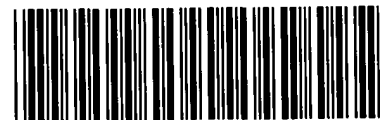


**Registered company number: 07768726 (England and Wales)**

**BOURNE EDUCATION TRUST  
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**BOURNE EDUCATION TRUST**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **REFERENCE AND ADMINISTRATIVE DETAILS**

The date of incorporation of Bourne Education Trust was 1 September 2011. With effect from 1 September 2013, the Academy Trust became a Multi-Academy Trust (MAT). The Trust is now comprised of the following schools:

1 October 2011	Epsom & Ewell High School
1 September 2013	Jubilee High School
1 December 2013	Pycroft Grange Primary School
1 January 2014	Sythwood Primary School
1 June 2014	Sayes Court Primary School
1 December 2014	The Matthew Arnold School
1 December 2015	Brookwood Primary School
1 May 2017	Auriol Junior School
1 September 2017	Everest Community Academy
1 September 2017	Chertsey High School (free school)
1 June 2018	West Ewell Primary School
1 July 2018	Meadow Primary School
1 June 2019	Broadmere Primary Academy
1 June 2019	New Monument Primary Academy
1 July 2019	Woodmansterne Primary School
1 December 2019	Teddington School

The Academy Trust is led by the Board of Trustees who are also the directors of the charitable company and who have held office since 1 September 2019 as follows:

Name	Role	Appointment/resignation dates (if relevant)
Sara Lipscombe	Chair	Re-appointed 27 <sup>th</sup> September 2019
Alex Russell	CEO & Accounting Officer	
Charmain Browning	Trustee	
Peter Deane	Trustee	
Stephen Dennison	Trustee	
Susan Gibbin	Trustee	
Chris Marston	Trustee	Resigned 27 <sup>th</sup> September 2019
Chris Munro	Trustee	Re-appointed 27 <sup>th</sup> September 2019
Sarah Pittam	Trustee	
Catherine Twomey	Trustee	Appointed 7 <sup>th</sup> May 2020
Audrey Wade	Trustee	

The members of the company are:

Name	Role	Appointment/resignation dates (if relevant)
Sara Lipscombe	Member	
David Burr	Member	
Chris Marston	Member	Appointed 27 <sup>th</sup> September 2019
Tony Oakden	Member	
John Stockley	Member	

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

The principal address of the charity and the registered office of the company are the premises of the sponsoring Academy, Epsom & Ewell High School, Ruxley Lane, Epsom, Surrey KT19 9JW.

The trustees have made the following professional appointments:

Accountant: UHY Hacker Young LLP  
Quadrant House, 4 Thomas Moore Square  
London E1W 1YW

Auditors UHY Hacker Young LLP  
Quadrant House, 4 Thomas Moore Square  
London E1W 1YW

Banker Lloyds Bank plc, 402-404  
Ewell Road, Tolworth, Surbiton KT6 7HF

During 2019/2020, in addition to the Chief Executive Officer, the following other key senior members of staff were responsible for the day-to-day management of the Academy Trust:

Kate Sanders	Chief Operating Officer and Company Secretary
Rob Isaac	Operations Director
Katy Backinsell	Head of Finance
Matt Gibson	Head of IT
Emma Hilling	Head of HR
Penny Alford	Executive Headteacher, Everest Community Academy
Gayle Jenkins	Executive Leader and Executive Headteacher, Meadow Primary School
Steve Price	Executive Leader and Executive Headteacher, Jubilee High School
Mandy McDowall	Headteacher, Auriol Junior School (moved schools 31 <sup>st</sup> August 2020, replaced by Rebecca Williams)
Judy Hall	Executive Headteacher, Broadmere Primary Academy & New Monument Primary Academy (retired 31 <sup>st</sup> August 2020, replaced by Mandy McDowall)
David Gunning	Head of School, Brookwood Primary School
Zelia Munnik	Headteacher, Chertsey High School
James Newman	Headteacher, Epsom & Ewell High School
Hannah Dibden	Head of School, Everest Community Academy
Mark Conroy	Headteacher, Jubilee High School
Laura Benardout	Head of School, Meadow Primary School
Sue Nardoni	Headteacher, Pyrcroft Grange Primary School
Rochelle Richmond	Headteacher, Sayes Court Primary School
Nicola Matheson	Headteacher, Sythwood Primary School
Kathy Pacey	Headteacher, Teddington School
Mary Gould	Headteacher, The Matthew Arnold School
Mia Bennett	Headteacher, West Ewell Primary School
Clare Goldsmith	Headteacher, Woodmansterne Primary School

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Constitution**

The Academy Trust is an exempt charity that is not therefore required to register with the Charity Commission, however the Academy Trust has registered with HM Revenue and Customs as a charitable entity under the reference number XT35927. The company is incorporated in England and Wales with the company registration number 07768726. The charitable company's memorandum and articles are the primary governing documents. The Trust also operates trading names in the names of its schools listed on page 2 and through two trading subsidiaries, Bourne Education Trust Enterprises Limited and Matthew Arnold Enterprises. Details of the trustees who served during the year and to the date these accounts are approved are included in the Reference & Administrative Details on page 2.

##### **Status & History**

Bourne Education Trust is an exempt charity and a company limited by guarantee, not having share capital.

The principal activity of the Academy Trust is to run a multi-academy structure comprising primary and secondary schools for boys and girls in Hampshire, Richmond Upon Thames and Surrey. Running of Children's Centres by the Trust has ceased as Surrey have re-designated these as Family Centres and are consolidating the number of providers.

The original Academy Trust was incorporated on 9 September 2011 and was governed by the rules and regulations set down in its company Memorandum and Articles of Association dated 9 September 2011. With the move to Multi-Academy Trust status, the Academy Trust's governing document was updated by the adoption of new Articles of Association dated 2 August 2013 and again dated 14 February 2017.

##### **Members' Liability**

Every member undertakes to contribute an amount not exceeding £10 to the assets of the company in the event of the company being wound up during the period of membership, or within one year thereafter.

##### **Trustees' Indemnity**

In accordance with widespread academy trust practice, the Academy Trust has purchased cover to protect trustees, governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. This has been arranged with effect from 1<sup>st</sup> September 2018 through a long term agreement with Zurich PLC which ends 31<sup>st</sup> August 2021. This provides unlimited cover in respect of professional indemnity insurance. The cost for the year ended 31 August 2020 was £20 per pupil with the cost of cover for trustees indemnity not separately identifiable.

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **Method of Recruitment, Appointment, Election, Induction & Training of Trustees and Senior Management**

During the year 2019-2020, the board of the Academy Trust comprised the Chief Executive Officer, the Chair and independent trustees. A skills audit carried out in September 2019 had identified skills gaps in the area of business and finance and the Trust has appointed a trustee with this as a specialism during 2019-2020 using Academy Ambassadors. One trustee has resigned with effect 27<sup>th</sup> September 2019 and has instead become a member. New trustees are given a trustee's induction pack. The chair and vice chair of the board are nominated and reappointed annually.

During 2019-2020, the Academy Trust moved forward with the implementation of its new model of local governance which was developed after consideration of the DfE's advice on the constitution of governing bodies. This was to establish Local Governing Committees (LGCs) in order to recognise the importance of LGCs as committees of the board, the recommendation for smaller but more effective governing bodies outlined in the Governance Handbook and to reflect the increasing centralisation of responsibilities outlined in the Academies Financial Handbook. 2020-2021 will be the final year of transition to this new model.

LGCs or the legacy LGBs of each school comprise the headteacher and governors including parent governors and other appointed governors. Parent governors are normally elected by parents of students registered at the school and the Local Governing Committee makes arrangements to notify parents of a vacancy and oversees a secret ballot where the number of nominees exceeds the number of vacancies. Other governors are appointed after discussions with local community groups and businesses dependent on the person specification required. Volunteers first visit the school and, where appropriate, a recommendation would be made for a candidate to be presented to the full Governing Committee with a view to appointment. Staff governors remain on LGBs and are similarly elected by staff. LGCs do not have staff governors; engagement with staff will be through staff fora as the Trust has found that LGBs have not resulted in meaningful engagement with staff. All new governors are given an induction pack and, if not familiar with the school, are invited to a tour and to meet key governors and staff. Training is provided by an outside consultancy specialising in governor training. There is a named governor to provide details of relevant courses, encourage attendance and monitor governor-wide training undertaken.

The Trust has approved policies for the Recruitment & Selection of Governors and Recruitment & Selection of Trustees and will consult on the implementation of these during 2020-2021. This will ensure greater adherence to best practice and improved succession planning.

It is the Academy Trust's policy to advertise nationally all vacancies for Headteachers unless there is a clear business case for following an internal process. Other posts will be advertised externally or internally after a review of the situation facing each school. During 2019-20, Judy Hall, Executive Headteacher of Broadmere Primary Academy & New Monument Primary Academy schools retired and was replaced by Mandy McDowall who transferred from Auriol Junior School. Rebecca Williams has been appointed as Head of School at Auriol Junior School.

#### **Organisational Structure**

The management structure of the Bourne Education Trust consists of five levels: the Academy Trust board and its committees including LGCs, the Executive Group (of Headteachers in the Trust, CEO, Chief Operating Officer, Operations Director and Executive Leaders), the senior leadership teams and the middle leadership teams. The aim of the management structure is to devolve responsibility, improve accountability and encourage involvement in decision-making at all levels.

The trustees of the Academy Trust board fulfil a strategic role. They monitor the performance of individual schools in the Academy Trust against key performance indicators and appropriate schemes of delegation. Intervention in individual schools within the Academy Trust is driven by performance against the key performance indicators and on the advice of the Chief Executive Officer. In accordance with the

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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requirements of the AFH 2019-2020, there are five members of whom only one is also a trustee and no members are Trust employees.

The governors on the local Governing Committee's fulfil a largely strategic role in relation to their local schools. They adopt the individual school's strategic and annual development plans and monitor the annual budget once approved by the Trust Board. They monitor the school's performance and, on advice, make decisions about the direction of the school, its capital expenditure and senior staff appointments.

The trustees of the Academy Trust have been supported by the Chief Executive Officer (also a trustee), the Chief Operating Officer and the Clerk to the Board.

The Executive group represents the operational leadership of the schools; contributing to and informing the strategic decisions of the trust and working together to implement those decisions. They ensure that best value is achieved in the resources of the Trust identifying opportunities for collaborative working and supporting the developmental needs of the schools within the trust.

The schools are supported by senior leadership teams which run the schools at both an executive and operational level. These teams implement the policies and annual development plan laid down by the governors and report back to the governors termly on the progress made towards fulfilling them. At an operational level the senior leadership team provides strong leadership and management for the school community, in particular organising and developing the teaching staff, learning environment and students' learning. As a group, the senior leadership teams are responsible for the authorisation of spending within agreed budgets and the appointment of staff, other than specific senior staff appointments for which the Trust or local Governing Committee's and the headteachers are responsible. Some spending control is devolved to members of senior leadership team and appointed budget holders.

The middle leadership teams consist of all curriculum and pastoral leaders. They are responsible for the day-to-day implementation of the school development plan, the delivery of the curriculum, exam preparation and performance and ensuring the well-being of students. They, along with teachers and tutors, are also the first point of contact for parents and carers.

#### **Arrangements for setting pay and remuneration of key management personnel**

The Trust has produced policies and procedures to ensure clear implementation of pay and performance management procedures across the Trust. A scheme of delegation identifies where the decisions lie. Appraisal or performance management of staff is a management responsibility with the exception of the Headteacher.

All senior staff in the Bourne Education Trust are set targets on which their reviews are based. These targets are generated by the line manager in consultation with the member of staff concerned. Appropriate objectives are the keystone of managing the trust's and/or school's progress and managing the headteacher/senior executive. The Trust and/or school aims to ensure there is both breadth and precision in the objectives, with the quality of performance information and engagement of stakeholders stated in the setting of the objectives. The Trust and school aims to set ambitious objectives to serve external accountability and to visibly demonstrate progress.

An appraisal panel appointed by the governing body annually reviews the performance of each headteacher in the trust supported by an Executive Leader. This usually consists of three governors such as the chair of governors, the chair of the committee that oversees staffing and/or finance and one other governor who has particular expertise in performance management and/or education. The work of the appraisal panel results from a wider set of interactions including but not limited to termly headteacher performance management leading up to and beyond the formal annual review. There is a standard process:

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

- An Executive Leader (EL) is appointed to support the appraisal panel
- The EL meets with the headteacher
- The appraisal panel meets with the EL to discuss points to raise
- The EL, headteacher and appraisal panel meet together
- The chair of the appraisal panel leads the process
- The EL summarises the results of the meetings in a review document.
- A representative of the appraisal panel makes recommendations about headteacher pay to a pay review panel of other governors.

The performance of the CEO and COO follows much the same process with an agreed policy in place and performance appraised against the targets by the Chair of the Board. This is reviewed by an appraisal panel consisting of a minimum of two trustees (although three are preferred).

In decisions about the pay to be awarded to senior managers the aim is to maintain objectivity and fairness, while remembering that the needs of the trust/school come first. The relevant Trust committee approves the scales for each financial year following the outcome of the STRB process. Where possible, the Trust establishes relevant salary benchmarks such as:

- Pay awards in similar organisations as stated in their financial accounts
- Recommendations of the School Teachers' Pay and Conditions Document (STPCD)
- Recommendations of relevant support staff pay bodies
- The pay relativities between schools in the Trust, other local similar institutions and between the senior staff member and other staff members.

The Trust is keenly aware of the ESFA scrutiny on senior executive pay and has carried out an audit on MAT senior staff pay during 2019-2020 to ensure its processes meet external scrutiny.

