

# Scholars' Education Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements  
For the year ended 31 August 2021



Company Registration Number: 07697132 (England and Wales)

## Scholars' Education Trust

### Contents

---

<b>Item</b>	<b>Page</b>
Reference and Administrative Details	1 - 4
Trustees' Report	5 - 23
Governance Statement	24 - 27
Statement on Regularity, Propriety and Compliance	28
Statement of Trustees' Responsibilities	29
Independent Auditor's Report on the Financial Statements	30 - 33
Independent Reporting Accountant's Report on Regularity	34 - 35
Statement of Financial Activities incorporating Income & Expenditure Account	36
Balance Sheet	37
Statement of Cash Flows	38
Notes to the Financial Statements	39 - 55

<b>MEMBERS</b>	<p>Martin Sidders  Nick Daymond  James Brass  Alan Read (appointed on 08/12/20)  Sanjaveen Bala (appointed from 06/12/21)</p>
<b>TRUSTEES</b>	<p>Martin Sidders (Chair)  Susan Archer (resigned 08/11/21)  Sanjeevan Bala (term of office ended 05/12/21)  Catherine Baxendale  Andy Cunningham  Geoffrey Payne  Bill Rammell  Alan Read (stepped down 07/12/20)  Claire Robins  Nick Spittal (term of office ended 05/12/21)  Paul Burrett (appointed on 30/04/21)  Sean Hegarty (appointed on 12/07/21)</p>
<b>EXECUTIVE TEAM</b>	<p>Claire Robins (CEO)  Matt Gauthier (Deputy CEO)  Hazel Wale (COO)</p>
<b>COMPANY SECRETARY</b>	<p>Hazel Wale</p>
<b>REGISTERED OFFICE</b>	<p>Manland Way  Harpenden  Hertfordshire  AL5 4QP</p>
<b>REGISTERED COMPANY NUMBER</b>	<p>07697132 (England and Wales)</p>
<b>INDEPENDENT AUDITORS</b>	<p>Moore Kingston Smith LLP</p>
<b>SOLICITORS</b>	<p>Winckworth Sherwood  Minerva House  9 Montague Close  London  SE1 98B</p>
<b>BANK</b>	<p>Lloyds Bank PLC (SJL)  18 High Street  Harpenden  AL5 2TA</p> <p>Lloyds Bank PLC (SRA)  1 Legg Street  Chelmsford  CMI IJS</p>

**SIR JOHN LAWES SCHOOL**

**SENIOR LEADERSHIP TEAM as at 31 August 2021**

Executive Headteacher	Claire Robins
Head of School	Phil Newbery
Deputy Headteacher	Gweirydd Williams
Assistant Headteacher	Ben Garcia
Assistant Headteacher	Maria Santos Richmond
Assistant Headteacher	Keith Snaylam
Assistant Headteacher	Jon Walton
Assistant Headteacher	Emma Montgomery

**SAMUEL RYDER ACADEMY**

**SENIOR LEADERSHIP TEAM as at 31 August 2021**

Headteacher	Matt Gauthier
Deputy Headteacher	Ian Bailey
Head of Primary	Ladan Shirazi
Deputy Head of Primary	Melissa Wood
Assistant Headteacher	Matt Pope
Assistant Headteacher	Liza Timpson
Assistant Headteacher	Kyle Barry
Assistant Headteacher	Ed Coy

**ROBERT BARCLAY ACADEMY**

**SENIOR LEADERSHIP TEAM as at 31 August 2021**

Headteacher	Ced de la Croix
Deputy Headteacher	Rav Phagura
Assistant Headteacher	Ben Creasey
Assistant Headteacher	Mark Rome
Assistant Headteacher	Ben Martin

**HARPENDEN ACADEMY**

**SENIOR LEADERSHIP TEAM as at 31 August 2021**

Headteacher	Lisa Davies
Vice Principal	Vikki Johnston

**PRIORY ACADEMY**

**SENIOR LEADERSHIP TEAM as at 31 August 2021**

Headteacher	Mahnaz Smith
Deputy Headteacher	Emma Collins
Assistant Head	Lorraine Croft
Assistant Head	Kieron Davies
Assistant Head	Manori Morris
SENCO	Yvonne Wilson

#### SIR JOHN LAWES SCHOOL

##### LOCAL GOVERNING BODY as at 31 August 2021

Chair	Simon Mundy
Headteacher	Claire Robins
Governor	Christopher Armitage
Governor	David Hassall
Governor	Dani Heley
Governor	Robert Parkinson (re-appointed 27.01.21)
Governor	Michael Stevens
Governor	Katy Wilmhurst
Governor	Elizabeth Montgomery
Governor	Jocelyn Angrave
Governor	Lindsay Gillot
Governor	Sarah Austin (appointed 27.01.21)

#### SAMUEL RYDER ACADEMY

##### LOCAL GOVERNING BODY as at 31 August 2021

Chair	Mun Li Boswell
Headteacher	Matt Gauthier
Governor	Christopher Armitage
Governor	Madeline Bates
Governor	Jane Fullard
Governor	Gill Maddison (resigned 31.08.21)
Governor	Dr Peter Stokes
Governor	Alison Watkins
Governor	Michelle Miles
Governor	Sheryl Wall
Governor	Jack Woosey
Governor	Prakash Promod (appointed 17.11.20)

