |
| Other costs                           | 13,162  | 13,162                      | 11,995                      |
| Technology costs                      | 5,214   | 5,214                       | 12,214                      |
| Catering costs                        | 11,377  | 11,377                      | 11,922                      |
| Governance costs                      | 6,951   | 6,951                       | 7,493                       |
|                                       | <u>151,447</u>                                      | <u>151,447</u>              | <u>158,496</u>              |
| <i>Total 2019</i>                     | <u>158,496</u>                                      | <u>158,496</u>              |                             |

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**8. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

|                                       | 2020<br>£    | 2019<br>£    |
|---------------------------------------|--------------|--------------|
| Operating lease rentals               | 8,002        | 8,002        |
| Depreciation of tangible fixed assets | 25,389       | 25,552       |
| Fees paid to auditors for:            |              |              |
| - audit                               | 5,400        | 5,300        |
|                                       | <u>5,400</u> | <u>5,300</u> |

**9. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

|                       | 2020<br>£      | 2019<br>£      |
|-----------------------|----------------|----------------|
| Wages and salaries    | 177,186        | 218,689        |
| Social security costs | 9,566          | 15,474         |
| Pension costs         | 55,659         | 50,664         |
|                       | <u>242,411</u> | <u>284,827</u> |
| Agency staff costs    | 53,129         | 11,484         |
|                       | <u>295,540</u> | <u>296,311</u> |

**b. Staff numbers**

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

|                | 2020<br>No. | 2019<br>No. |
|----------------|-------------|-------------|
| Teaching staff | 3           | 4           |
| Support staff  | 12          | 10          |
|                | <u>15</u>   | <u>14</u>   |

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**9. Staff (continued)**

**b. Staff numbers (continued)**

The average headcount expressed as full-time equivalents was:

|                | 2020<br>No. | 2019<br>No. |
|----------------|-------------|-------------|
| Teaching staff | 3           | 4           |
| Support staff  | 3           | 3           |
|                | 6           | 7           |

**c. Higher paid staff**

No employee received remuneration amounting to more than £60,000 in either year.

**d. Key management personnel**

The key management personnel of the academy comprise the Governors and the 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 was £107,586 (2019 £101,231).

**10. Governors' remuneration and expenses**

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Governors 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 Governors' remuneration and other benefits was as follows:

|                                  |                            | 2020<br>£ | 2019<br>£ |
|----------------------------------|----------------------------|-----------|-----------|
| Principal and Accounting Officer | Remuneration               | 45,000 -  | 50,000 -  |
|                                  |                            | 50,000    | 55,000    |
|                                  | Pension contributions paid | 10,000 -  | 5,000 -   |
|                                  |                            | 15,000    | 10,000    |
| Staff Governor                   | Remuneration               | 40,000 -  | 30,000 -  |
|                                  |                            | 45,000    | 35,000    |
|                                  | Pension contributions paid | 5,000 -   | 5,000 -   |
|                                  |                            | 10,000    | 10,000    |

During the year ended 31 August 2020, no Governor expenses have been incurred (2019 - £NIL).

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**11. Governors' and Officers' insurance**

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

**12. Tangible fixed assets**

|                          | Long-term<br>leasehold<br>property<br>£ | Computer<br>equipment<br>£ | Total<br>£ |
|--------------------------|---|----------------------------|------------|
| <b>Cost or valuation</b> |   |                            |            |
| At 1 September 2019      | 397,489                                 | 8,645                      | 406,134    |
| At 31 August 2020        | 397,489                                 | 8,645                      | 406,134    |
| <b>Depreciation</b>      |   |                            |            |
| At 1 September 2019      | 165,212                                 | 6,976                      | 172,188    |
| Charge for the year      | 23,823                                  | 1,566                      | 25,389     |
| At 31 August 2020        | 189,035                                 | 8,542                      | 197,577    |
| <b>Net book value</b>    |   |                            |            |
| At 31 August 2020        | 208,454                                 | 103                        | 208,557    |
| At 31 August 2019        | 232,277                                 | 1,669                      | 233,946    |

**13. Debtors**

|                                | 2020<br>£ | 2019<br>£ |
|--------------------------------|-----------|-----------|
| <b>Due within one year</b>     |           |           |
| Other debtors                  | 5,220     | 8,013     |
| Prepayments and accrued income | 9,207     | 18,001    |
|                                | 14,427    | 26,014    |