#### **Trade Union Facility Time**

##### **Relevant Union Officials**

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

##### **Percentage of time spent on facility time**

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

##### **Percentage of pay bill spent on facility time**

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



## BOURNE EDUCATION TRUST

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020

#### Paid trade union activities

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

Jubilee High School hosts the Runnymede South Confederation and provides a small administrative office and access to the schools meeting rooms. Runnymede South Confederation was formed in 2004 and has grown into an Extended Services Confederation of 11 schools across Addlestone, New Haw and Ottershaw. The Trust is part of a group of schools supporting the Schools Direct programme with St John the Baptist, Woking as the lead school and St Mary's University College, Twickenham as the ITT provider. The Academy Trust has a school to school support arrangement with Salesian School, Chertsey who as a National Teaching School will also provide training support for groups of teaching staff across the Trust. Services have also been procured from Wey Valler Solar Schools Co-operative, a connected entity to the Trust.

#### Engagement with employees

Bourne Education Trust recognises the importance of engaging with its workforce. We strive to maintain a dialogue between Trustees, Executive Leaders, School Leaders and all our colleagues both directly and where appropriate, through representative bodies. Trustees provide a confidential channel for employees to report concerns through a culture of 'near miss' reporting and its Whistleblowing Policy.

The Trustees consider effective engagement a key element of its understanding of the Trust's ability to create value as it recognises that our people are our greatest asset. Workforce views can help inform the Trust on matters such as operational effectiveness, culture, risk identification and strategy development and delivery. Executive and School Leaders regularly engage with the workforce through a range of formal and informal channels:

- Informal engagement via emails, team meetings, face-to-face gatherings, staff briefings and other communication channels
- Site visits
- Employee networks
- Staff welfare questionnaires
- One to one, appraisal and performance management meetings.

Trustees inform themselves through:

- Informal engagement
- Site visits
- Assurance activities
- Formal reports to the board and its committees
- Information updates from the executive team
- Annual meetings with school leaders and with governors.

The Trust is embarking on an Equality, Diversity & Inclusion strategy during 2020-2021 in which its staff will play a major part.

All matters which under the Trust's governance arrangements are reserved for decision by the Trustees are presented at Board meetings. Trustees are briefed on any potential impacts and risks for our staff (as other stakeholders). The Trustees take these factors into account before making a final decision which together they believe is in the best interests of the Trust and its staff.

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **Engagement with suppliers, customers and others in a business relationship with the trust**

We work closely with our suppliers. The Trust aims to conduct all its business relationships with integrity and courtesy and honour our business agreements. We consider value for money in our arrangements and where possible prefer to establish long term sustainable relationships.

We aim to work with our suppliers to ensure long term sustainability balanced against the need of our pupils, parents, staff and other stakeholders. This has been at the forefront of our decision-making, particularly in response to the challenging conditions since the Coronavirus pandemic.

The Trust's Audit and Risk Committee monitors the Trust's compliance with the relevant codes of practice. For example, we comply with the statutory reporting duty for payment practices and performance and considers measures to prevent modern slavery and human trafficking in our business and supply chains.

All matters which under the Company's governance arrangements are reserved for decision by the Trustees are presented at Board meetings. Trustees are briefed on any potential impacts and risks for our customers, Partners and other stakeholders including our suppliers, the community and environment and how they are to be managed. The Trustees take these factors into account before making a final decision which together they believe is in the best interests of the Company and its members - our Partners.

#### **OBJECTIVES AND ACTIVITIES**

##### **Charitable objectives**

The charitable objectives for which the Trust is established are set down in the governing document as follows:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the mainstream Academies") offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies"); and
- To promote for the benefit of the inhabitants of the areas served by the Academies the provision of facilities, for recreation or other leisure-time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

##### **Principal Activities**

The principal activity of Bourne Education Trust is in accordance with its objectives advancing education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools offering broad and balanced curricula. In addition, the Trust promotes recreational facilities to improve the condition of life for local residents. The details of the objectives, strategies and activities of each school within the multi-academy trust are outlined in their individual school development plans.

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **Public Benefit**

The trustees confirm that they have referred to the guidance provided by the Charity Commission in respect of public benefit when reviewing the Trust's aims and objectives (as set out above) and in planning future activities and setting appropriate policies for future years.

#### **STRATEGIC REPORT**

##### **Growth of the Academy Trust**

The Bourne Education Trust grew during 2019-2020 to include Teddington School which joined on the 1 December 2019. Trust is now responsible for the education of over 8,000 children and employment of 900 staff.

The Trust ensures that high quality teaching and support staff are employed, and we work continually to improve teaching and learning. The Academy Trust's integrated curriculum financial planning means that we review the staffing requirements needed to meet our educational delivery a minimum of a year ahead allowing for early recruitment and efficient budgeting. We are working to embed the outcomes of the School Resource Management Self Assessment (SRMSA) outcomes in our budget planning. Whole staff training, either as a collective or in teams, is organised weekly in our schools. Activities reflect both Academy Trust and individual school priorities as outlined in their respective development plans and build on individuals' needs as identified in their performance management targets. Training is delivered by the leadership team and/or identified lead practitioners within each school and across the Academy Trust.

Schools within the Academy Trust work closely together both within and across phases to share best practice, specialist expertise and resources, pool ideas and challenge one another to further raise standards. Collaboration also extends beyond the Academy Trust. We regularly meet with secondary and primary networks/confederations which allows us to share best practice and training and ensure that the Academy Trust is supporting local collaboration and initiatives.

The Trust and its schools' responses to closure as part of the UK Government's measures to tackle the spread of Coronavirus have introduced us to new ways of working that have been heavily dependent on technology and virtual working. This has provided us with an opportunity to reflect on our current *modus operandi* and offer some solutions to the challenges that we have in running a geographically diverse organisation consisting of schools that value both the Trust and their autonomy. This has been enabled by the Trust's migration to a common IT platform and implementation of Microsoft Teams.

To ensure that standards are continually raised, the schools' development plans are directly linked to the Academy Trust's strategic objectives, which are reviewed annually by the board. The intervention work of the Academy Trust and the progress being made by each school towards its key performance indicators and agreed targets is quality assured by an external Academy Trust improvement partner supported by school leaders from across the Academy Trust. Schools report to the Academy Trust's performance and standards committee termly and the CEO and Executive Leaders half-termly.

#### **ACHIEVEMENTS AND KEY PERFORMANCE INDICATORS**

##### **Auriol Junior School**

The school joined the Trust on 1 May 2017 as a converter academy. Graded as a good school in May 2015, it maintained this status at its most recent Ofsted inspection in March 2020 and continues to perform strongly with pupils proud to attend the school and excited by their learning. Whilst standard assessments tests were cancelled this year, internal data shows that, had pupils sat them, they would have performed very strongly in all disciplines in terms of both attainment and progress. During lockdown, the school provided excellent remote learning to its pupils. The school has a hearing impaired unit and works closely with Epsom and Ewell High School that has the quadrant's secondary unit and for which it is a main feeder school.

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **Broadmere Primary Academy**

The academy joined the Trust on 1 June 2019 as part of merger between the Trust and Broadmere and New Monument Primary Academy Trust. Graded good by Ofsted in May 2017, the academy is well led by an experienced executive headteacher. Internal assessments show that the academy was in line to achieve outcomes close to the national average at key stage 2 and shown positive progress. During the lockdown, the academy provided effect remote learning to its pupils and its popularity in the local community is supported by good attendance and applications for places.

#### **Brookwood Primary School**

The school joined the Trust on the 1 December 2015 as a sponsored primary academy. Graded as a good school by Ofsted just prior to joining, it improved on this grading during its full inspection in September 2018 with good overall but outstanding for its early years' provision. The appointment of the new head of school in September has coincided with growing popularity of the school in the locality and it is now full in Reception. During lockdown, the school served its pupils extremely effectively and internal assessments show that the recent upward trajectory in outcomes would have been maintained has lockdown now occurred.

#### **Chertsey High School**

Chertsey High School was opened as a free school by the trust in September 2017. It is now in its fourth year of operation and is full. This is the final year of the strategic agreement with Salesian School, Chertsey to support the growth and development of the school. The school is now firmly established in its new building and has an experienced leadership team with all staff now working exclusively for the school. It is looking forward to its inaugural Ofsted inspection with confidence.

#### **Epsom and Ewell High School**

The school is now well-established and consistently delivers positive progress and good outcomes at both GCSE and A level. During this year, the programme of capital investment to improve its sports and classroom facilities has started and the impact will be dramatic. During lockdown, the school provided extensive online learning including live streamed lessons. At both GCSE and A level the centre assessed grades were arrived at after a rigorous process. They showed the expected improvement, attainment and progress based on the Trust's findings from its quality of education reviews and further closing of the performance gap between different key groups of pupils. All pupils in the sixth form hoping to attend university, did so. The school has a specialist unit for those with hearing impairments and once again, those students performed extremely well in all aspects of school life.

#### **Everest Community Academy**

Everest Community Academy joined the Trust on 1 September 2017 having been re-brokered from another multi academy trust because of its prolonged poor performance. The school has been transformed in all aspects of its operations and this was confirmed during its Ofsted inspection in February 2020 when all aspects were deemed to be good. This is the first time in the school's history that it has been graded as such. Consequently, the school's reputation in the community is stronger than ever and pupil numbers are growing rapidly. Centre assessed GCSE results show a continuation of the improving trends in both attainment and progress both overall and for both pupils with SEND and those who are disadvantaged.

#### **Jubilee High School**

Jubilee High School joined the Trust on 1 September 2013. In July 2015 was graded the school as 'good' in all aspects and again at its short inspection in October 2018. The impact of the new head of school, now in his second year, has been far reaching and all aspects of the school shows a marked upward trend. This summer's centre assessed grades maintained the high standards seen last year, in particular for disadvantaged pupils.

#### **Meadow Primary School**

Meadow Primary School joined the Trust on 1 July 2018 as a converter academy. The school was graded as good during its inspection in January 2018. This year a new head of school was appointed supported by an executive headteacher. This has enabled good continuity and there has been no diminution of standards on the change of operational leadership. The school continues to deliver strong academic and this summer's internal assessments maintain the upward trend. School leaders excelled during lockdown by balancing high numbers of pupils on site with those continuing to receive high quality remote learning.

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **New Monument Primary Academy**

The school joined the Trust on 1 June 2019 as part of merger between the Trust and Broadmere and New Monument Primary Academy Trust. Graded good by Ofsted in June 2018, the school is well led by an experienced executive headteacher. The school made substantial strides in addressing underperformance in reading and writing during the year and internal assessments showed strong outcomes in these areas this summer. The school worked extremely hard to support its community, which has a very high proportion of EAL pupils, during lockdown, and was rewarded with good attendance on their return.

#### **Pyncroft Grange Primary School**

Pyncroft Grange Primary School joined the Trust on 1 December 2013 and is the highest performing primary school in the Trust in terms of both attainment and progress. The school was inspected by Ofsted in January 2017 and graded outstanding in all areas. Once again, the Trust's quality of education reviews supported the very strong internal assessment data reported this summer. It has placed itself in the heart of its community, is hugely oversubscribed and one of the highest performing schools in the county.

#### **Sythwood Primary School**

Sythwood Primary School joined the Trust on 1 January 2014. The school underwent a section 8 Ofsted inspection in November 2016 and was found still to be good. This summer's internal assessments show the school's outcomes continuing their upward trend and serving their SEND and disadvantaged pupils particularly well. During lockdown the school was at the epicentre of its community and worked with local foodbanks to support families. The school has a visual impairment unit and works closely with the local secondary unit to ensure effective progression and transition.

#### **Sayes Court Primary School**

Sayes Court Primary School joined the Trust on 1 June 2014 when it was in special measures. With support from the Trust it has been completely transformed. The school had its Ofsted inspection in June 2017 and was graded good in all areas. The nursery and reception are both full and it is very popular in the local area. It consistently produces outcomes above the national average and pupils show positive progress. This year's internal assessment show that the recent upward trend continued.

#### **Teddington School**

Teddington School joined the Trust on 1<sup>st</sup> December 2019. Previously, it was a standalone Trust planning to grow a multi-academy trust locally. However, it was found to require improvement in its Ofsted inspection in January 2018 and then issued with a Financial Notice to Improve ('FNI') in September 2018. Since joining, the school has gone from strength to strength. It has performed extremely well in public exams and this year's centre assessed grades continued the upward trend. Its FNI has been lifted and its finances stabilised. It is now one of the highest non-selective performing schools within its local authority and has growing numbers in both the main school and its sixth form.

#### **The Matthew Arnold School**

The Matthew Arnold School joined the Trust on 1 December 2014 as a sponsored secondary academy. The Trust has overseen the complete transformation of the school since it was placed in special measures in July 2014 and in June 2018 Ofsted found it to be a good school in all aspects. Its outcomes in both progress and attainment are strong and this year's centre assessed grades continued this pattern. The school is now popular in the local area and pupil numbers continue to rise. The building of the new school continues and will only add to the positive momentum surrounding the school.

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **West Ewell Primary School**

The school joined the Trust on 1 June 2018 as a converter academy. Previously an infant school, the local authority requested that it become a primary school with effect from 1 September 2017. This will come to fruition in 2020. The school has a very strong local reputation and was graded outstanding when it was last inspected in 2010. It will need to be re-inspected as a primary school. The school works in partnership with our local Trust schools to ensure that its teaching in key stage 2 is of the highest standard. The Trust's quality of education reviews suggest that it is. As a primary school it will feed into Epsom and Ewell High School. The two schools currently share sports facilities and this collaboration will only continue to grow.