#### ROBERT BARCLAY ACADEMY

##### LOCAL GOVERNING BODY as at 31 August 2021

Chair	Dawn Warwick
Headteacher	Ced de la Croix
Governor	David Whitelegg
Governor	Honey Fafowora
Governor	Keith Smith
Governor	Isobel Heard (appointed 28.09.20, left 25.01.21)
Governor	John Smith (resigned 28.04.21)
Governor	Melissa Jacobs-Lowe
Governor	Christophe Preaudat (appointed 28.06.21)
Governor	Glen Lapidge (appointed 28.06.21)
Governor	Sarah Morris (appointed 28.06.21)
Governor	Justine Gouldthorpe (appointed 28.06.21)

#### HARPENDEN ACADEMY

##### LOCAL GOVERNING BODY as at 31 August 2021

Chair	Michael Stevens
Headteacher	Lisa Davies
Governor	Sebastian Hendricks (term of office ended 18.07.21)
Governor	Susan Leggott
Governor	Caroline Merritt
Governor	Gemma Moss (term of office ended 04.06.21)
Governor	Kate Watson

Governor	David Whiteley
Governor	Harriet Tamke
Governor	Ben Taylor

PRIORY ACADEMY

LOCAL GOVERNING BODY as at 31 August 2021

Chair	Vanessa Green (appointed as Chair 30.09.20)
Headteacher	Mahnaz Smith
Governor	Sarah Wilkinson
Governor	Mark Cronin
Governor	Claire McMenamin
Governor	Emma Montgomery
Governor	Stewart Mitchelmore
Governor	Anne Kinson
Governor	Steven Kinson
Governor	Jana Veyres (appointed on 27.11.20)

# Scholars' Education Trust

## Trustees' Report

### Scholars' Education Trust — Highlights for 2020-21

Scholars' Education Trust has had a very successful year despite the massive impact that COVID has, once again, had on the activities of the Trust over the last 12 months. The pandemic has brought out the best in the trust and our schools in many ways and we should celebrate those achievements. In preparation for the return to school in September, trust leaders were greatly supported by the work of Hazel Wale and the central team, who developed risk assessments and strategies which Heads then only needed to tweak to make relevant to their settings. This meant that their time was freed up to deal with the specifics in their schools and managing the anxieties of staff, students and their families. The summer work by the IT teams, to ensure that all schools were able to use Microsoft Teams effectively, meant that remote learning and meetings that could no longer be held in person could go ahead fairly smoothly and indeed this has actually enhanced our ability to bring staff across the trust together. One of the 'Covid-keeps' for SET is the ease of using Teams, Zoom and Loom for meetings and CPD, and this will be a feature moving forward.

The Autumn term passed fairly uneventfully in schools although we all regretted the loss of the wider opportunities of clubs and trips upon which SET normally prides itself. Open Evenings moved online too but we were delighted that RBA were able to carry out some in-person tours and we believe this had an impact on their improved Year 7 figures for September 2021. Most of the leadership time in school during this term was spent on tracking and tracing Covid cases, however, the remote learning offer in all schools was significantly improved during this time with self-isolating students able to log into live lessons via Teams. The roll out of iPads at Priory Academy in the Autumn term and Robert Barclay Academy in the Spring term also had a big impact on students' ability to access their learning.

Over Christmas all schools prepared to offer in-school Covid testing for students on their return in January, only to have most plans cancelled by the second national lock down. Nevertheless, the excellent preparations meant that when students did return to school just before Easter, all in school testing ran very smoothly. Much of this work was organised and run by support staff and parent volunteers and we are very grateful to them all. Sir John Lawes School was also able to offer staff testing for Harpenden Academy, something not available to most primary schools at this point, which proved a valuable reassurance to staff at this time. During the second lock down, the work on remote learning really paid off with excellent engagement from students and staff. Once more, vulnerable and key worker students were offered the facility to work in school and we had reasonable numbers in each school each day.

Once the students had returned to school, the next hurdle was the cancellation of public exams and their replacement with Teacher Assessed Grades (TAGs) in contrast to the previous years' Centre Assessed Grades (CAGs). The four trust schools with GCSE or A level classes worked closely together to share good practice in the productions of these TAGs and we used moderation across our faculties to add an extra layer of rigour to the awarding of the grades. There were no changes to the final grades which is a testament to the effectiveness of our arrangements.

## Scholars' Education Trust Trustees' Report

To support work in schools, a significant amount of Covid related funding was received across the trust during this period. Some of this was to defray expenses incurred by setting up the in school testing of students and staff throughout the year, but other amounts were provided to support with Covid catch-up work for students in school. Schools had a degree of freedom over how to spend this money, all funds were allocated across the trust to support intervention sessions for GCSE and A level students, one-to-one literacy and numeracy support, extra-counselling or mental health support, online assessment materials to support faculties. We were able to carry some of this funding over to continue supporting students for the academic year 2021-22.

Governance continued smoothly, albeit online, including the annual Governance Away Day, which focussed, amongst other things, on the new school improvement programme for the trust, led by our Deputy CEO, Matt Gauthier. Although this programme has been slightly disrupted by the pandemic, we have now successfully held 2 Trust Strategy Days, at which the executive team meet with senior leaders from each school to discuss their specific issues, and two Headship Immersion Days, during which the trust heads meet to look at some aspects of our work in more detail. These, along with our Peer Review programme which will resume this term, and our revised 'School On a Page' data dashboards mean that, despite all the other upheavals, the trust has made real progress on its school improvement offer over the last year.

Other central training for governors this year has included Exclusions training and Ofsted preparation training, both of which were well attended. Although most staff CPD has also remained virtual, we were able to run our Trust Staff Conference online on the 28<sup>th</sup> June.