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**14. Creditors: Amounts falling due within one year**

|                              | 2020<br>£     | 2019<br>£     |
|------------------------------|---------------|---------------|
| Trade creditors              | 21,386        | 13,567        |
| Accruals and deferred income | 18,210        | 15,948        |
|                              | <u>39,596</u> | <u>29,515</u> |

**15. Deferred income**

|  | 2020<br>£           | 2019<br>£           |
|--|---------------------|---------------------|
| Deferred income at 1 September 2019      | 9,988               | 11,310              |
| Resources deferred during the year       | 8,948               | 9,988               |
| Amounts released from previous periods   | (9,988)             | (11,310)            |
| <b>Deferred income at 31 August 2020</b> | <u><b>8,948</b></u> | <u><b>9,988</b></u> |

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**16. Statement of funds**

|                                     | Balance at 1<br>September<br>2019<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2020<br>£ |
|-------------------------------------|--|----------------|------------------|--------------------------|-------------------------|--------------------------------------|
| <b>Unrestricted funds</b>           |  |                |                  |                          |                         |                                      |
| General funds                       | 68,920                                 | 19,823         | -                | -                        | -                       | 88,743                               |
| <b>Restricted general funds</b>     |  |                |                  |                          |                         |                                      |
| General Annual Grant (GAG)          | 10,700                                 | 315,964        | (308,056)        | 4,722                    | -                       | 23,330                               |
| Other DfE / ESFA Grants             | -                                      | 51,250         | (51,250)         | -                        | -                       | -                                    |
| Local Authority Grants              | -                                      | 8,337          | (8,337)          | -                        | -                       | -                                    |
| Catering Income                     | -                                      | 425            | (425)            | -                        | -                       | -                                    |
| Other Income                        | -                                      | 14,033         | (14,033)         | -                        | -                       | -                                    |
| Pension reserve                     | (132,000)                              | 11,000         | (13,000)         | -                        | (231,000)               | (365,000)                            |
|                                     | <u>(121,300)</u>                       | <u>401,009</u> | <u>(395,101)</u> | <u>4,722</u>             | <u>(231,000)</u>        | <u>(341,670)</u>                     |
| <b>Restricted fixed asset funds</b> |  |                |                  |                          |                         |                                      |
| Tangible Fixed Assets               | 233,946                                | -              | (25,389)         | -                        | -                       | 208,557                              |
| DfE / ESFA Capital Grants           | -                                      | 4,722          | -                | (4,722)                  | -                       | -                                    |
|                                     | <u>233,946</u>                         | <u>4,722</u>   | <u>(25,389)</u>  | <u>(4,722)</u>           | <u>-</u>                | <u>208,557</u>                       |
| <b>Total Restricted funds</b>       | <u>112,646</u>                         | <u>405,731</u> | <u>(420,490)</u> | <u>-</u>                 | <u>(231,000)</u>        | <u>(133,113)</u>                     |
| <b>Total funds</b>                  | <u>181,566</u>                         | <u>425,554</u> | <u>(420,490)</u> | <u>-</u>                 | <u>(231,000)</u>        | <u>(44,370)</u>                      |

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



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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

**General Funds:**

The Academy's general funds represents income and expenditure relating to activities undertaken by the Academy as part of its charitable activities. The Academy can use these funds for any purpose.

**Restricted Funds:**

The Academy received a number of grants during the year for the purpose of providing educational services to its pupils. These funds include grants from the ESFA for the General Annual Grant (GAG). These grants have been used for staff costs, educational resources and general costs incurred in the running of the Academy.

**Pension Reserve:**

As stated in note 21 the Academy is a participating employer in two defined benefit schemes. The liabilities relating to Eversholt Academy can only be determined for one of those schemes. A separate reserve has been included to show the impact of the changes in valuation of the pension scheme.

**Restricted Fixed Asset Funds:**

The Academy received Capital formula funding which can be spent on capital repairs and improvements. Assets which are capitalised in the accounts are represented by a separate fund within the Restricted Fixed Asset Reserves.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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