#### **Woodmansterne Primary School**

The school joined the Trust on 1 July 2019 as a converter academy. It was graded good by Ofsted during its inspection in November 2016 and consistently produces strong outcomes in keeping with this status. This summer's internal assessment supports our findings from our quality of education reviews that it is high performing and maintaining these standards. The school's nursery is full and pupil numbers are continuing to grow, reflecting its popularity in the local area. It is well led by an experienced headteacher.

#### **Impact of Covid on the Trust's Achievements**

In order to ensure a successful outcome for the Trust and its schools whilst facing the Covid 19 pandemic, the decision was made to suspend the committee meetings and have all business done as a full Trust Board to focus on the Trust's priorities and keep all Trustees up to date. The board met more frequently than normal and in line with government guidance these meetings were held remotely.

The Trust's central executive met daily (and then weekly) for most of the period; and weekly with Headteachers. A significant amount of leadership time was devoted to adhering to government guidance and producing Trust specific guidance with our schools for staff, pupils, parents and other stakeholders. This was an effective approach and ensured positive outcomes at all our schools.

The March Covid lockdown provided a positive impetus for the implementation of Microsoft Teams across the Trust. The majority of meetings became virtual via Teams earlier in the year, and it is clear that many of these changes will persist well into the future. Most schools have become adept at delivering virtual lessons, though wide differences in availability of suitable devices for both students and staff have become apparent between schools. The lockdown had a negative impact on the schools' migration to the single BET domain, rather fewer than anticipated, slowed down by the need for the IT team to support schools in the transition to remote teaching.

#### **Going Concern**

Covid presented some financial uncertainties relating to lettings, trips, areas of the business not funded through public funding (nurseries, out of hours, and sport centres) and major contracts such as cleaning and catering. Lettings were cancelled resulting in a £100k loss of income. 90 trips of a value of £400k had to be cancelled or rearranged resulting in a significant amount of time spent liaising with providers and insurers but immaterial losses. Furlough was utilised where appropriate affecting approximately 50 staff at 8 schools/sports centres. The use of furlough has restarted at our sports centres during the autumn 2020 second phase of lockdown. Negotiations took place with major contractors and supply agencies. In this the Trust followed the guidance from the government in the form of Public Procurement Notices (PPN02/20; PPN02/40). This was successful in guiding our arrangements in 2019-2020 with our catering and cleaning providers although the impact of Covid on our expenditure costs is being felt in the new financial year. Some of our catering contractors are suffering post lockdown from reduced sales; partly because of pupil confidence and partly due to the impact of the bubble structure on throughput. Following PPN guidance we are working on transition plans with our catering providers. Since the start of the 2020-2021 financial year, additional cleaning contractor costs are accruing as a result of the need for additional cleaning capacity during the day on cleaning and PPE supplies.

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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Nevertheless, after making appropriate enquiries, the trustees have a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

#### **Promoting the success of the company**

The Trust sees its charitable purpose as extending beyond the schools currently within the Trust and it has worked in partnership with a number of schools outside the company on an associate or school-to-school basis.

It is a strategic partner of Teach SouthEast, a Surrey based teaching school for both primary and secondary trainees. It also works closely with Surrey County Council's school improvement service – Schools Alliance for Excellence (SAFE) – and undertakes significant school-to-school support on its behalf.

The Trust has a growing reputation outside of its core business of running its schools. Over the last year, the Trust's reputation for strong financial management and resulted in several requests to support both single and multi-academy trusts in reviewing their financial systems and providing advice and guidance on how to improve them.

The Trust has worked closely with the Regional Schools Commissioner and is a lead trust in its trust development programme. The Trust is a leading figure in Surrey's multi-academy group – the Anchor Group – that represents Surrey's academies both across the county and with the Department for Education.

The Trust also utilises the expertise of its staff to develop curriculum resources for use across the educational spectrum and deploys experts in their field to coach, train and mentor fellow professionals. Such developmental work supports the continuing professional development of employees and ensures that we constantly learn from others and do not become inward looking.

Decisions to work in partnership with others are considered within the strategy approved by the Trustees to ensure that the Trust does not overstretch itself and is able to maintain the current high standards. Such work has enabled the Trust to make informed decisions in the event that a school wishes to join the Trust on a permanent basis. It allows us to play an active role in the wider education community and have opportunities to engage with and implement best practice from other institutions.

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **FINANCIAL REVIEW**

##### **Financial Review and Key Financial Performance Indicators**

Most of the Academy Trust's income is obtained from the Department for Education (DfE) in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2020, the total expenditure of £49,635,715 (2019: £38,107,549) was less than the total of incoming resources of £154,783,645 (2019: £64,961,645) including the significant fixed assets acquired, as referred to below, allowing the Academy Trust to carry forward significant fund balances for utilisation in future years.

At 31 August 2020, due to the growth of the Multi-Academy structure the net book value of tangible fixed assets had grown to £235,531,039 (2019: £151,468,041) and movements in tangible fixed assets are shown in more detail in the notes to the financial statements. These assets were exclusively those used for providing education and the associated support services to the students of the schools within the Academy Trust.

From the actuarial valuations for the year ended 31 August 2020, the FRS 17 pension deficit on the Academy Trust's proportion of the Surrey Local Government Pension Scheme had increased from the prior year and at 31 August 2020 stood at £25,661,000 (2019: £18,310,000).

The Trust received £176,206 in capital funding from the ESFA on a formula basis (2019: £400,601) in funding through bids.

##### **Reserves Policy**

The trustees have agreed a Reserves Policy for the Academy Trust which will be reviewed annually. The review encompasses the nature of income and expenditure streams and the need to match income with commitments. As part of this the Trust has reviewed its approach to "GAG pooling" as a freedom under the AFH and has determined that the Trust will not 'GAG pool' but that the Trust's financial policies should:

- Create the understanding that BET is a single financial entity; a collaborative structure that helps to drive school improvement
- Generate a central surplus to be able to target funding, to have greater flexibility to respond to specific needs in individual academies and/or to direct funds to facilitate MAT policies that are being implemented to support the trust's vision
- Support recovery plans for academies in financial difficulty, simplifying the provision of support to weaker schools in a MAT until they can grow their pupil numbers
- Create a contingency for cash flow issues or unforeseen emergency costs
- Increase central resource and achieve efficiency savings MAT-wide.

To achieve this aim, each school will continue to hold their own bank accounts, the Trust will set its central contribution for the 2020-2021 year at 5% and include in the policy a requirement to contribute towards a central reserve of 1% of GAG. The Trust does not foresee that schools will be required to contribute towards this in 2020-2021.

It is confident that all schools have sufficient working capital reserves to cover delays between spending and receipt of grants and to provide a cushion to cover the financial risks facing the Trust. In addition to the standard concerns, funds set aside for future commitments need to include the impact of additional Covid expenditure, staffing costs in light of the levels of infection and isolation rates and the pension and investment issues.



## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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As at 31 August 2020, free reserves amounted to £5,326,838 (2019: £5,140,520) but it is anticipated that much of this free reserve balance will be utilised over the course of the next 3 academic years as the Academy Trust expands the scope of its operations.

The trusts overall reserves were higher than expected at the end of the 2019-20 financial year due to significantly reduced expenditure resulting from the closure of schools during the Covid 19 pandemic.

#### **Investment Policy**

The Academy Trust's bank accounts are held with Lloyds, and it operates Educational Current and Deposit accounts and School Fund accounts. Schools joining the Trust have also held accounts with Barclays and HSBC during this transition period. Bourne Education Trust does not currently have any material investments. Investments are held in low risk accounts and hitherto have resulted in some but minimal interest. This has reduced to zero.

Interest earned on bank accounts and investments during the year amounted to £21,056 (2019: £27,564).

#### **PRINCIPAL RISKS & UNCERTAINTIES**

The Trust is exposed to the major risks of the industry such as loss of key staff, shortfalls in funding that have not been anticipated, changes in funding formulas, significant downturns in performance, reduction in the school roll and/or adverse Ofsted judgements. The Trust works to minimise the risks through day to day practices and future proofing.

There are uncertainties both in staff pay and pensions. All schools were hit by an increase from teachers pay increases with effect from September 2020 although pay freezes may be necessary in the future as a national response to the Covid pandemic. The triennial local government pension revaluation has resulted in a 1% increase in the pension rate for support staff which adds costs of £100k to the Trust's costs for 2020-2021. This was largely prior to the impact of Covid 19 and therefore the Trust will need to assume additional increases in both the Teachers' Pension and Local Government Pension rates in the next valuation rounds.

The Trust has established with effect from 2020-2021, an Audit & Risk Committee as required by the AFH for Trusts whose income exceeds £50 million. The principal Risk Management objective of the Trust is to outline in its Board Assurance Framework the gaps the Trust faces in achieving its strategic aims. The trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to leadership & people, quality of experience and development & growth. The Trust has also introduced a standard Key Risks Template across its schools. Review of the Board Assurance Framework falls within the terms of reference of the Board and the Audit & Risk Committee. By frequent review the Trust ensures that any remedial actions are taken in a timely manner where required.

#### **Fundraising**

Fundraising for the trust takes the following forms:

- Fundraising on behalf of the school through Parent Teacher Associations holding summer fairs and similar events; although this has come to halt during the Covid lockdown and pandemic period
- Donations from parents
- Students and staff engaging in fundraising for external charities.

The Trust aims to meet the fundraising code of practice which is that any fundraising will be legal, open, honest and respectful. The trust will ensure protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate and ensure that all funds raised for a particular cause must be used for that particular cause. The trust has not received any fundraising complaints.

## BOURNE EDUCATION TRUST

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020

#### Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	
Energy consumption used to calculate emissions (kWh)	11,852,380
Energy consumption break down (kWh) (optional) <ul style="list-style-type: none"><li>gas,</li><li>electricity,</li><li>transport fuel</li></ul>	Scope 1 Gas 8,602,835 Scope 2 Electric 3,216,009 Scope 1 Minibus 19,886 Scope 3 Employee Mileage 13,650
<u>Scope 1 emissions in metric tonnes CO2e</u> Gas consumption Owned transport – mini-buses <u>Total scope 1</u>	Gas 1,581,803 Minibuses 3,146
<u>Scope 2 emissions in metric tonnes CO2e</u> Purchased electricity	Electricity 749,780
<u>Scope 3 emissions in metric tonnes CO2e</u> Business travel in employee owned vehicles	Business Travel 3,292
Total gross emissions in metric tonnes CO2e	Total 2,338,002
<u>Intensity ratio</u> Tonnes CO2e per pupil	Per pupil 290.87

#### Quantification and Reporting Methodology:-

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

#### Intensity measurement

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

#### Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **PLANS FOR FUTURE PERIODS**

Bourne Education Trust will continue striving to improve the levels of performance of the students attending any of its member schools as reflected in its mission statement and individual school development plans. It aims to establish ways to benefit the wider community and provide direct access to school facilities, curricular materials and the expertise of staff. This is evidenced by our professional partnerships with other schools outlined in the section on promoting the success of the company.

Mamel Junior School is expected to join the Trust during 2020-2021. Mamel Junior School has an unfavourable Ofsted judgement. Richmond West Schools Trust has requested to join the Trust. The Trust has carried out due diligence on both entities and this will be considered by the Trust Board at its December 2020 meeting. The Trust is also working with Kings International School, Camberley and Philip Southcote School under Associate Agreements.

The Trust is expanding its central team and has appointed internally a Head of Governance & Compliance, is advertising to appoint a Head of Estates and Procurement from January 2021 and will be appointing a Head of Business Support during the year to add additional capacity to the business and finance team.

The Trust is focussing a significant amount of its effort on the return to school of our pupils and staff considering the outcome of Ofsted's interim visits to ascertain how schools are faring since the full re-opening of schools in September. A briefing paper is expected soon. The visits focused on four broad questions: the current state of children's school education; how children have been affected by schools' closures; how schools are planning to maintain standards in education through the pandemic and what schools are doing with their Covid Catch Up Funding.

In the Trust, almost all students and staff have returned to fulltime provision and all have returned to the full curriculum with a significant focus on literacy and numeracy in primary schools. Remote learning, with the adoption of a common IT platform, has developed significantly since the start of the initial lockdown period and this commonality of virtual communication too has supported successfully staff training and where needed, recruitment. Staff surveys have been broadly positive in terms of well-being and this has been a regular part of school leaders' work during lockdown and the return to school. There is no consensus on patterns of lost learning except for core skills in primary. There is agreement that pupils are happy to return to school, although issues are beginning to emerge from the long absence from school. There is an increase in safeguarding concerns and school leaders are focusing their efforts to work with other professionals and families to support children. Schools are using a range of assessment strategies to find gaps in knowledge and skills, although both secondary and primary schools are using some common assessment tools to support their evidence collecting and strategic planning to support progress. There is a focus on the challenges facing schools to include having to alter teaching approaches, maintaining safety protocols, supporting non-attending pupils and providing cover for staff who maybe self-isolating.

The Trust schools have worked together on a paper to consider how to deploy additional funding either by school, local cluster or phase as well as considering also how to use the National Tutoring service since its recent publication of preferred partners.

The DfE approved the sale of an unusable field at Epsom & Ewell High School, the benefit of which will be invested in sports and education facilities at schools across the trust and on the 5th September 2019 planning permission was granted for the development of the land. It is hoped that the enabling works that precede the main construction works will begin in the early spring of 2020.

The Matthew Arnold School was successful in a Priority Schools Building Programme 2 bid and the feasibility stage of the project commenced in September 2016. The first works to replace the artificial grass pitch being built over are now complete and work has begun on the piling and foundations for the new build. Completion of the new school is anticipated for early January 2021.