Once again, this year saw a huge amount of investment in SET estates overseen by the central team. At SRA, work was carried out on the swimming pool, science labs and new changing rooms were installed. Priory made significant improvements in their buildings, refurbished their drama studio and improved safeguarding fencing. They also refurbished their playground, installing a canopy, improving drainage and colouring the courts. Robert Barclay also improved security fencing and are working on interior and exterior rebranding of the school site with bright, subject specific displays. Finally, SJL made improvements to site accessibility and also created more sheltered outside eating areas for students.

With sustainability a key focus for SET, one piece of particularly good premises news this year was that in October 2020 the trust was successful in securing £25k in funding to undertake energy audits across all schools. The audits took place throughout November and December and the results were worked through to put together a programme of decarbonisation projects across the trust. A further application was then submitted in early January focussing on:

- Targeted LED lighting programme
- Targeted Solar PV Programme
- Targeted metering/monitoring programme

We subsequently received notification that our bid had been successful and we were awarded £1.2m to carry out the work which was completed by the end of March. This was a significant investment in making our schools more environmentally efficient and sustainable and fits in perfectly with our aims.



## Scholars' Education Trust Trustees' Report

And on that note, one of the biggest highlights for the trust this year was the success of our first bid to set up a free school. After a lengthy and competitive application process, culminating in a final face to face team interview, we were selected by Herts County Council to establish a new first school in Buntingford, Herts, planned to open in September 2022. Not only was this a significant achievement for the trust, but the school is also going to be Hertfordshire's first ever Net Carbon Zero school building and as a result, will not only fit with SET's existing priorities but will also be a flagship project for the authority and should help raise the profile of the trust more widely.

I finished last year's report by saying that the students had been the most affected by the disrupted year and in some ways the same has been true this year. Although all the SET schools have worked hard, with a great deal of success, to limit the impact of the pandemic on the students' educational experience, extra-curricular opportunities for students to work together have been limited. However, the trust concert and the student Climate Change Conference are back in the diary this year and we look forward to being able to bring students from all SET schools together again.

Claire Robins, OBE

CEO Scholars' Education Trust.

## Scholars' Education Trust Trustees' Report

The Scholars' Education Trust (SET) is a cross phase, multi-academy trust, formed in 2012, currently consisting of Sir John Lawes School, Samuel Ryder Academy, Robert Barclay Academy, Harpenden Academy and Priory Academy. The Trust prides itself on its collaborative approach to improving school performance, with each school within the Trust being encouraged to contribute fully to our shared development. At the heart of everything we do is the desire to enable the children in our schools to achieve more than they might ever have believed possible.

SET is led by an experienced executive team who have been working together since the Trust's establishment. The CEO, Claire Robins, Deputy CEO, Matt Gauthier, and COO, Hazel Wale, have a shared vision and commitment to enabling all schools to deliver the best possible outcomes for the children in their care. Claire and Matt have over 20 years of headship experience between them and Hazel is a highly experienced and long serving school business/operations manager, giving them a clear understanding of the leadership qualities required for success. Our aim is to enable our Headteachers to achieve the highest standards of teaching and learning for all pupils, by providing them with the infrastructure and support they need to achieve their goals.

Among the key ways in which the Trust supports our schools are the school improvement & support programme and a highly efficient programme of shared services. Key features of the school improvement support programme include Trust Strategy days with timetabled individual meetings with our schools' Heads to discuss specific issues, Head teacher Innovation days where all Heads meet to look at aspects of our work and fortnightly trust head's meetings with members of the executive team. Schools take part in the Trust Peer Review programme and a CPD offer is available for both teaching and non-teaching staff. Working parties with representatives from all trust schools annually focus on areas such as teaching and learning, data and curriculum; with new groups introduced this year for new technologies, sustainability and wellbeing. The support programme also extends to safeguarding across the trust, with an annual safeguarding audit forming part of the Peer Review and safeguarding staff across the trust meeting regularly to share good practice and identify any trust wide issues.

The SET shared operational hub services are well established and effective with a structure based around the "ask the expert model" with a COO, CFO, admin & data lead, attendance improvement officer, estates lead, HR team, IT leads with on-site technical support, payroll provision and PR & marketing expertise. This model has continued to prove to be most effective and efficient and is also in line with the demands of a growing Trust. The central team has been operationally proactive and supportive during the national lockdowns and the impact of COVID in supporting schools, business has continued without interruption. Throughout this time SET has delivered a robust, bespoke service, sought efficiencies for all schools and freed up much needed investment for teaching and learning. The annual SCA grant for capital projects was once again prioritised on a formalised system, which ranks against teaching & learning need, facilities condition and whole school/trust impact. The projects are overseen by both the estates lead and IT teams to ensure value for money, high standard of installation, quality of delivery with minimum disruption to the schools. The COO and her team have continued to work closely with the Headteachers to further identify ways the central hub team can support our schools, staff and students.

Our staff are central to the success of the Trust, in each of our schools we have outstanding staff, who share their experience and expertise to provide specific teaching and learning support at both primary and secondary level. A team of senior teaching and learning leads work together across the

## Scholars' Education Trust Trustees' Report

Trust to promote collaborative training at all levels. Bespoke training is provided for staff across the Trust with a new data system launched for ease of the collation of training need identified in school and across the Trust. The Middle Leadership development programme and the annual whole Trust INSET day have been particular successes. Get SET for Headship is a new programme this year for aspiring Heads, providing selected senior leaders with a programme of activities to prepare them for their next career steps, culminating in a presentation to the Trust Board. Virtual programmes have also been developed to maintain these opportunities for our staff during the COVID crisis with staff across the Trust using Microsoft Teams to access development on topics such as remote learning and efficient learning practices. The Trust also benefits from Sir John Lawes School's representation on the board of the Alban Teaching School Hub, and as a lead school in delivering the Chartered College of Teaching's Chartered Teacher programme. All trust schools also follow a policy of financially supporting any masters' level study that staff wish to undertake. The success of Harpenden Academy since it joined the Trust, moving from Requires Improvement to Good, with an Outstanding Leadership grading within 2 school years demonstrates how the SET model can bring about measurable school improvement.