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

|                                     | Balance at<br>1 September<br>2018<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2019<br>£ |
|-------------------------------------|--|-------------|------------------|--------------------------|-------------------------|--------------------------------------|
| <b>Unrestricted funds</b>           |  |             |                  |                          |                         |                                      |
| General funds                       | 58,761                                 | 10,159      | -                | -                        | -                       | 68,920                               |
| <b>Restricted general funds</b>     |  |             |                  |                          |                         |                                      |
| General Annual Grant (GAG)          | 9,679                                  | 307,258     | (316,284)        | 10,047                   | -                       | 10,700                               |
| Other DfE / ESFA Grants             | 8,000                                  | 35,421      | (43,421)         | -                        | -                       | -                                    |
| Local Authority Grants              | -                                      | 9,306       | (9,306)          | -                        | -                       | -                                    |
| Catering Income                     | -                                      | 386         | (386)            | -                        | -                       | -                                    |
| Other Income                        | -                                      | 10,019      | (10,019)         | -                        | -                       | -                                    |
| Pension reserve                     | (73,000)                               | -           | (13,000)         | -                        | (46,000)                | (132,000)                            |
|                                     | (55,321)                               | 362,390     | (392,416)        | 10,047                   | (46,000)                | (121,300)                            |
| <b>Restricted fixed asset funds</b> |  |             |                  |                          |                         |                                      |
| Tangible Fixed Assets               | 259,498                                | -           | (25,552)         | -                        | -                       | 233,946                              |
| DfE / ESFA Capital Grants           | -                                      | 10,047      | -                | (10,047)                 | -                       | -                                    |
|                                     | 259,498                                | 10,047      | (25,552)         | (10,047)                 | -                       | 233,946                              |
| <b>Total Restricted funds</b>       | 204,177                                | 372,437     | (417,968)        | -                        | (46,000)                | 112,646                              |
| <b>Total funds</b>                  | 262,938                                | 382,596     | (417,968)        | -                        | (46,000)                | 181,566                              |

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

|  | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Restricted<br>fixed asset<br>funds<br>2020<br>£ | Total<br>funds<br>2020<br>£ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets                  | -                                  | -                                | 208,557   | 208,557                     |
| Current assets                         | 88,743                             | 62,926                           | -   | 151,669                     |
| Creditors due within one year          | -                                  | (39,596)                         | -   | (39,596)                    |
| Provisions for liabilities and charges | -                                  | (365,000)                        | -   | (365,000)                   |
| <b>Total</b>                           | <b>88,743</b>                      | <b>(341,670)</b>                 | <b>208,557</b>                                  | <b>(44,370)</b>             |

**Analysis of net assets between funds - prior period**

|  | Unrestricted<br>funds<br>2019<br>£ | Restricted<br>funds<br>2019<br>£ | Restricted<br>fixed asset<br>funds<br>2019<br>£ | Total<br>funds<br>2019<br>£ |
|--|------------------------------------|----------------------------------|---|-----------------------------|
| Tangible fixed assets                  | -                                  | -                                | 233,946   | 233,946                     |
| Current assets                         | 68,920                             | 40,215                           | -   | 109,135                     |
| Creditors due within one year          | -                                  | (29,515)                         | -   | (29,515)                    |
| Provisions for liabilities and charges | -                                  | (132,000)                        | -   | (132,000)                   |
| <b>Total</b>                           | <b>68,920</b>                      | <b>(121,300)</b>                 | <b>233,946</b>                                  | <b>181,566</b>              |

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**18. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

|  | 2020<br>£     | 2019<br>£       |
|--|---------------|-----------------|
| Net income/(expenditure) for the period (as per Statement of financial activities) | 5,064         | (35,372)        |
| <b>Adjustments for:</b>  |               |                 |
| Depreciation   | 25,389        | 25,552          |
| Interest receivable  | (59)          | (61)            |
| Defined benefit pension scheme cost less contributions payable                     | 13,000        | 11,000          |
| Defined benefit pension scheme finance cost  | (11,000)      | 2,000           |
| Decrease/(increase) in debtors   | 11,587        | (13,964)        |
| Increase/(decrease) in creditors   | 10,081        | (904)           |
| <b>Net cash provided by/(used in) operating activities</b>                         | <b>54,062</b> | <b>(11,749)</b> |

**19. Cash flows from investing activities**

|  | 2020<br>£ | 2019<br>£ |
|--|-----------|-----------|
| Dividends, interest and rents from investments   | 59        | 61        |
| <b>Net cash provided by investing activities</b> | <b>59</b> | <b>61</b> |

**20. Analysis of cash and cash equivalents**

|  | 2020<br>£      | 2019<br>£     |
|--|----------------|---------------|
| Cash in hand                           | 137,242        | 83,121        |
| <b>Total cash and cash equivalents</b> | <b>137,242</b> | <b>83,121</b> |

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**21. Analysis of changes in net debt**

|                          | At 1<br>September<br>2019<br>£ | Cash flows<br>£ | At 31<br>August 2020<br>£ |
|--------------------------|--------------------------------|-----------------|---------------------------|
| Cash at bank and in hand | 83,121                         | 54,121          | 137,242                   |
|                          | <u>83,121</u>                  | <u>54,121</u>   | <u>137,242</u>            |

**22. Pension commitments**

The academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Bedford Borough 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. All teachers have the option to opt-out of the TPS following enrolment.