## **BOURNE EDUCATION TRUST**

### **TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

Bourne Education Trust will continue to look at the accommodation available to its member schools and plan for the redevelopment of areas of those school sites where buildings have reached the end of their useful life.

The size of the Trust means that it now receives School Condition Allocation on a formula basis and it has targeted this funding towards significant condition, health & safety and safeguarding concerns as advised by the SCA fund guidance.

BET offers its own high speed broadband, internet filtering, firewall and safeguarding solution to schools, served by its own data centre. BET schools currently not using this service will be transferring as soon as their existing broadband contracts expire. The last schools to do so will be Everest Community Academy and Meadow Primary School who will join in February 2021. Moving all BET schools to a single domain will allow the central IT team to provide a managed service to all schools by applying consistent policies and templates across all devices in all schools.

#### **Funds held as Custodian Trustee on Behalf of Others**

In addition to maintaining restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, Bourne Education Trust holds 16-19 Bursary Fund monies as custodian for the Department for Education and the Education and Skills Funding Agency awarding bursaries for those in need meeting the criteria specified in the terms of this government scheme.

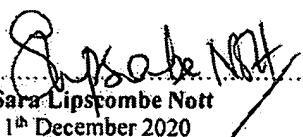
At the present time, the Academy Trust does not hold and the trustees do not anticipate that it will in the future hold, any other funds as custodian for any other third party.

#### **Auditor**

The trust retendered for audit services during 2015 and appointed UHY Hacker Young LLP, Quadrant House, 4 Thomas Moore Square, London E1W 1YW as its auditors for a minimum period of three years with an option for a further two-year extension which has been exercised by the Trust.

The trustees at the date of approval of this trustees' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the Academy Trust's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the Bourne Education Trust board of trustees, and in their capacity as trustees of the charitable company the strategic report included therein, at their meeting on 11th December 2020, and was signed for and on behalf of the board by:

 Chair  
Sara Lipscombe Nott  
11<sup>th</sup> December 2020

## **BOURNE EDUCATION TRUST**

### **GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **Scope of Responsibility**

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer 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 Bourne Education Trust and the Secretary of State for Education. He is also responsible for reporting any material weaknesses or breakdowns in internal control.

#### **GOVERNANCE**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

The Trust Board reviews its vision, ethos and strategy through strategy days in collaboration with executive leaders. The Academy Trust is mindful of the rapidly changing landscape and direction of travel outlined by the DfE in creating sustainable and effective trusts. This has resulted in an overarching long term strategy for the trust based on filling the Trust's gaps with any decision to grow or merge underpinned by robust due diligence. This longer term strategy is supported by the Trust Development plan which defines the short to medium term strategic goals and development and improvement priorities which is shared throughout the organisation.

The Trust Board ensures that its risks are aligned with strategic priorities and improvement plans and that appropriate intervention strategies are in place through its Board Assurance Framework. The next step will be to embed this approach to risk management throughout all levels of the organisation and improve the Trust's oversight of Health & Safety.

During 2018-2019, the Trust board has reviewed the effectiveness of governance structures and consulted on a new model of local governance after consideration of the DfE's advice on the constitution of governing bodies. During 2019-2020, following this review the Trust has moved towards Local Governing Committees (LGCs) in order to recognise the importance of LGCs as committees of the board, the recommendation for smaller but more effective governing bodies outlined in the Governance Handbook and to reflect the increasing centralisation of responsibilities outlined in the Academies Financial Handbook. We will continue the transition during 2020-2021. The Trust also commissioned a review of Local Governance as part of its internal audit function to measure progress against this transition and recommend next steps.

The Academy Trust drives up educational standards and financial health through rigorous analysis of pupil progress, attainment and financial information with comparison against local and national benchmarks and over time. There are clear processes in place for overseeing and monitoring school improvement and financial health, providing constructive challenge to executive leaders managed by the Performance & Standards Committee and the Audit & Finance Committee. From 2020 the Academy Trust established an Audit & Risk Committee to comply with the requirements of the Academies Financial Handbook and a Resources Committee. The next step is to monitor the effectiveness of the Terms of Reference of these committees.

The Trust Board ensures that it has people with the right skills, experience, qualities and capacity by carrying out regular skills audits. It employs the support of Academy Ambassadors to source candidates for trustees that understand the purpose of governance and the role of non-executive leadership. The Trust Board has continued to work hard during 2019-2020 to ensure a clear separation between strategic non-executive oversight and operational executive leadership supported by positive relationships that encourage a professional culture and ethos across the organisation. It has also focussed on reducing the reliance on the Chair and has produced a policy on the Recruitment & Selection of Trustees to support its succession planning.

## **BOURNE EDUCATION TRUST**

### **GOVERNANCE STATEMENT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

The Trust held two annual meetings for governors, trustees, members and senior staff of the Trust to be kept up to date with developments and the strategic direction of the Trust. The first meeting for governors, trustees and members took place on 13<sup>th</sup> February 2020. Significant separation between members and trustees is enabled by clear terms of reference. The Academy Trust has evaluated the quality and impact of its governance during 2019-2020 by commissioning an internal audit on Local Governance.

The board of trustees has met formally seven times during the financial year. Attendance at meetings was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Sara Lipscombe-Nott	7	7
Alex Russell	7	7
Charmain Browning	6	7
Peter Deane	7	7
Stephen Dennison	7	7
Susan Gibbin	7	7
Chris Marston (resigned 27 <sup>th</sup> September 2019)	0	0
Chris Munro	6	7
Sarah Pittam	6	7
Catherine Twomey (appointed 7 <sup>th</sup> May 2020):	3	3
Audrey Wade	6	7
Kate Sanders (as COO/ Company Secretary)	7	7
Roger Evans (as Clerk to the Board)	7	7

The key changes in the composition of the board has been the appointment of an additional Trustee with business and finance skills and experience through Academy Ambassadors.

The Finance & Audit Committee is a sub-committee of the board of trustees, and its purposes and terms of reference covered those of a typical finance & audit committee. The Finance & Audit Committee met twice during the financial year. As part of the Trust's response to Covid the Board met as a whole once Covid began and all matters were considered by the board. Attendance at meetings was as follows:

<b>Committee Member</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Peter Deane	2	2
John Stockley	2	2
Audrey Wade (chair)	2	2
Kate Sanders (in attendance)	2	2
Roger Evans (Clerk to the Committee)	1	2

### **REVIEW OF VALUE FOR MONEY**

As accounting officer, the chief executive has responsibility for ensuring that the academy trust delivers good value in the use of public resources. As accounting officer, he understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

## **BOURNE EDUCATION TRUST**

### **GOVERNANCE STATEMENT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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- Leadership & Governance standards have continued to improve by:
  - Being a full time CEO and expanding the Trust team
  - Ensuring a succession plan in place
  - Embedding Local Governing Committees and providing effective training for them
  - Executive Leaders gaining national qualifications
  - Continued use and deployment of BET's National and Specialist Leaders
  - Effective use of associate status to make move to full trust member seamless
  - 'Deep dive' Internal audit review on Governance, Risk Management & Information Privacy
  - Improved Pay & Performance procedures benchmarking across similar sized schools
- Educational standards have continued to improve across our schools through a range of initiatives:
  - OFSTEDs completed under the new framework informing our revised internal quality of education reviews and related training
  - Cross phase collaboration ensuring rapid progress in both key stages 2 and 3
  - Firmly establishing both phase specific teams and cross-phase cluster teams with clear remits for each
  - Embracing the potential of MS Teams to facilitate greater collaboration, more immediate training and greater efficiency through sharing of resources
  - Encompassing new ways of working to support high quality remote learning during lockdown
- Financial & operational oversight has improved by:
  - Revision of Trust financial policies to respond to the needs of the Trust
  - Active use of the School Resource & Management Self-Assessment process to identify opportunities for great efficiency
  - Benchmarking curriculum plans across the Trust
  - Scrutiny by independent external internal auditors
  - School specific short notice financial internal audit reviews
  - 'Deep dive' internal audit reviews on Governance, Risk Management & Information Privacy
  - Joint procurement activities in IT, Cleaning and Catering
  - Expansion of the IT central team and move towards a cluster strategy in response to the growth of the trust

The needs and progress of all schools in the Trust are kept under regular review by the Board through agreed key performance indicators. Each school's performance is measured against these terms and they assess all main aspects of each school. Between them they cover: Overall standards, quality of teaching, quality of learning, staffing, pupil profiles, ethos, finance, safeguarding and health and safety

In 2019-2020, the CEO and Board were supported by the COO, three Executive Leaders 'Cluster Leads', Operations Director, Head of Finance and Assistant, Head of HR, PA & Project Coordinator, Head of IT and part time Regional IT leads to work at trust level, according to a service level agreement to ensure the performance of schools. The trust also has an Executive Group made up of all its headteachers, CEO, COO, Operations Director and Executive Leaders so that schools share best practice and collaborate on supporting the Trust schools. Any issues requiring additional input or information are fed back to the school's governing committee through the central team.

All schools in the Trust are held to account educationally by its Performance and Standards Committee and financially by the Resource Committee. The Trust has now established an Audit & Risk Committee to review the effectiveness of the risk management, control and governance arrangements. These committees report to the main Board.

## **BOURNE EDUCATION TRUST**

### **GOVERNANCE STATEMENT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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#### **Financial governance and oversight**

The Board of the Bourne Education Trust has overall responsibility and ultimate decision making responsibility however there are written schemes of delegation to ensure that decisions can be made efficiently.

The governance arrangements for each school within the Trust include regular monitoring by LGB/LGCs and committees who receive detailed reports from the school's leadership. Governors are welcomed within the schools and play a very active role allowing them to make accurate judgements on information received. Budget holders and/or the senior leadership team review expenditure regularly and work with each school's Business Manager to recommend future budgets based on a detailed review of past costs, changes in curriculum requirements and strategies in the school improvement plan. Reserves in the Trust depend upon a review of both current and future needs mindful of the need to ensure the Trust remains a 'going concern'. The Trust is working to ensure that all the LGB/LGCs have appropriately skilled governors so that there is the appropriate level of challenge, governed by the Recruitment & Selection of Trustees policy.

The Resources Committee has responsibility for making recommendations on financial reporting with the newly established Audit & Risk Committee monitoring internal control, risk management and external audit to assist the Trust in fulfilling its oversight responsibilities and refers major issues for ratification. During 2018-2019 the Trust appointed Buzzacott LLP to carry out a programme of internal audit investigations. These take the form of three short notice 'deep dive' reviews into three schools in the trust and three reviews bespoke non-financial areas.

The school-based reviews confirmed that resources have been managed with regularity and propriety albeit recommending areas for improvement. The bespoke non-financial reviews have provided the Trust with a view of its strengths and possible areas for development. Regularity and propriety has also been confirmed by unqualified audit reports for each year of academy status.

The Board monitors performance across the schools in the Trust against key performance indicators enabling benchmarking across the Trust and ensuring that it maintains a strategic role.

#### **Procurement and cross Trust collaboration**

Contracts and services: are regularly appraised and renegotiated when appropriate to ensure value for money. The Trust gains the required number of quotes for any purchase. In exceptional circumstances when this is not possible the reason is recorded. Each academy within the Trust assesses the cost and benefits of various options before making a decision to ensure the right option for the longer term with no supplier being chosen entirely on price. Where appropriate schools in the Trust have collaborated on cross Trust procurement or service improvements.

Governance: The Trust has no board vacancies at the current time. Through Academy Ambassadors we have recruited an additional Trustee with the experience to offer robust challenge to the Trust in the area of business and finance as identified in the 2018-2019 financial statements.

Income generation: We have been successful in generating income from providing services to schools and through the hire of Trust facilities and services which although deemed unrestricted income is generated to invest in better provision for our pupils. This has included IT services and provision of school to school support (see section on Promoting the success of the company page 14). Such work allows us to support other schools in their development and recruit additional staff which benefits our students whilst covering the differential in salary costs.

Integrated Curriculum & Financial Planning: Schools are sharing the outcomes of curriculum planning benchmarking to work towards common standards and greater efficiency.



## **BOURNE EDUCATION TRUST**

### **GOVERNANCE STATEMENT (continued) FOR THE YEAR ENDED 31 AUGUST 2020**

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**Policy management:** The Trust schools have continued to collaborate on developing harmonised HR policies during the year. During 2019-2020, we focussed on probation procedures & pay and performance management policy & procedures. This along with support from our HR advisors continues to support the development of the Trust's business managers.

**Procurement:** The trust has embarked upon three significant IT projects, which when concluded, will ensure all BET schools have access to the Trust's secure, fast fibre broadband and network infrastructure that will allow a much higher degree of collaboration and resource sharing between BET schools than is currently possible. Apart from cost benefits these facilities allow staff to work in a more seamless fashion across the trust and sets the basis for a minimum IT standard across all Trust schools.

**Project Management:** We have used a combination of direct quotations and quotations through a building project management company to ensure that we get best value for money in refurbishment and capital projects. The Trust is now large enough to receive its School Condition Allocation on a formula basis with the allocation for 2020-21 being £1.635m and has worked on a trust wide agreement for prioritising the allocation of funding (based on critical need and the SCA guidance) to ensure value for money. An additional one off SCA grant of £759k was made earlier in the year. The intention is to use this to address some lower priority, but nevertheless important projects such as improving classrooms and visitor reception areas. A long list of projects is in the process of being drawn up and costed, with schools being consulted on possible works. The process of reviewing the priorities for the BET estate for 2020-2021 has already begun in preparation for the next release of SCA in April 2021.

**Staffing:** We continue to use benchmarking to ensure structures that are fit for purpose, value for money and enhanced support for pupils. A standardised approach to curriculum planning is employed across the secondary schools. When vacancies arise we look at aligning what we do with the cluster structure of the trust. There have been positive changes in finance staff that have added capacity and expertise to the Trust's constituent schools.