Working with the executive team and overseeing Trust performance is a highly experienced Trust Board. SET is fortunate to have a team of trustees who have worked at senior levels in a wide range of sectors, including finance, HR, legal, property, education and the charities sector. A number of the trustees have previously served as members of Local Governing Bodies within the Trust. They have a strong commitment to all the schools in the Trust and work closely with each of the Local Governing Bodies.

The Trust strongly believes in the importance of Local Governing Bodies in schools. The strong relationship between School Headteachers and Governing Bodies is key to continuing educational success and supporting students to achieve their potential.

The Scholars' Education Trust is committed to improving the education opportunities of all our students and we very much welcome like-minded schools and individuals to join us.

### STRATEGIC REPORT

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their annual report together with the financial statements and auditor's report of the academy trust for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law. The trustees have adopted the provisions of 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) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The trust operates one primary, one all through, one extended secondary and two secondary academies with sixth forms in Hertfordshire and Central Bedfordshire. Its academies have combined pupil capacity of 4643 and had a roll of 4467 in the school census in October 2021; made up of a consistently oversubscribed secondary, all through and extended secondary school for intake years and a growing roll in the other two academies; with a planned growth programme of student numbers in those academies

# Scholars' Education Trust

## Trustees' Report

### Structure, Governance and Management

#### Constitution

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

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

#### Members' Liability

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

#### Trustees' Indemnities

In accordance with normal practice the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions whilst on academy trust business, the cover under the policy for each academy is €5 million under any one claim. In the period under review no claims were made.

#### Method of Recruitment and Appointment or Election of Trustees

Trustees - the members may appoint by ordinary resolution up to 10 Trustees.

Providing the Chief Executive Officer agrees so to act the members may by ordinary resolution appoint the Chief Executive Officer as a trustee.

The trustees may appoint co-opted trustees. Employees can be appointed as co-opted trustees as long as employees do not exceed a third of the total number of trustees.

#### Policies and Procedures Adopted for the Induction and Training of Trustees & Governors

New trustees and governors are supported by the company secretary as part of their induction and a provided induction pack of information bespoke to SET. It is expected that all trustees/governors undertake training as appropriate to their role on the trust board or local governing body. New trustees/governors are recommended to undertake the local authority induction training for trustees/governors and this is supplemented by a published governor training programme organised by the Trust which offers sessions by external and "in house" providers throughout the school year. Sessions planned for this year include OFSTED & what to expect, complaint panel training, new technologies – how iPads enhance the learning experience of our students and holding the school to account from a governors' perspective.

Each local governing body is responsible for overseeing its academy's overall management and control with a particular focus on Teaching and Learning. The trustees meet as the trust board

## Scholars' Education Trust Trustees' Report

six times a year; with MAT committees for finance & audit, remuneration, and admissions also meeting regularly.

The work of reviewing and monitoring the academy trust's policies is shared across the trust with senior leaders and local governors within each school passing comments/recommendations to the Trust Board for final consideration and approval. The terms of reference for the trust committees and local governing bodies are agreed annually at the first committee meeting of the year. The clerk to the local governing body of Sir John Lawes School, the clerk to the local governing body to Harpenden Academy, the clerk to the local governing body of Samuel Ryder Academy, the clerk to Robert Barclay Academy and the clerk to Priors Academy are responsible for coordinating the work of their governors, preparation of agendas, supporting papers and the review of any matters arising. One clerk is also responsible for coordinating the work of the Trust Board and its committees, preparation of agendas, supporting papers and the review of any matters arising. The COO oversees the preparation of the Accounts. The Accounting Officer is responsible for the accounts.

All trustees/governors give of their time freely and no remuneration or expenses relating to their activities as trustees/governors were paid in the period. Details of the remuneration to the staff trustee is set out in note 10.

### Organisational Structure

The trustees of the Scholars' Education Trust constitute the Trust Board, which determines the shared policies across the academy trust. Trust Board members are appointed on the basis of their skills and experience. Trustees conduct an annual skills audit to assess whether the Board has the necessary skills to oversee the activities of the Trust. Trust Board committee members are drawn from the Trust Board and schools' governing bodies. Each constituent academy is governed by a local governing body (effectively the board of governors). The local governing bodies determine the policy of their academies, within the overarching policy structure set out by the trust strategic board.

The executive team provides experienced and able leadership across the trust; meeting with the headteachers, on at least a fortnightly basis.

The day to day running and key drivers of educational achievement in each academy are delegated by the local governing bodies to the headteachers, who are each supported by a senior leadership team. The headteachers undertake the key leadership roles within their own academies of overseeing educational, pastoral, human resources and administrative functions in consultation with senior staff. The day to day administration of each academy is undertaken within the trust policies and procedures, approved by the local governing body which provide for significant expenditure decisions to be referred to the Trust Board for prior approval.

The headteachers oversee their school's/academy's recruitment of all staff supported by a central HR administrative team. The headteachers are members of their local governing body. The academy trust chief operations officer is invited to attend all trust board meetings, trust committee meetings and is invited to local governing body meetings as and when appropriate.

Responsibilities delegated to senior staff are published annually and distributed to trustees and members of local governing bodies. All members of the senior leadership teams are invited to their own academy's local governing body meetings as and when appropriate.