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. 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 every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £25,461 (2019 - £24,388).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £21,000 (2019 - £19,000), of which employer's contributions totalled £17,000 (2019 - £15,000) and employees' contributions totalled £ 4,000 (2019 - £4,000). The agreed contribution rates for future years are 22.2 per cent for employers and variable rates per cent for employees.

As described in note 1.11 the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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.

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**22. Pension commitments (continued)**

**Principal actuarial assumptions**

|  | 2020<br>% | 2019<br>% |
|--|-----------|-----------|
| Rate of increase in salaries                       | 3.25      | 2.55      |
| Rate of increase for pensions in payment/inflation | 2.25      | 2.55      |
| Discount rate for scheme liabilities               | 1.60      | 1.85      |

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

|                             | 2020<br>Years | 2019<br>Years |
|-----------------------------|---------------|---------------|
| <i>Retiring today</i>       |               |               |
| Males                       | 22.2          | 20.7          |
| Females                     | 24.3          | 23.2          |
| <i>Retiring in 20 years</i> |               |               |
| Males                       | 23.4          | 21.7          |
| Females                     | 26.1          | 24.7          |

**Sensitivity analysis**

|  | 2020<br>£000 | 2019<br>£000 |
|--|--------------|--------------|
| Discount rate -0.1%                    | (20,000)     | (9,000)      |
| Mortality assumption - 1 year increase | 27,000       | 15,000       |
| CPI rate +0.1%                         | 19,000       | 7,000        |

**Share of scheme assets**

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

|                                     | 2020<br>£      | 2019<br>£      |
|-------------------------------------|----------------|----------------|
| Equities                            | 283,000        | 220,000        |
| Corporate bonds                     | 67,000         | 50,000         |
| Property                            | 39,000         | 30,000         |
| Cash and other liquid assets        | 25,000         | 15,000         |
| <b>Total market value of assets</b> | <b>414,000</b> | <b>315,000</b> |

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**22. Pension commitments (continued)**

The actual return on scheme assets was £19,000 (2019 - £8,000).

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

|   | 2020<br>£       | 2019<br>£       |
|---|-----------------|-----------------|
| Current service cost  | (30,000)        | (24,000)        |
| Past service cost   | -               | (2,000)         |
| Interest income   | 19,000          | 8,000           |
| Interest cost   | (8,000)         | (10,000)        |
| <b>Total amount recognised in the Statement of financial activities</b> | <b>(19,000)</b> | <b>(28,000)</b> |

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

|                        | 2020<br>£      | 2019<br>£      |
|------------------------|----------------|----------------|
| <b>At 1 September</b>  | <b>447,000</b> | <b>357,000</b> |
| Current service cost   | 30,000         | 24,000         |
| Interest cost          | 8,000          | 10,000         |
| Employee contributions | 4,000          | 4,000          |
| Actuarial losses       | 231,000        | 46,000         |
| Benefits paid          | (10,000)       | 4,000          |
| Past service costs     | -              | 2,000          |
| <b>At 31 August</b>    | <b>710,000</b> | <b>447,000</b> |

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

|                        | 2020<br>£      | 2019<br>£      |
|------------------------|----------------|----------------|
| <b>At 1 September</b>  | <b>315,000</b> | <b>284,000</b> |
| Interest income        | 19,000         | 8,000          |
| Employer contributions | 17,000         | 15,000         |
| Employee contributions | 4,000          | 4,000          |
| Benefits paid          | (10,000)       | 4,000          |
| <b>At 31 August</b>    | <b>345,000</b> | <b>315,000</b> |



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**EVERSHOLT ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**23. Operating lease commitments**

At 31 August 2020 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

|  | 2020<br>£      | 2019<br>£      |
|--|----------------|----------------|
| Not later than 1 year                        | 7,918          | 8,002          |
| Later than 1 year and not later than 5 years | 29,919         | 28,167         |
| Later than 5 years                           | 232,459        | 239,500        |
|  | <u>270,296</u> | <u>275,669</u> |

**24. Members' liability**

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

**25. Related party transactions**

Owing to the nature of the academy and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the governors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

The wife of T J Peacock (Chair of Governors) is employed by the Academy. The employee was appointed following the standard staff recruitment policy. During the year the value of remuneration fell within the band £0 - £5,000.