#### **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 the Trust's 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 Bourne Education Trust for the year ended 31 August 2020 and up to the date of approval of the trustees' annual report and financial statements.

#### **Capacity to Handle Risk**

The board has implemented a Board Assurance Framework approach to risk. This ensures focus on the key challenges to achievement of the Trust's strategic objectives and provides a live and continuously updated risk register and action plan. This was reviewed by the Board and by the Finance & Audit Committee during 2019/2020 on behalf of the board who review the Trust's exposure and the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing Bourne Education Trust's significant risks that has been in place for the year ended 31 August 2020 and up to the date of approval of the trustees' annual report and financial statements. This process is regularly reviewed by the board of trustees resulting in an agreement to change the style of reporting risk to a board assurance framework approach. The Trust commissioned an internal audit on Risk Management as part of its internal audit programme for 2019-2020. It has also revised its committee structure from September 2020 to establish an Audit & Risk Committee in line with the requirements of the AFH who will consider as part of the role the Trust's capacity for handling risk and the risk and control frameworks of the Trust.

## BOURNE EDUCATION TRUST

### GOVERNANCE STATEMENT (continued) FOR THE YEAR ENDED 31 AUGUST 2020

#### The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the board 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 through agreed KPIs;
- clearly defined purchasing (asset purchase or capital investment) guidelines, delegation of authority and segregation of duties; and
- identification and management of risks by the audit committee through the risk register.

The board of trustees considered the need for a specific internal audit function and appointed Buzzacott LLP, 130 Wood Street, London, EC2V 6DL as internal auditor with effect from 1<sup>st</sup> September 2018.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included carrying out short or no-notice reviews of core financial systems and controls; and bespoke reviews on non-financial areas.

The internal auditor reports to the board of trustees through written reports identifying strengths of the Trust and recommendations for future practice. On an annual basis, the auditor reports to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

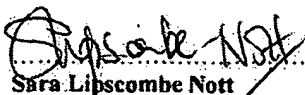
#### Review of Effectiveness

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year ended 31 August 2020, this review has been informed by:

- The work of the Trust Board
- The work of the Finance & Audit Committee
- The work of the HR & Remuneration Committee
- The work of the Performance & Standards Committee
- The work of the external auditor
- The work of the internal auditor
- ESFA directed financial and governance self-assessment processes
- Due diligence reviews carried out by the CEO, COO and other senior leaders in the Trust
- The work of the local Governing Bodies and the key senior Trust staff who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of their review of the system of internal control by the Finance & Audit Committee and plans to address weaknesses and ensure continuous improvement of the system are in place.

Approved by order of the members of the board of trustees on 11th December 2020 and signed on its behalf by:

 ..... Chair of Trustees  
Sara Lipscombe Nott

 ..... Accounting Officer  
Alex Russell

**BOURNE EDUCATION TRUST**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2020**

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As Accounting Officer of Bourne Education Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust board of trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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 Academy Trust governing body and the ESFA.



.....Accounting Officer

Alex Russell

11<sup>th</sup> December 2020

## **BOURNE EDUCATION TRUST**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2020**

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The trustees (who act as governors of Bourne Education Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

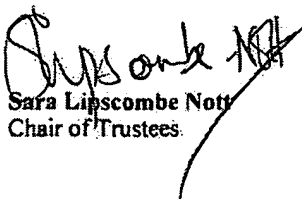
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 11<sup>th</sup> December 2020 and signed on its behalf by:

  
Sara Lipscombe Nott  
Chair of Trustees

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF BOURNE EDUCATION TRUST  
FOR THE YEAR ENDED 31 AUGUST 2020**

**Opinion**

We have audited the financial statements of Bourne Education Trust for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)*, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 as issued by the Education and Skills Funding Agency.

In our opinion, Bourne Education Trust's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable group and company'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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF BOURNE EDUCATION TRUST  
FOR THE YEAR ENDED 31 AUGUST 2020**

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, including the incorporated 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 the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF BOURNE EDUCATION TRUST  
FOR THE YEAR ENDED 31 AUGUST 2020**

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company 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.

**Use of our report**

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



**Subarna Banerjee (Senior Statutory Auditor)  
For and on behalf of UHY Hacker Young**

Chartered Accountants  
Statutory Auditor

Quadrant House  
4 Thomas More Square  
London E1W 1YW

15<sup>th</sup> December 2020

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
THE BOARD OF TRUSTEES OF BOURNE EDUCATION TRUST AND THE EDUCATING AND  
SKILLS FUNDING AGENCY  
FOR THE YEAR ENDED 31 AUGUST 2020**

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In accordance with the terms of our engagement letter dated 16 June 2015 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bourne Education Trust during the year 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 Bourne Education Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Bourne Education Trust and the ESFA those matters we are required to state to it 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 Bourne Education Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of the Bourne Education Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Bourne Education 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 to 31 August 2020 have not been applied to purposes intended by Parliament or that financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

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



**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
THE BOARD OF TRUSTEES OF BOURNE EDUCATION TRUST AND THE EDUCATING  
FUNDING AGENCY (continued)  
FOR THE YEAR ENDED 31 AUGUST 2020**

The work undertaken to draw our conclusion includes:

- Evaluation of the general control environment;
- Confirmation that the internal delegations have been approved by the governing body, and conform to the limits set by the Department for Education;
- Review of the declaration of interests to ensure completeness;
- Review of minutes for evidence of declaration of interest;
- A sample of payments has been reviewed to confirm that each item has been appropriately authorised in accordance with the Academy Trust's delegated authorities;
- A sample of cash payments were reviewed for unusual transactions;
- A sample of expenditure items were reviewed against specific terms of grant funding within the funding agreement; and
- Formal representations have obtained from the governing body and the accounting officer acknowledging their responsibilities for matters relating to regularity and propriety.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that, in all material respect, the expenditure disbursed and income received during the year 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.

UHY Hacker Young

**UHY Hacker Young  
Reporting Accountant**

Quadrant House  
4 Thomas More Square  
London  
E1W 1YW

15<sup>th</sup> December 2020

**BOURNE EDUCATION TRUST**

**STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2020  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL  
RECOGNISED GAINS & LOSSES)**

	Notes	Unrestricted fund £	General funds £	Restricted funds Fixed asset fund £	2020 Total £	2019 Total £
<b>Income and endowments from:</b>						
Donations and capital grants	2	-	435,249	2,015,161	2,450,411	2,553,209
Amounts inherited on transfer / conversion from LA	2/32	139,296	(1,117,524)	85,853,695	84,875,467	26,906,023
<b>Charitable activities</b>						
Funding for the Academy Trust's educational operations	3	-	43,414,876	-	43,414,876	32,678,374
Other trading activities	4	1,245,107	983,133	21,793,596	24,021,836	2,796,475
Investments	5	18,947	2,109	-	21,056	27,564
<b>Total income</b>		1,403,349	43,717,842	109,662,453	154,783,645	64,961,645
<b>Expenditure on:</b>						
Raising funds	6	227,645	1,437,458	-	1,665,103	1,422,906
<b>Charitable activities:</b>						
Educational operations	6/7	988,254	42,874,557	4,107,802	47,970,612	36,684,643
<b>Total resources expended</b>		1,215,899	44,312,015	4,107,802	49,635,715	38,107,549
<b>Net incoming/(outgoing) resources before transfers</b>		187,451	(594,171)	105,554,651	105,147,930	26,854,095
<b>Gross transfers between funds</b>		(1,134)	(818,787)	819,920	-	-
<b>Net income/(expenditure) for the year</b>		186,317	(1,412,958)	106,374,571	105,147,930	26,854,095
<b>Other recognised gains and losses</b>	29					
Actuarial (losses) on defined benefit pension schemes		-	(3,649,000)	-	(3,649,000)	(4,600,000)
<b>Net movement in funds</b>		186,317	(5,061,958)	106,374,571	101,498,930	22,254,095
<b>Total funds brought forward at 31 August 2019</b>		5,140,520	(12,404,431)	152,778,243	145,514,333	123,260,238
<b>Total funds carried forward at 31 August 2020</b>		5,326,838	(17,466,389)	259,152,814	247,013,263	145,514,333

**BOURNE EDUCATION TRUST**

**STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2020  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL  
RECOGNISED GAINS & LOSSES)**

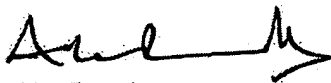
Comparative year information		Restricted funds			2019	2018
	Notes	Unrestricted fund	General funds	Fixed asset fund	Total	Total
		£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and capital grants	2	22,734	972,843	1,557,632	2,553,209	2,144,907
Amounts inherited on transfer / conversion from LA	2/32	1,099,233	(1,847,194)	27,653,984	26,906,023	51,469,570
<b>Charitable activities</b>						
Funding for the Academy Trust's educational operations	3	-	32,678,374	-	32,678,374	26,909,383
Other trading activities	4	1,619,776	1,176,699	-	2,796,475	2,640,065
Investments	5	26,909	654	-	27,564	7,305
<b>Total income</b>		<b>2,768,652</b>	<b>32,981,375</b>	<b>29,211,617</b>	<b>64,961,645</b>	<b>83,171,230</b>
<b>Expenditure on:</b>						
Raising funds	6	422,757	1,000,149	-	1,422,906	1,723,914
<b>Charitable activities:</b>						
Educational operations	6/7	1,113,489	32,808,334	2,762,821	36,684,643	30,520,929
<b>Total resources expended</b>		<b>1,536,246</b>	<b>33,808,483</b>	<b>2,762,821</b>	<b>38,107,549</b>	<b>32,244,843</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>1,232,406</b>	<b>(827,106)</b>	<b>26,448,796</b>	<b>26,854,095</b>	<b>50,926,387</b>
<b>Gross transfers between funds</b>		<b>1,104</b>	<b>(1,256,530)</b>	<b>1,255,426</b>	<b>-</b>	<b>-</b>
<b>Net income/(expenditure) for the year</b>		<b>1,233,509</b>	<b>(2,083,636)</b>	<b>27,704,221</b>	<b>26,854,095</b>	<b>50,926,387</b>
<b>Other recognised gains and losses</b>						
Actuarial gains on defined benefit pension schemes	29	-	(4,600,000)	-	(4,600,000)	2,169,000
<b>Net movement in funds</b>		<b>1,233,509</b>	<b>(6,683,636)</b>	<b>27,704,221</b>	<b>22,254,095</b>	<b>53,095,387</b>
<b>Total funds brought forward at 31 August 2018</b>		<b>3,907,011</b>	<b>(5,720,795)</b>	<b>125,074,022</b>	<b>123,260,238</b>	<b>70,164,851</b>
<b>Total funds carried forward at 31 August 2019</b>		<b>5,140,520</b>	<b>(12,404,431)</b>	<b>152,778,243</b>	<b>145,514,333</b>	<b>123,260,238</b>

**BOURNE EDUCATION TRUST**

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

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	12	235,531,039	151,468,041
		<u>235,531,039</u>	<u>151,468,041</u>
<b>Current assets</b>			
Debtors	15	17,154,352	1,969,601
Investments	13	-	870,000
Cash in hand and at bank	26	24,477,180	13,029,476
		<u>41,631,532</u>	<u>15,869,077</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	16	(4,488,308)	(3,512,785)
		<u>37,143,224</u>	<u>12,356,292</u>
<b>Net current assets</b>			
		<u>272,674,263</u>	<u>163,824,333</u>
<b>Net assets excluding pension liability</b>			
Pension scheme liability	29	(25,661,000)	(18,310,000)
		<u>247,013,263</u>	<u>145,514,333</u>
<b>Net assets including pension liability</b>			
<b>The funds of the Academy Trust:</b>			
<b>Restricted funds</b>			
Fixed asset funds	17	259,152,814	152,778,244
Restricted income funds	17	8,194,611	5,905,568
Pension reserve	17	(25,661,000)	(18,310,000)
		<u>241,686,426</u>	<u>140,373,812</u>
<b>Total restricted funds</b>			
<b>Unrestricted income fund</b>			
General fund	17	5,326,838	5,140,521
		<u>247,013,263</u>	<u>145,514,333</u>
<b>Total funds</b>			

The financial statements on pages 33 to 68 were approved by the Board of Trustees, and authorised for issue on 11<sup>th</sup> December 2020 and are signed on their behalf by:



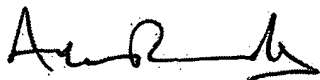
Alex Russell  
Accounting Officer  
Company registration no: 07768726

**BOURNE EDUCATION TRUST**

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

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	12	235,531,039	151,468,041
Investment in subsidiary undertakings	13	2	2
		<u>235,531,041</u>	<u>151,468,043</u>
<b>Current assets</b>			
Debtors	15	17,205,187	2,092,295
Investments	13	-	870,000
Cash in hand and at bank		24,316,893	12,754,924
		<u>41,522,080</u>	<u>15,717,219</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	16	(4,449,739)	(3,360,929)
		<u>37,072,341</u>	<u>12,356,290</u>
<b>Net current assets</b>			
		<u>37,072,341</u>	<u>12,356,290</u>
<b>Net assets excluding pension liability</b>		<u>272,603,382</u>	<u>163,824,333</u>
Pension scheme liability	29	(25,661,000)	(18,310,000)
<b>Net assets including pension liability</b>		<u>246,942,382</u>	<u>145,514,333</u>
<b>The funds of the academy:</b>			
<b>Restricted income funds</b>			
Fixed asset funds	18	259,152,814	152,778,244
Restricted income funds	18	8,194,611	5,905,568
Pension reserve	18	(25,661,000)	(18,310,000)
<b>Total restricted funds</b>		<u>241,686,426</u>	<u>140,373,812</u>
<b>Unrestricted income fund</b>			
General fund	18	5,255,956	5,140,521
<b>Total funds</b>		<u>246,942,382</u>	<u>145,514,333</u>

The financial statements on pages 33 to 68 were approved by the Board of Trustees, and authorised for issue on 11<sup>th</sup> December 2020 and are signed on their behalf by:



Alex Russell  
Accounting Officer  
Company registration no: 07768726

**BOURNE EDUCATION TRUST****CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/ provided by operating activities	23	(10,291,397)	4,502,840
<b>Cash flows from investing activities</b>	25	21,718,045	589,006
		11,426,648	5,091,847
<b>Cash flows from financing activities</b>	24	21,056	27,564
<b>Change in cash and cash equivalents in the reporting period</b>		11,447,704	5,119,410
Cash and cash equivalents at 1 September 2019		13,029,476	7,910,066
<b>Cash and Cash equivalents at 31 August 2020</b>	26	24,477,180	13,029,476

## **BOURNE EDUCATION TRUST**

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

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#### **1 Statement of accounting policies**

##### **Company Information**

Bourne Education Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Epsom & Ewell High School, Ruxley Lane, Epsom, Surrey, KT19 9JW.