## Scholars' Education Trust Trustees' Report

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

The trustee's remuneration committee considers and sets the pay grade and salary for the chief executive officer for the trust. Reporting the outcomes to the Trust Board. The CEO oversees the performance management of the executive team. The CEO's performance management is overseen by the chair of the trust. The chair of SJL governors reviews her performance as an executive head.

### Employees and disabled persons

The Trust Equality policy states we observe good practices in staff recruitment, retention and development by ensuring that policies and procedures benefit all employees and potential employees:

- whether or not they are disabled
- whatever their ethnicity, culture, religious affiliation, national origin or national status.
- whatever their gender and sexual identity, and with full respect for legal rights relating to pregnancy and maternity.

The trust regularly consults with its staff on the trust's working practices and staff wellbeing.

### Related Parties and other Connected Charities and Organisation

The CEO, Claire Robins, was awarded an OBE in the Queen's Birthday honours list (2018) and is a member of a number of professional organisations. She is recognised as a National Leader by the College of School Leadership (NLE) and continues to be a member of the Regional School Commissioner's Headteacher Board. This enables her to keep abreast of current educational matters and to network with other outstanding schools locally, regionally and nationally to share expertise, knowledge and experience.

Claire Robins is also Executive Headteacher of Sir John Lawes School which is within the Harpenden-based consortium with Roundwood Park School and St George's School, both outstanding schools, to provide high quality post-16 education and extend the options available to students within this age group. Sir John Lawes School is a founder member of the Harpenden Secondary Schools Trust with Roundwood Park and St George's Schools, Rothamsted Research Institute and the University of Hertfordshire. This formal partnership was created with the aim of raising the standards of education for the young people of Harpenden by sharing facilities, providing additional opportunities for students, combining expertise and sharing ideas about school improvement. Claire is a Member of the Harpenden Secondary Education Trust, formed to establish the Katherine Warrington School having previously served as a governor.

Finally, Claire is a trustee of the Atlas Academies Trust and the Kemnal Academies Trust and is a director of the Alban Teaching School Alliance.

The Deputy CEO Matt Gauthier, is also Headteacher at Samuel Ryder Academy and was awarded a Headteacher of the Year award in the Pearsons' Annual Teaching Awards in 2020. Samuel Ryder which was awarded Distinguished Apple School status in 2019, being one of only 400 such accreditations globally. It is also designated as the Apple Regional Training Centre for

## Scholars' Education Trust Trustees' Report

Hertfordshire, providing training for educational professionals across the area in the use of new technologies in teaching and learning. Samuel Ryder Academy is within the Alban Learning Partners consortium with St Albans Girls School, Loreto, Marlborough School and Townsend School, to provide high quality post-16 education and extend the options available to students within this age group.

Matt Gauthier is a Trustee at the Links Academy Trust, providing strategic direction, and is a member of their Trust Board and chair of the Audit and Resources committee. Matt is also a member of the Hertfordshire Schools' forum a statutory body whose purpose is to advise on matters relating to the funding of schools within Hertfordshire.

Sir John Lawes School and Samuel Ryder Academy are both part of the Alban Training School Alliance offering teacher training/development opportunities. Robert Barclay Academy is part of the Goff's Training School Alliance offering teacher training and development opportunities.

Lisa Davies, Headteacher at Harpenden Academy, is a member of the Primary Harpenden Heads' association.

Ced de la Croix, Headteacher at Robert Barclay Academy, is current Chair of the Broxbourne and Hoddesdon Secondary Schools' Association (BASSH).

Mahnaz Smith, Headteacher of Priory Academy, is one of the founder members of the Priory Partnership for Learning' which consists of Icknield, Studham and Watling Lower Schools, all outstanding and good schools based in the Dunstable area. The partnership provides a solid educational pathway whilst sustaining and maintaining high standards of education through the sharing of good practice and policies.

Mahnaz Smith has been a Central Bedfordshire Leader of Education (CBLE) since 2014. In her role, she supports Central Bedfordshire schools and Headteachers. She also serves on the Central Bedfordshire Schools' Forum, a statutory body whose purpose is to advise on matters relating to the schools' budget set by the council and other matters concerning the funding of schools. Mahnaz has run leadership courses, including 'Steps to success into headship' commissioned by the BEST Teaching School.

Mahnaz Smith has also been a serving member of the University Court at the University of Bedfordshire since 2017.

The Chief Operations Officer, Hazel Wale, is a Fellow of the Institute of School Business Leaders and has qualified as an accredited SRMA consultant.

### Objectives and Activities

#### Objects and Aims

Scholars' Education Trust's object is to provide education for the public benefit in the United Kingdom.

The shared values of the academy trust are summed up in the ACE: Achievement, Care and Excellence. The ACE underpins everything that each academy does and provides a secure basis for all each academy strives to accomplish:

## Scholars' Education Trust Trustees' Report

- Achievement in academic, artistic, sporting, cultural and other areas with a focus on teaching and learning;
  - Care for students, staff and others beyond the academy trust community. -
- Excellent standards, manners, honesty, personal integrity and uniform.

The Scholars' Education Trust's objective is to produce responsible young people of whom all can be proud, who have achieved more than they ever believed possible and who are prepared to contribute to their local, national and global opportunities.

The academy trust's main strategies for Harpenden Academy, Priory Academy, Robert Barclay Academy, Samuel Ryder Academy and Sir John Lawes School are outlined in the annual development plans.

### Objectives, Strategies and Activities

#### Scholars' Education Trust

The aims of the trust are to:

- Work in genuine partnership to strengthen schools and their communities.
- Foster a culture of positive challenge and continual school improvement.
- Provide a common sense of purpose with a focus on outstanding teaching and learning.
- Offer an excellent educational experience so that every student fulfils their potential.
- Encourage a rich, dynamic and purposeful range of learning opportunities for all students.
- Develop life-enhancing values so that students leave school prepared for the ever-changing world.