##### **Basis of preparation**

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

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

##### **Basis of consolidation**

These financial statements consolidate on a line-by-line basis the results of the Academy Trust and its wholly owned subsidiaries, Bourne Education Trust Enterprises Limited and Matthew Arnold Enterprises Limited. A separate statement of financial activities (incorporating an income and expenditure account) for the Company itself is not presented because the Company has taken advantage of the exemptions afforded by section 230 of the Companies Act 2006 and paragraph 397 of the Charity SORP 2019. The Academy Trust's net income for the year was £101,428,047.

##### **Going concern**

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

##### **Income**

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

##### **Grants receivable**

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 creditor as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

## **BOURNE EDUCATION TRUST**

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

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#### **1 Statement of accounting policies (continued)**

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

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

#### ***Donations***

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

#### ***Other income***

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

#### ***Donated goods, services and gifts in kind***

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

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

On becoming an academy, the land and property of the predecessor school was transferred to the academy for nil consideration. The valuation of the land and buildings as at the date of conversion was prepared on a depreciated replacement cost basis.

#### ***Expenditure***

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

#### ***Expenditure on raising funds***

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

#### ***Charitable activities***

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

All resources expended are inclusive of irrecoverable VAT.



## **BOURNE EDUCATION TRUST**

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

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#### **1 Statement of accounting policies (continued)**

##### **Tangible fixed assets**

Assets costing £5,000 per single item or £25,000 in respect of capital projects 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 or donated market value 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 such assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

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

Long leasehold land	over 125 years
Freehold and long leasehold buildings	over 25 to 50 years
Plant and machinery	over 3 to 10 years

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

##### **Impairment of fixed assets**

At each reporting period end date, the Academy Trust reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Academy Trust estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Financial Activities.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

##### **Financial instruments**

The Academy Trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

## **BOURNE EDUCATION TRUST**

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

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#### **1 Statement of accounting policies (continued)**

##### **Financial instruments (continued)**

Financial instruments are recognised in the Academy Trust's statement of financial position when the Academy Trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### ***Impairment of financial assets***

Financial assets are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Financial Activities.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Academy Trust after deducting all of its liabilities.

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## **BOURNE EDUCATION TRUST**

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

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#### **1 Statement of accounting policies (continued)**

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Academy Trust's contractual obligations expire or are discharged or cancelled.

##### ***Provisions***

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

##### ***Leased assets***

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

##### ***Investments***

The Academy's shareholding in the wholly owned subsidiaries, Bourne Education Trust Enterprises Limited and Matthew Arnold Enterprises Limited, is included in the Balance Sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

The Trust also includes as investments on the Balance Sheet cash deposits with a maturity of more than three months.

##### ***Taxation***

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### ***Employee benefits***

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Academy Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### ***Pension benefits***

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

## **BOURNE EDUCATION TRUST**

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

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#### **1 Statement of accounting policies (continued)**

##### **Pension benefits (continued)**

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 28, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions 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 School 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 net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

##### **Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency.

##### **Critical accounting estimates and areas of judgement**

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

##### **Critical accounting estimates and assumptions**

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

# BOURNE EDUCATION TRUST

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

### 1 Statement of accounting policies (continued)

#### Pension Liability

##### **Critical assumptions for LGPS**

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 29, 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.

##### Depreciation

The trustees estimate the useful economic lives and residual values of Buildings, Building Improvements, Computer Equipment, Furniture and Fittings and Motor Vehicles in order to calculate the depreciation charges. Changes in these estimates could result in changes being required to the annual depreciation charges in the Statement of Financial Activities and the Balance Sheet.

The trustees have reviewed the carrying values of the Trust's Buildings, Building Improvements and Furniture and Equipment.

##### **Critical areas of judgement**

The trustees do not consider that they have made any critical judgements in the preparation of the financial statements.

2 Donations and capital grants	Unrestricted fund £	Restricted funds £	Total 2020 £	Total 2019 £
<b>Funds inherited on conversion (see note 32)</b>				
Fixed assets	-	85,853,695	85,853,695	27,653,984
Local government pension scheme deficit	-	(1,179,000)	(1,179,000)	(1,870,000)
Net current assets	139,296	61,476	200,771	1,122,039
	<u>139,296</u>	<u>84,736,171</u>	<u>84,875,467</u>	<u>26,906,023</u>
 Capital grants	 -	 2,367,027	 2,367,027	 2,364,482
Other donations	-	83,384	83,384	188,727
	<u>-</u>	<u>2,450,411</u>	<u>2,450,411</u>	<u>2,553,209</u>
	<u>139,296</u>	<u>87,186,581</u>	<u>87,325,877</u>	<u>29,459,232</u>

# BOURNE EDUCATION TRUST

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

### 3 Funding for the Academy Trust's educational operations

	Unrestricted fund £	Restricted funds £	Total 2020 £	Total 2019 £
<b>DfE / ESFA grants</b>				
- General Annual Grant (GAG)	-	39,104,101	39,104,101	28,262,568
- Other DfE / ESFA grants	-	1,916,621	1,916,621	1,636,441
	-	41,020,722	41,020,722	29,899,009
<b>Other Government grants</b>				
- Local authority grants	-	2,302,594	2,302,594	1,897,475
- Other government grants	-	91,560	91,560	881,890
	-	2,394,154	2,394,154	32,678,374
<b>Total funding</b>	-	43,414,876	43,414,876	32,678,374

### 4 Other trading activities

	Unrestricted fund £	Restricted funds £	Total 2020 £	Total 2019 £
Hire of facilities	215,596	282,160	497,756	728,612
Catering income	989	26,680	27,669	172,432
Trip income	601,202	-	601,202	606,427
Sale of land (note 31)	-	21,793,596	21,793,596	-
Other income	427,320	674,293	1,101,613	1,289,004
	1,245,107	22,776,729	24,021,836	2,796,475

### 5 Investment income

	Unrestricted fund £	Restricted funds £	Total 2020 £	Total 2019 £
Bank interest receivable	18,947	2,109	21,056	27,564
	18,947	2,109	21,056	27,564

# BOURNE EDUCATION TRUST

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

6 Expenditure	Staff costs	Non pay expenditure		Total	Total
	£ (note 8)	Premises £	Other costs £	2020 £	2019 £
Academy's educational operations (note 7)					
- direct costs	29,252,436	-	1,751,947	31,004,383	23,627,996
- allocated support costs	6,831,963	2,979,935	7,154,331	16,966,229	13,056,647
	<u>36,084,399</u>	<u>2,979,935</u>	<u>8,906,278</u>	<u>47,970,612</u>	<u>36,684,643</u>
Expenditure on raising funds	124,894	40,919	1,499,290	1,665,103	1,422,906
	<u>36,209,293</u>	<u>3,020,854</u>	<u>10,405,568</u>	<u>49,635,715</u>	<u>38,107,549</u>
Net income / expenditure for the year includes:				2020	2019
				£	£
Fees paid to auditor for:					
- audit services				48,000	46,000
- other services				10,350	9,800
Depreciation of tangible fixed assets				4,107,802	2,762,821
(Gain)/loss on disposal of fixed assets (note 31)				(21,793,596)	-
Legal fees				56,532	38,767
				<u>48,532</u>	<u>94,388</u>
7 Charitable activities				2020	2019
				£	£
Direct costs – educational operations				31,004,383	23,627,996
Support costs – educational operations				16,966,229	13,056,647
				<u>47,970,612</u>	<u>36,684,643</u>
				2020	2019
				£	£
Analysis of support costs					
Support staff costs				6,831,963	5,026,182
Depreciation (fixed asset restricted fund)				4,107,802	2,762,821
Technology costs				553,353	445,406
Premises costs				2,979,935	2,349,288
Other support costs				2,434,825	2,417,150
Governance costs				58,350	55,800
				<u>16,966,229</u>	<u>13,056,647</u>
Total support costs				<u>16,966,229</u>	<u>13,056,647</u>

**BOURNE EDUCATION TRUST**

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

**8 Staff costs**

Staff costs during the year were:

	<b>2020 Total £</b>	<b>2019 Total £</b>
Wages and salaries	25,560,707	20,064,677
Social security costs	2,385,056	1,828,430
Pension costs	7,527,913	4,507,187
	<u>35,473,676</u>	<u>26,400,294</u>
Supply teacher costs	727,338	580,868
Staff restructuring costs	6,476	13,311
Other staff costs	1,803	-
	<u>36,209,293</u>	<u>26,994,473</u>
Staff restructuring costs comprise:		
Severance payments	<u>6,476</u>	<u>13,311</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £6,476 (2019: £13,311). There were no voluntary redundancies during the year ended 31 August 2020 (2019: 0).

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

	<b>2020 Number</b>	<b>2019 Number</b>
Teachers	374	333
Administration and support	498	524
Management	50	32
	<u>922</u>	<u>889</u>



# BOURNE EDUCATION TRUST

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

### 8 Staff costs (continued)

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

	2020 Number	2019 Number
£ 60,001 - £ 70,000	11	10
£ 70,001 - £ 80,000	8	4
£ 80,001 - £ 90,000	2	2
£ 90,001 - £100,000	2	1
£100,001 - £110,000	1	-
£110,001 - £120,000	1	2
£170,001 - £180,000	-	1
£180,001 - £190,000	1	-

25 of the above employees participated in the Teachers' Pension Scheme (2019: 19). During the year ended 31 August 2020, pension contributions for these staff amounted to £460,850 (2019: £239,096).

1 of the above employees participates in the Local Government Pension Scheme (2019: 1). During the year ended 31 August 2020, pension contributions for this employee amounted to £22,001 (2019: £19,460).

### 9. Central services

The Academy Trust has provided £1,368,013 (2019: £1,034,590) of educational support central services to its academy schools during the year. The Academy Trust charges for these services on the basis of the following methodologies:

- Insurance, personnel, training and staffing costs recharged on an actual cost basis;
- Headteacher support charged on the basis of an agreed daily rate; and
- Contributions from schools to central costs charged at 4% of the school budget share.

The actual amounts charged during the year were as follows:

	2020 £	2019 £
Auriol Junior School	50,037	48,987
Broadmere Primary Academy	49,194	12,385
Brookwood Primary School	25,926	28,398
Chertsey High School	99,705	64,040
Epsom and Ewell High School	175,764	165,142
Everest Community Academy	101,046	103,276
Jubilee High School	139,173	140,201
Matthew Arnold School	145,230	143,688
Meadow Primary School	83,706	80,577
New Monument Primary Academy	39,489	9,746
Pyncroft Grange Primary School	40,455	40,454
Sayes Court Primary School	37,350	36,874
Sythwood Primary School	94,005	95,421
Teddington School	165,082	-
West Ewell Primary School	51,972	56,699
Woodmansterne Primary School	69,879	8,702
	<u>1,368,013</u>	<u>1,034,590</u>

## **BOURNE EDUCATION TRUST**

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

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#### **10. Key management personnel**

The key management personnel of the Trust comprise the trustees and key members of the senior management team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £2,231,523 (2019: £1,274,239).

#### **11. Trustees' remuneration and expenses**

The Executive Headteacher and Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Headteacher and staff and not in respect of their services as trustees. Other trustees did not receive any payments from the Trust in respect of their role as Trustees. The value of trustees' remuneration was as follows:

Alex Russell (Headteacher, Accounting Officer and Trustee)

Remuneration £185,001 - £190,000 (2019: £175,001-£180,000)

Employer pension contributions £40,001- £45,000 (2019: £25,001-£30,000)

During the year ended 31 August 2020, travel and subsistence expenses totalling £107 were reimbursed to trustees (2019: £1,284).

In accordance with normal commercial practice the Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 (2019: £2,000,000) on any one claim and the cost for the year ended 31 August 2020 was included within the premium for commercial combined policy and is not separately identifiable.

**BOURNE EDUCATION TRUST**

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

<b>12. Tangible assets – Group and academy</b>	<b>Freehold land and buildings £</b>	<b>Long leasehold and buildings £</b>	<b>Leasehold building improvements £</b>	<b>Plant and machinery £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 September 2019	82,063,342	68,339,767	7,873,920	3,172,763	161,449,792
Inherited upon transfer	38,887,000	46,911,000	-	55,695	85,853,695
Additions	-	-	2,463,490	914,523	3,378,013
Disposals	(1,060,907)	-	-	-	(1,060,907)
<b>At 31 August 2020</b>	<b>119,889,435</b>	<b>115,250,767</b>	<b>10,337,410</b>	<b>4,142,981</b>	<b>249,620,593</b>
<b>Depreciation</b>					
At 1 September 2019	6,333,954	1,348,135	769,335	1,530,329	9,981,752
Charge for the year	2,576,297	639,945	216,688	674,872	4,107,802
<b>At 31 August 2020</b>	<b>8,910,251</b>	<b>1,988,080</b>	<b>986,023</b>	<b>2,205,201</b>	<b>14,089,554</b>
<b>Net book value</b>					
At 31 August 2020	110,979,184	113,262,687	9,351,387	1,937,780	235,531,039
At 31 August 2019	75,729,388	66,991,632	7,104,585	1,642,434	151,468,041

# BOURNE EDUCATION TRUST

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

### 13 Investments

	Group 2020	Group 2019	Academy 2020	Academy 2019
	£	£	£	£
Shares in subsidiary undertaking	-	-	2	2
Cash invested in deposit accounts	-	870,000	-	870,000

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or shares held incorporation	Class	%
Bourne Education Trust Enterprises Limited	England and Wales	Ordinary	100
Matthew Arnold Enterprises Limited	England and Wales	Ordinary	100

The results of the subsidiary for the year ended 31 August 2020 were as follows:

	BEE £	MAE £	Total £
Turnover	116,399	210,559	326,958
Operating expenses	(53,440)	(202,636)	(256,075)
Net profit before taxation	62,959	7,923	70,882
Taxation charge	-	-	-
Retained profit for the year	62,959	7,923	70,882

The subsidiary undertakings carry out the trading activities of the Trust. Bourne Education Trust Enterprises Limited carries out training of teachers, Matthew Arnold Enterprises Limited carries out the letting and operations of sports facilities. At 31 August 2020 the aggregate amount of net assets and reserves of the subsidiaries were as follows:

	BEE £	MAE £	Total £
Current assets	122,269	46,380	168,649
Current liabilities	(59,309)	(38,456)	(97,765)
	62,960	7,924	70,884
Represented by:			
Share capital	1	1	2
Reserves	62,959	7,923	70,882
	62,960	7,924	70,884

# BOURNE EDUCATION TRUST

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

14 Financial instruments	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
<b>Carrying amount of financial assets</b>				
Debt instruments measure at amortised cost	24,625,764	13,123,018	24,512,718	12,979,659
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	1,515,861	1,320,995	1,512,528	1,308,727

The trustees have considered the Trust's exposure to credit, cash flow and liquidity risks as part of its annual risk assessment procedures. Risks are assessed within the Trust's risk register and monitored throughout the year. The trustees do not consider the Trust to be materially exposed to credit, cash flow or liquidity risk, owing to sufficient bank balances and limited debtor exposures.

15 Debtors	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Trade debtors	148,584	93,542	143,534	67,867
VAT recoverable	605,589	421,529	612,494	439,284
Amounts due from subsidiary	-	-	52,291	156,868
Other debtors	-	70	-	70
Prepayments and accrued income	16,400,179	1,454,460	16,396,868	1,428,206
	17,154,352	1,969,601	17,205,187	2,092,295

16 Creditors: amounts falling due within one year	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Trade creditors	1,515,861	1,320,995	1,512,528	1,308,727
Other taxation and social security	215,209	179,792	214,895	179,245
Accruals and deferred income (see below)	1,074,069	803,916	1,073,164	802,139
Other creditors	1,363,169	1,208,082	1,329,152	1,070,818
Government loan	320,000	-	320,000	-
	4,488,308	3,512,785	4,449,739	3,360,929

Deferred income	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Deferred income at 1 September	372,445	341,478	364,455	352,073
Income deferred in the year	450,990	372,445	442,372	364,455
Amounts released from previous years	(372,445)	(341,478)	(364,455)	(352,073)
Deferred income at 31 August 2020 included in accruals and deferred income above	450,990	372,445	442,372	364,455

At the balance sheet date the Trust was holding funds of £450,990 (2019: £372,445) received in advance.

**BOURNE EDUCATION TRUST**

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

<b>17 Funds – Group</b>	<b>Balance at 31 August 2019 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Gains, losses &amp; transfers £</b>	<b>Balance at 31 August 2020 £</b>
<b>Restricted</b>					
General Annual Grant (GAG)	4,980,033	40,122,756	(35,946,114)	(1,699,386)	7,457,289
Capital grant funding	417,754	223,320	(69,404)	(195,555)	376,115
Other DFE/ESFA grants	21,704	181,271	(11,707)	(185,371)	5,898
Local authority grants	679	2,305,909	(3,029,555)	745,830	22,863
Pupil premium and learning support unit fund	74,499	1,916,621	(2,009,225)	129,702	111,597
Children's centre fund	193,662	(88,056)	(77,244)	1,836	30,198
Everest Community Centre	217,237	235,023	(261,608)	-	190,651
LGPS deficit fund	(18,310,000)	(1,179,000)	(2,523,000)	(3,649,000)	(25,661,000)
	<u>(12,404,432)</u>	<u>43,717,843</u>	<u>(43,927,858)</u>	<u>(4,851,943)</u>	<u>(17,466,389)</u>
<b>Restricted fixed asset funds</b>					
Inherited fixed asset fund	142,420,922	85,853,695	(4,512,440)	(134,030)	223,628,147
General annual grant fixed assets fund	3,418,205	-	(251,939)	795,815	3,962,081
Land development (note 31)	-	22,853,003	(349,198)	(573,977)	21,929,828
Capital grant fixed assets fund	6,939,117	2,015,161	(437,789)	1,116,268	9,632,758
	<u>152,788,244</u>	<u>110,721,860</u>	<u>(5,551,366)</u>	<u>1,204,076</u>	<u>259,152,814</u>
<b>Total restricted</b>	<u>140,373,812</u>	<u>154,439,703</u>	<u>(49,479,223)</u>	<u>(3,647,866)</u>	<u>241,686,425</u>
<b>Unrestricted funds</b>	<u>5,140,521</u>	<u>1,403,349</u>	<u>(1,215,899)</u>	<u>(1,134)</u>	<u>5,326,838</u>
	<u>145,514,333</u>	<u>155,843,052</u>	<u>(50,695,122)</u>	<u>(3,649,000)</u>	<u>247,013,263</u>

**BOURNE EDUCATION TRUST**

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

**17 Funds – Group (continued)**

Comparative information for the prior year is as follows:

	Balance at 31 August 2018 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2019 £
<b>Restricted</b>					
General Annual Grant (GAG)	3,780,908	29,618,250	(26,862,598)	(1,556,527)	4,980,033
Capital grant funding	268,461	418,608	(89,436)	(179,879)	417,754
Other DFE/ESFA grants	208,550	197,599	(211,848)	(172,597)	21,704
Local authority grants	(952)	1,899,084	(2,453,287)	555,834	679
Pupil premium and learning support unit fund	72,101	1,611,441	(1,705,681)	96,638	74,499
Children's centre fund	93,841	770,261	(670,440)	-	193,662
Everest Community Centre	148,296	336,134	(267,193)	-	217,237
LGPS deficit fund	(10,292,000)	(1,870,000)	(1,548,000)	(4,600,000)	(18,310,000)
	<u>(5,720,795)</u>	<u>32,981,376</u>	<u>(33,808,483)</u>	<u>(5,856,530)</u>	<u>(12,404,432)</u>
<b>Restricted fixed asset funds</b>					
Inherited fixed asset fund	116,835,118	27,653,984	(2,022,134)	(46,047)	142,420,922
General annual grant fixed assets fund	2,966,087	-	(216,074)	668,192	3,418,205
Capital grant fixed assets fund	5,272,817	1,557,632	(524,613)	633,281	6,939,117
	<u>125,074,022</u>	<u>29,211,617</u>	<u>(2,762,821)</u>	<u>1,255,426</u>	<u>152,788,244</u>
<b>Total restricted</b>	<u>119,353,227</u>	<u>62,192,993</u>	<u>(36,571,303)</u>	<u>(4,601,105)</u>	<u>140,373,812</u>
<b>Unrestricted funds</b>	<u>3,907,011</u>	<u>2,768,652</u>	<u>(1,536,246)</u>	<u>1,104</u>	<u>5,140,521</u>
	<u>123,260,238</u>	<u>64,961,645</u>	<u>(38,107,549)</u>	<u>(4,600,001)</u>	<u>145,514,333</u>

## **BOURNE EDUCATION TRUST**

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

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#### **17 Funds – Group (continued)**

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

##### **General Annual Grant**

The General Annual Grant must be used for the normal running costs of the Trust including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

##### **Other DfE/ESFA and government grants**

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

##### **Fixed asset fund**

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

##### **Pension reserve**

The pension reserve is the element of the local government pension fund liability attributable to the Trust (see note 29).

##### **Transfer between funds**

Transfers from unrestricted and restricted funds to the restricted fixed asset fund were necessary to fund capital expenditure carried out during the year.



**BOURNE EDUCATION TRUST**

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

<b>18 Funds – Academy Trust</b>	<b>Balance at 31 August 2019 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Gains, losses &amp; transfers £</b>	<b>Balance at 31 August 2020 £</b>
<b>Restricted</b>					
General Annual Grant (GAG)	4,980,033	40,122,756	(35,946,114)	(1,699,386)	7,457,289
Capital grant funding	417,754	223,320	(69,404)	(195,555)	376,115
Other DFE/ESFA grants	21,704	181,271	(11,707)	(185,371)	5,898
Local authority grants	679	2,305,909	(3,029,555)	745,830	22,863
Pupil premium and learning support unit fund	74,499	1,916,621	(2,009,225)	129,702	111,597
Children's centre fund	193,662	(88,056)	(77,224)	1,836	30,198
Everest Community Centre	217,237	235,023	(261,608)	-	190,651
LGPS deficit fund	(18,310,000)	(1,179,000)	(2,523,000)	(3,649,000)	(25,661,000)
	<u>(12,404,432)</u>	<u>43,717,843</u>	<u>(43,927,858)</u>	<u>(4,851,943)</u>	<u>(17,466,389)</u>
<b>Restricted fixed asset funds</b>					
Inherited fixed asset fund	142,420,922	85,853,695	(4,512,440)	(134,030)	223,628,147
General annual grant fixed assets fund	3,418,205	-	(251,939)	795,815	3,962,081
Land development (note 31)	-	22,853,003	(349,198)	(573,977)	21,929,828
Capital grant fixed assets fund	6,939,117	2,015,161	(437,789)	1,116,268	9,632,758
	<u>152,788,244</u>	<u>110,721,860</u>	<u>(5,551,366)</u>	<u>1,204,076</u>	<u>259,152,814</u>
<b>Total restricted</b>	<b>140,373,812</b>	<b>154,439,703</b>	<b>(49,479,223)</b>	<b>(3,647,866)</b>	<b>241,686,426</b>
<b>Unrestricted funds</b>	<b>5,140,521</b>	<b>1,076,391</b>	<b>(959,823)</b>	<b>(1,134)</b>	<b>5,255,956</b>
	<u>145,514,333</u>	<u>155,516,094</u>	<u>(50,439,046)</u>	<u>(3,649,000)</u>	<u>246,942,382</u>

**BOURNE EDUCATION TRUST**

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

**18 Funds – Academy Trust**

Comparative information for the prior year is as follows:

	Balance at 31 August 2018 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2019 £
<b>Restricted</b>					
General Annual Grant (GAG)	3,780,908	29,618,250	(26,862,598)	(1,556,527)	4,980,033
Capital grant funding	268,461	418,608	(89,436)	(179,879)	417,754
Other DFE/ESFA grants	208,550	197,599	(211,848)	(172,597)	21,704
Local authority grants	(952)	1,899,084	(2,453,287)	555,834	679
Pupil premium and learning support unit fund	72,101	1,611,441	(1,705,681)	96,638	74,499
Children's centre fund	93,841	770,261	(670,440)	-	193,662
Everest Community Centre	148,296	336,134	(267,193)	-	217,237
LGPS deficit fund	(10,292,000)	(1,870,000)	(1,548,000)	(4,600,000)	(18,310,000)
	<u>(5,720,795)</u>	<u>32,981,376</u>	<u>(33,808,483)</u>	<u>(5,856,530)</u>	<u>(12,404,432)</u>
<b>Restricted fixed asset funds</b>					
Inherited fixed asset fund	116,835,118	27,653,984	(2,022,134)	(46,047)	142,420,922
General annual grant fixed assets fund	2,966,087	-	(216,074)	668,192	3,418,205
Capital grant fixed assets fund	5,272,817	1,557,632	(524,613)	633,281	6,939,117
	<u>125,074,022</u>	<u>29,211,617</u>	<u>(2,762,821)</u>	<u>1,255,426</u>	<u>152,788,244</u>
<b>Total restricted</b>	<b>119,353,227</b>	<b>62,192,993</b>	<b>(36,571,303)</b>	<b>(4,601,105)</b>	<b>140,373,812</b>
<b>Unrestricted funds</b>	<b>3,907,011</b>	<b>2,243,320</b>	<b>(1,010,914)</b>	<b>1,104</b>	<b>5,140,521</b>
	<u>123,260,238</u>	<u>64,436,313</u>	<u>(37,582,217)</u>	<u>(4,600,001)</u>	<u>145,514,333</u>

## **BOURNE EDUCATION TRUST**

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

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#### **18 Funds – Academy Trust (continued)**

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

##### **General Annual Grant**

The General Annual Grant must be used for the normal running costs of the Academy including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

##### **Other DfE/ESFA and government grants**

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

##### **Fixed asset fund**

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

##### **Pension reserve**

The pension reserve is the element of the local government pension fund liability attributable to the Academy (see note 29).