The specific objectives are to:

- Foster school communities where staff, students and parents are committed to our educational vision;
- Develop collaborative working practices to provide economies of scale and shared use of resources which benefit all;
- Support each school to recruit and develop staff of the highest quality;
- Develop strong governance arrangements which both challenge and support school leadership;
- Generate effective collaboration between directors, governors and key stakeholders to prepare our students for the workplace and life-long learning;
- Develop robust and sustainable financial management systems;
- Adopt systematic and effective strategic planning processes which generate aspirational targets;
- Establish strong data management systems to facilitate the monitoring of challenging targets;
- Embed a life-long learning ethos in our extended communities;



## Scholars' Education Trust Trustees' Report

- Regularly review curriculum provision to promote engagement and achievement through creative, personalised provision for all students.

### Public Benefit

Scholars' Education Trust is a charitable company which seeks to benefit the public through the pursuit of its stated aims.

In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

### **Streamlined Energy and Carbon Reporting (SECR)**

#### **UK energy use and associated greenhouse gas emissions**

Annual energy usage and associated annual greenhouse gas ("GHG") emissions are reported pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

#### **Organisational boundary**

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those assets owned or operated within the UK only. This includes all 5 schools controlled during the reporting period along with minibuses and personal vehicles used for business mileage ("grey fleet").

#### **Reporting period**

The annual reporting period is 1 September to 31 August each year and the energy and carbon emissions are aligned to this period.

#### **Quantification and reporting methodology**

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2021 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The electricity and gas consumption were compiled from invoice records. Minibus and grey fleet usage were calculated from odometer readings and mileage expense claims, respectively. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

## Scholars' Education Trust Trustees' Report

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of Trust activities (scope 3).

### Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2019/20	2020/21
<b>Mandatory requirements:</b>		
Gas	3,731,198	4,310,287
Purchased electricity from the grid	1,615,784	1,350,632
Transport fuel	17,246	33,825
<b>Total energy (mandatory)</b>	<b>5,364,227</b>	<b>5,694,744</b>

### Breakdown of emissions associated with the reported energy use (tCO<sub>2</sub>e):

Emission source	2019/20	2020/21
<b>Mandatory requirements:</b>		
<u>Scope 1</u>		
Natural gas	686.1	789.5
Transport - Company owned vehicles (mini-buses)	1.6	5.8
<u>Scope 2</u>		
Purchased electricity (location-based)	376.7	286.8
<u>Scope 3</u>		
Transport – Business travel in employee-owned vehicles	2.6	2.6
<b>Total gross emissions (mandatory)</b>	<b>1,067.0</b>	<b>1,084.7</b>
<u>Intensity ratios (mandatory emissions only)</u>		
Tonnes of CO <sub>2</sub> e per pupil	0.247	0.251
Tonnes of CO <sub>2</sub> e per square meter floor area	0.032	0.031

### Intensity ratio

Two intensity ratios are reported showing emissions (tCO<sub>2</sub>e) per pupil and per square meter floor area. Emissions per pupil is the recommended ratio for the sector for consistency and comparability and pupil numbers are based on the Autumn census of the respective year. Emissions per square meter

## Scholars' Education Trust Trustees' Report

floor area is reported to reflect the energy efficiency of the buildings, which are the source of the majority of emissions.

### Energy efficiency action during current financial year

This year the Trust were successful with a Public Sector Decarbonisation Scheme bid and awarded funding of £1.2 million across the 5 sites to deliver energy saving projects. These projects included the following actions:

- LED lighting upgrades at all 5 schools in the Trust.
- Solar PV installation at Samuel Ryder Academy and Robert Barclay Academy.
- Installation of heating thermostatic radiator valves (TRVs) at Priory Academy, Samuel Ryder Academy and Sir John Lawes School.
- Hot water tap upgrades at Priory Academy, Samuel Ryder Academy, Harpenden Academy and Sir John Lawes School.
- Hand dryer upgrades at all 5 schools to more efficient models.

## Strategic Report

### Achievements and Performance

As in 2020, this year's A level and GCSE results had to be awarded differently from usual, after public examinations were cancelled due to the pandemic. Schools were asked to use their professional experience to make a fair and objective judgement of the grades they believed a student would have achieved had they sat their exams this year, based on work that the student had already done, then to submit these centre-assessed grades (CAGs) to the relevant exam board. These grades were then moderated by the relevant exam boards and in some cases, specific work was sampled.

Groups of teachers and leaders in each subject worked together to discuss and agree CAGs for each student based on identified and agreed pieces of work. Schools were also asked to make sure that, unless there had been major changes in their school this year, the CAGs they submitted were broadly in line with the institution's previous results in a subject. As noted in the CEO's report, an advantage of MAT working was that we were able to provide an extra layer of moderation by bringing together subject staff across the trust to check our decisions. As a result, none of the CAGs awarded by SET schools were changed by the exam boards.

Key Stage Two SATs were cancelled completely, as in 2020.

Consequently, for the second year running, there is no nationally comparative data available for any key stage, and school performance tables will not be produced in the normal way. Nonetheless, our internal analysis indicates that the strong results of previous years would have continued should the public examinations have taken place. Most importantly, the vast majority of SET students achieved the grades they needed for the next stages of their careers.

Looking forward the Trust is focussed on ensuring that:

## Scholars' Education Trust Trustees' Report

- All schools achieve key stage 2 SATs results above the national average.
- All schools Progress 8 scores achieve or exceed national average.
- The progress gap is closed between disadvantaged and non-disadvantaged students.
- All schools can demonstrate strong added value in post-16 education.

### Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future.

For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

### Section 172 statement

The Board of Trustees are aware of their duty under s. 172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

- The likely consequences of any decision in the long term.
- The interests of the Company's employees.
- The need to foster the Company's business relationships with suppliers, customers and others.
- The impact of the Company's operations on the community and the environment.
- The desirability of the Company maintaining a reputation for high standards of teaching & learning and business conduct.
- The need to act fairly as between members of the Company.

### Engagement with employees

Enhancing employee development and wellbeing is an integral part of the culture of the Trust. Senior leaders are actively involved in the planning of staff CPD, the Trust wellbeing focus and open communication with staff through weekly briefings/bulletins, calendared middle leader meetings, link meetings with designated leaders and whole staff meetings where employees are given updates on school/Trust developments and have the opportunity to have questions answered directly.

The Trustees receive regular qualitative and quantitative updates on employee matters from the COO, who attends Trust Board meetings, including analysis received through the annual staff survey, staff attendance, leavers and joiners and an annual update on the Performance Review and Performance Related Pay process. This provides the Board with oversight of the staff development and wellbeing, as staff are the key to the continued strength of the Trust.

## Scholars' Education Trust

### Trustees' Report

#### Financial Review

Most of Scholars' Education Trust's income is obtained from the DfE via the ESFA in the form of its General Annual Grant (GAG) the use of which is restricted to particular purposes; i.e. the objects of the academy trust. The GAG received during the period covered by this report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. Each school receives its full GAG funding with a percentage paid to support central services.

Expenditure for the period covered by this report was funded by the GAG received from the DfE, capital grants and other income, such as voluntary income, income from educational operations and investment income.

The Trust may also receive grants from the ESFA (for example SCA funding) for the improvement of fixed assets in the form of capital grants, alongside grants from the local authority for school building expansion. New assets brought into the trust and those attributable to existing fixed assets are capitalised at fair value or cost with an equivalent sum transferred to the restricted fixed asset fund. Fixed assets, other than freehold land, are depreciated over their expected useful lives and this charge is applied against the restricted fixed asset fund. Salary payments to teaching and support staff comprise the greatest recurring cost for each of our schools and for central services.

The Trust makes contributions as an employer to the Teachers' Pension Scheme (TPS), this is a contributory scheme and for other staff members the trust contributes to the local government pension scheme (LGPS). Under the LGPS the assets and liabilities are held within the scheme, an annual valuation identifies the liability attributable to SET and triennially informs the employer contribution rate. The SET balance sheet shows the pension scheme deficit. All staff are auto enrolled into their respective pension schemes although membership is not compulsory.

Scholars' Education Trust is pleased to report that the Trust remains financially stable, managing its resources efficiently and effectively during this pandemic period. COVID has reduced its income generating activities, the impact of which has been minimised by robust budget management during this period of uncertainty. The Trust also acknowledges that it needs to continue to explore all avenues of income generation in order, amongst other demands, to support the continued recruitment and retention of well trained, specialised and knowledgeable staff.

Total income for the year was £29.5m (2020: £28.9m) reflecting increase in pupil numbers. Trust reserves comprise the fixed asset fund £70.0m (2020: £68.5m), restricted and unrestricted funds £3.1m (2020: £2.3m) and pension reserve -£9.1m (2020: -£6.2m). The cash position of the trust at 31 August 2021 of £5.4m compared to 2020: £4.9m.

The trust and each school has a costed trust/school strategic/development plan that supports its key objectives for the financial / school year.

Our efficient and well embedded hub shared services has resulted in and been key to more funds being made available in each school to be spent on teaching and learning and other school focussed key areas. With both our primary and secondary schools working together to share experiences and best utilise the resources held within the trust.

## Scholars' Education Trust Trustees' Report

### Reserves Policy

The trustees have developed a reserves policy (incorporated in the investment policy) for the academy trust. The policy was formulated in light of the nature of the income and expenditure streams and the need to match income with commitments and the nature of reserves. The trustees review the annual budget and three-year plan of the trust and set the minimum level of reserves having regard to the risks and opportunities of the trust at 5% of GAG income.

No material funds have been designated for any specific purposes.

The Fixed Asset Fund is £70.0m (2020: £68.5m); these funds could not be released without compromising the provision of education.

The Trust has positive unrestricted funds. Pension funds are in deficit, the trust is committed to the Teachers' Pension Fund and the LGPS and recognise that the pension funds are a long-term liability.

### Investment Policy

The trust manages its cash balances to provide for the day to day working capital requirements of the respective schools. The trust invests, through its individual schools, surplus cash funds to optimise returns but ensures the investment instruments are such that there is no risk to the loss of these cash funds.

Short term deposits have been placed on varying maturity periods with some greater than three months. Short term investments as at 31 August 2021 were £400k.

### Principal Risks and Uncertainties

The key risks identified by the Trust Board are:

#### COVID

All schools in the Trust have risk assessments in place and are planning their COVID educational recovery (identifying gaps in knowledge, providing catch-up activities).

Although the worst of Covid is hopefully over we continue to monitor the risks in the following areas:

- Continued impact on students, of the 2 national lockdowns (aside from small numbers of vulnerable and keyworker children who were able to attend school) with the subsequent deficit in children's learning and possible impact on mental health.
- Continued impact on budgets of increased supply costs due to covid related staff absence and reduced income from lettings and other sources of funding.
- Continued impact on leaders within the Trust having to manage the health and welfare of their community, ensure that the educational offer is being accessed by all, and manage positive cases in school, together with possible impact on staff and student moral and mental wellbeing.
- Impact on IT provision, required to ensure that staff and students have access to remote learning that is effective for their need to include supplementing government issued devices where possible.