##### **Transfer between funds**

A transfer from unrestricted funds to the restricted fixed asset fund was necessary to fund capital expenditure carried out during the year. A transfer between restricted and unrestricted was necessary to reflect the funding of activities in the year.

# BOURNE EDUCATION TRUST

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

### 18 Funds – Academy Trust (continued)

#### Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Auriol Junior School	423,474	376,277
Broadmere Primary Academy	795,285	290,092
Brookwood Primary School	310,422	696,754
Chertsey High School	817,264	454,174
Epsom & Ewell High School	1,777,770	1,648,328
Everest Community Academy*	314,295	314,444
Jubilee High School	831,179	705,053
Matthew Arnold School	1,768,944	2,002,401
Meadow Primary School	984,743	909,965
New Monument Primary Academy	183,461	96,107
Pyrcroft Grange Primary School	560,658	436,653
Sayes Court Primary School	605,685	497,723
Sythwood Primary School	1,202,461	1,146,864
Teddington School	917,703	-
West Ewell Primary School	956,445	686,237
Woodmansterne Primary School	545,715	368,192
Central services	455,061	416,826
Total before fixed assets and pension reserve	13,450,567	11,046,089
Restricted fixed asset reserve	259,152,814	153,778,244
Pension reserve	(25,661,000)	(18,310,000)
Total	246,942,380	145,514,333

\*Included within the Everest Community Academy balance is £190,652 (2019: £217,238) relating to Everest Community Centre, funds which cannot be used for the School.

#### Analysis of academies by cost:

	Teaching and Educational Support Staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total £
Auriol Junior School	1,190,610	173,155	208,615	200,393	1,772,773
Broadmere Primary School	493,258	109,217	48,016	156,574	807,066
Brookwood Primary School	1,164,609	219,465	66,837	243,251	1,694,162
Chertsey High School	1,625,763	163,340	195,663	522,925	2,507,691
Epsom and Ewell High School	3,819,477	477,235	220,195	873,640	5,390,547
Everest Community Academy	1,907,081	404,573	278,310	682,120	8,401,293
Jubilee High School	2,706,411	407,982	213,847	611,259	3,939,499
Matthew Arnold School	2,745,002	373,736	400,086	733,089	4,251,914
Meadow Primary School	1,702,870	283,503	121,679	337,857	2,445,908
New Monument Primary School	853,218	187,597	57,488	208,937	1,307,241
Pyrcroft Grange Primary School	1,064,752	153,417	198,463	275,478	1,692,111
Sayes Court Primary School	736,582	118,005	67,586	254,337	1,176,510
Sythwood Primary School	2,596,644	273,990	218,748	504,829	3,594,210

# BOURNE EDUCATION TRUST

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

### 18 Funds – Academy Trust (continued)

Teddington School	3,238,501	395,633	283,376	573,502	4,491,012
West Ewell Primary School	1,674,774	186,789	198,580	430,522	2,490,664
Woodmansterne Primary School	1,137,786	165,395	69,962	257,956	1,631,098
Central Services	623,110	476,956	24,139	608,226	7,474,895
	<u>29,280,446</u>	<u>4,569,990</u>	<u>2,871,589</u>	<u>7,474,895</u>	<u>44,196,921</u>

### 19 Analysis of net assets between funds – Group

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2020 £	Total funds 2019 £
Tangible fixed assets	-	-	235,531,039	235,531,039	151,468,041
Current assets	5,399,204	12,610,553	23,621,775	41,631,532	15,869,077
Current liabilities	(72,366)	(4,415,942)	-	(4,488,308)	(3,512,785)
Pension scheme liability	-	(25,661,000)	-	(25,661,000)	(18,310,000)
	<u>5,255,838</u>	<u>(17,466,389)</u>	<u>259,152,814</u>	<u>247,013,263</u>	<u>145,514,333</u>

### 20 Analysis of net assets between funds – Academy Trust

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2020 £	Total funds 2019 £
Tangible fixed assets	-	-	235,531,039	235,531,039	151,468,041
Investment in subsidiary	2	-	-	2	2
Current assets	5,255,954	12,644,350	23,621,775	41,522,080	15,717,219
Current liabilities	-	(4,449,739)	-	(4,449,739)	(3,360,929)
Pension scheme liability	-	(25,661,000)	-	(25,661,000)	(18,310,000)
	<u>5,255,956</u>	<u>17,466,389</u>	<u>259,152,814</u>	<u>246,942,382</u>	<u>145,514,333</u>

# BOURNE EDUCATION TRUST

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

### 21 Capital commitments

The Trust had capital commitments of £103,237 (2019: £94,311).

### 22 Financial commitments

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

	2020 £	2019 £
Due within one year	157,917	74,408
Due in two to five years	180,369	56,028

### 23 Reconciliation of net income to net cash flows from operating activities

	2020 £	2019 £
Net income for the year	101,498,930	22,254,095
Cash transferred upon conversion to Academy Trust status	(186,410)	(1,117,240)
Depreciation	4,107,802	2,762,821
Profit on sale of land	(21,792,096)	-
Capital income	(1,186,645)	(238,795)
Interest receivable	(21,056)	(27,564)
Non-cash movement: inherited fixed and net current assets	(85,853,694)	(27,653,983)
Non-cash movement: inherited pension deficit	1,179,000	1,870,000
FRS 102 pension finance cost less contributions payable (note 29)	3,649,000	4,600,000
FRS 102 pension finance and staff costs	2,523,000	1,548,000
(Increase)/ decrease in debtors	(15,184,751)	64,026
Increase in creditors	975,523	441,480
<b>Net cash (used in)/provided by operating activities</b>	<b>(10,291,397)</b>	<b>4,502,840</b>

### 24 Cash flows from financing activities

	2020 £	2019 £
Interest received	21,056	27,564
<b>Net cash provided by financing activities</b>	<b>21,056</b>	<b>27,564</b>

**BOURNE EDUCATION TRUST****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020****25 Cash flows from investing activities**

	2020	2019
	£	£
Proceeds from sale of land	22,853,003	-
Purchase of tangible fixed assets	(3,378,013)	(2,197,028)
Cash transferred upon conversion/transfer	186,410	1,117,240
Capital funding received from sponsors and others	1,186,645	238,795
Movement in cash from term deposits	870,000	1,430,000
	<u>21,718,045</u>	<u>589,006</u>
<b>Net cash generated by/ investing activities</b>	<b>21,718,045</b>	<b>589,006</b>

**26 Analysis of cash and cash equivalents**

	At 31 August 2020	At 31 August 2019
	£	£
Cash in hand and at bank	24,477,180	13,029,476
	<u>24,477,180</u>	<u>13,029,476</u>

**27 Contingent liabilities**

There are no contingent liabilities at 31 August 2020 (2019: £nil).

**28 Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the Trust 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 (2019: £10) for the debts and liabilities contracted before he/she ceases to be a member.

**29 Pension and similar obligations**

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS was 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year (2019: £Nil).

## **BOURNE EDUCATION TRUST**

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

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#### **29 Pension and similar obligations (continued)**

##### **Teachers' Pension Scheme**

###### **Introduction**

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

###### **The teacher's pension budgeting and valuation account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members and the employer make contributions, as a percentage of salary – these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

###### **Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the Teachers' Pension Scheme 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 report and subsequent consultation are:

- Employer contribution rates 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, 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 employers' pension costs paid to TPS in the period amounted to £493,429 (2019: £329,387).

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

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



## BOURNE EDUCATION TRUST

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

#### 29 Pension and similar obligations (continued)

##### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £2,024,000 (2019: £1,726,000), of which employer's contributions totalled £1,556,000 (2019: £1,330,000) and employees' contributions totalled £468,000 (2019: £396,000). The agreed contribution rates for future years are 23.8% (2019: 23.8%) for employers and between 7.4% and 11.7% (2019: 5.5% and 12.5%) for employees.

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

Principal Actuarial Assumptions:	At 31 August 2020 %	At 31 August 2019 %
Rate of increase in salaries	3.1%	2.7%
Rate of increase for pensions	2.2%	2.3%
Discount rate for scheme liabilities	1.7%	1.9%

The below table, as produced by Hymans Robertson LLP (actuary) sets out the impact of a small change in the discount rates on the defined benefit obligations and projected service cost along with a plus/minus 1 year age rating adjustment to the mortality assumption.

Changes in assumption at 31 August 2020	Approximate increase to employer liability %	£'000
0.5% decrease in discount rate	13	362
1 year increase in member life expectancy	4	117
0.5% increase in salary increase rate	1	24
0.5% increase in the pension increase rate	12	321

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

	At 31 August 2020 (years)	At 31 August 2019 (years)
<b>Retiring today</b>		
Males	22.1	22.3
Females	24.4	23.8
<b>Retiring in 20 years</b>		
Males	23.0	22.7
Females	23.8	25.2

**BOURNE EDUCATION TRUST****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020****29 Pension and similar obligations (continued)****Local Government Pension Scheme (continued)**

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

	Fair value at 31 August 2020	Fair value at 31 August 2019
Equity instruments	18,717,120	14,742,000
Debt instruments	4,419,320	3,480,750
Property	1,819,720	1,433,250
Cash	1,039,840	819,000
<b>Total market value of assets</b>	<b>25,996,000</b>	<b>20,475,000</b>

**Amounts recognised in the Statement of Financial Activities**

	2020 £	2019 £
Current service cost (net of employee contributions)	(3,244,000)	(2,172,000)
Net interest cost	(367,000)	(310,000)
<b>Total operating charge</b>	<b>(3,611,000)</b>	<b>(2,482,000)</b>

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

	2020 £	2019 £
At 1 September	38,785,000	26,209,000
Inherited on conversion	6,196,000	3,822,000
Current service cost	3,712,000	2,568,000
Interest cost	833,000	785,000
Employee contributions	468,000	396,000
Actuarial gain	2,071,000	5,295,000
Benefits paid	(408,000)	(290,000)
<b>At 31 August</b>	<b>51,657,000</b>	<b>38,785,000</b>

## **BOURNE EDUCATION TRUST**

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

#### **29 Pension and similar obligations (continued)**

##### **Local Government Pension Scheme (continued)**

##### **Changes in the fair value of Academy's share of scheme assets:**

	2020 £	2019 £
At 1 September	20,475,000	15,917,000
Inherited on conversion	5,017,000	1,952,000
Interest income	466,000	475,000
Actuarial gain / (loss)	(1,578,000)	695,000
Employer contributions	1,556,000	1,330,000
Employee contributions	468,000	396,000
Benefits paid	(408,000)	(290,000)
	<u>25,996,000</u>	<u>20,475,000</u>
At 31 August	<u>25,996,000</u>	<u>20,475,000</u>

#### **30 Related party transactions**

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

During the accounting year the Academy Trust was connected to the following entities:

**Bourne Education Enterprises Limited** - This company was established for the provision of educational support services. Any surplus income generated by this company is donated fully to the Bourne Education Trust for the benefit of the pupils of the school and the local community. There are three directors who control the company, including Peter Deane, Audrey Wade, John Stockley and Louise Borwning, who are trustees or members of the main Academy Trust.

**Matthew Arnold Enterprises Limited** - The principal activity of the company is the commercial use of the sports facilities of The Matthew Arnold School. Any surplus income generated by this company is donated fully to the Bourne Education Trust for the benefit of the pupils of the school and the local community. The directors of the company are not trustees of the main Academy Trust, nor are they members of the local governing body.

##### **Income**

For the year ending 31 August 2020, there was a profit before tax of £62,959 generated by Bourne Education Enterprises (2019: £75,116) and £7,924 by Matthew Arnold Enterprises (2019: £36,424), which was gift aided to the Trust.

## **BOURNE EDUCATION TRUST**

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

#### **30 Related party transactions (continued)**

As at 31 August 2020, there was a balance owing from Bourne Education Trust Enterprises of £52,291 (2019: £128,659) to Bourne Education Trust. Matthew Arnold Enterprises owed £nil at the year-end (2019: £5,123).

#### **31 Land development**

The DfE approved the sale of land at Epsom and Ewell High School for £23.1m. The sale was completed in February 2020 and the proceeds of this transaction will be invested in sports and education facilities at schools across the Trust.

#### **32 Transfer of Academy into Trust/on conversion from local authority**

On 1 December 2019, Teddington School, under the Academies Act 2010 all the operations, assets and liabilities, were transferred into the Academy Trust for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings, with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
<b>Incoming resources from generated funds</b>				
Long leasehold land and buildings	-	-	65,984,695	65,984,695
Cash at bank and in hand	146,156	40,254	-	186,410
LGPS pension liability	-	(1,179,000)	-	(1,179,000)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net assets</b>	<b>146,456</b>	<b>(1,138,746)</b>	<b>65,984,695</b>	<b>64,992,105</b>

## **BOURNE EDUCATION TRUST**

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

#### **32 Transfer of Academy into Trust/on conversion from local authority (continued)**

Chertsey High School opened on 1 September 2017 and joined the Trust at this date.

The land and buildings occupied by the school were under a Licence to Occupy from the local council, who retained control of these assets, and as such these were not recognised as assets in previous financial statements. However improvements made to these assets, funded by ESFA capital grants, were being recognised.

A new building for this school was under construction and was being managed by the ESFA. On completion as at 1 September 2019, this asset was donated to the school and brought into the financial statements at that date.

The following table sets out the fair values of the identifiable assets transferred and an analysis of their recognition in the Statement of Financial Activities:

#### **Chertsey High School**

	<b>Unrestricted funds £</b>	<b>Restricted general funds £</b>	<b>Restricted fixed asset funds £</b>	<b>Total funds £</b>
<b>Incoming resources from generated funds</b>				
Long leasehold land and buildings	-	-	19,869,000	19,869,000
<b>Net assets</b>	-	-	19,869,000	19,869,000