## Scholars' Education Trust Trustees' Report

- Impact on the whole school community of the uncertainty around covid rates and the measures required to manage them.

The positives from the COVID/national lockdown experience are that SET has become much more proficient at remote technology for both learning and communication. The government issued devices facilitated the support of students without ready access to technology when absent from school. Students and parents have been positive about virtual learning and joining lessons when self-isolating at home. Parents have also been positive about the virtual parents' evening whereby parents at work or away from home can access their appointments easily.

### OFSTED

As Ofsted inspections recommence after the pandemic, with the exception of Harpenden Academy, all SET schools are now due for re-inspection.

Sir John Lawes School and Samuel Ryder Academy are respectively OFSTED graded as Outstanding and Good; these gradings are supported by the internal and external monitoring carried out during the year. Both Harpenden Academy and Robert Barclay had OFSTED inspections in June 2019, gaining Good and Requires Improvement respectively — both gradings evidence a huge improvement in the schools since joining the Trust. It is expected that on the re-visit OFSTED inspection for Robert Barclay Academy it will be graded as Good. Priory Academy are OFSTED graded Good; monitoring via the trust peer review supports that grading. Academy improvement plans are in place for all of the schools within the trust and are monitored at all levels. All schools have carried out training on the new Ofsted EIF and continue to prepare for inspection when it comes.

### Safeguarding

Safeguarding is taken incredibly seriously within the trust with "in house" expertise utilised across many of the areas supported by external audit and training, for example single central register, safer recruitment, designated senior leads within each school and within the hub team. Safeguarding external and internal audits are carried out in parallel to the peer review in a format similar to that of external inspections with staff & student interviews, documentation checks and the cross checking of data metrics. An assigned LGB governor is the link between governance and the practice within the school and it is hoped that this communication will be developed further this year with across the Trust forums.

### Trust Expansion

The Trust Board continues to focus on the Trust's growth plan to ensure the trust grows in the medium term, and recognises the expertise within the Trust team for successfully developing and working with both strong schools and those needing more support and development. However, they are equally mindful of ensuring that any new schools do not put the current good educational practice and financial sustainability of the trust at risk

### Robert Barclay Academy — student numbers

Robert Barclay has shown sustained improvement in all areas of the school but particularly within staff recruitment and retention and the standard of teaching and learning. New technologies have been a key focus in the last year and one to one devices have been successfully rolled out to all students and staff with training support from Samuel Ryder Academy and their Apple training expertise. As a result, we were delighted that student numbers showed

## Scholars' Education Trust Trustees' Report

an increase for September 2021 and we are expecting another rise for 2022. However, it is important that these numbers are sustained in order to ensure the school's improved financial position can continue to support educational outcomes for all students.

### IT / Cyber security

Scholars' Education Trust has a highly qualified and experienced team of IT staff, and system security measures in place that are constantly updated and reviewed. Strict permissions and access protocols, shared areas blocked from running programs and software to spot financial data leaving the site are just a few of the security systems in place to minimise the possibility of infection and to support our secure trust IT platform. There is also a web filter and internet firewall based around whitelisting to further add to IT security. IT Disaster recovery and individual school business continuity plans are updated annually. Cyber security however is an ever-growing concern and the trust is currently negotiating for additional external support to test and support its systems further.

### Equality, Diversity and Inclusion (EDI)

In line with the government directive in December 2020 Scholars' Education Trust overtly promotes EDI across the trust and in all its schools in numerous ways. The trust regularly reviews its processes and practices in light of its proactive EDI stance. All recruitment advertising now includes a diversity statement, staffing and student data reporting includes EDI foci. The Trust continues to keep this under review.

### Plans for Future Periods

The trust's plans for the short term continue to be focused on achieving its aims for all its schools and students especially in these pandemic times. The trust enjoys embedded, supportive and robust mechanisms across the trust that support collaborative ways of working at student, staff and leadership levels which has been valuable as schools and the trust have managed the challenges of remote learning, lockdowns, COVID absence and maintaining the learning environment to the standard we expect.

Key foci identified by the Chair and the trust board this year are:

- Clarity over plans for Trust growth
  - To ensure that the Trust grows in a measured and timely way in the next three years in order to provide greater opportunity for talent management and school to school support.
- Monitoring and support of Robert Barclay Academy's continued improvement
  - To continue to provide support for Robert Barclay Academy in its preparations for its next inspection and to ensure its emerging success and improvement is recognised within its community.
- Further development of an integrated trust school improvement offering to achieve our aims for students
  - To further develop and strength the educational support available to all our schools with subject specific expertise and formal secondment/training programmes in addition to the new School Improvement Programme
- Strengthening of the Trust Board committee structure



## Scholars' Education Trust Trustees' Report

- o To strengthen the committee structure by the addition of a Trust standards committee with an educational focus, the committee will be serviced by the Executive team.
- Successful opening of the new Buntingford First School
  - o To ensure the successful launch of the new school and the admittance of its first cohort of students

### Auditor

Insofar as the trustees are aware:

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

Moore Kingston Smith LLP were appointed auditors to the charitable company and in accordance with section 485 of the Companies Act 2006, a resolution that they be reappointed will be put at a General Meeting.

The trustees Report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 7.12.2021 and signed on the board's behalf by:



Martin Siders Trustee  
Date

## Scholars' Education Trust Governance Statement

### Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Scholars' 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 Scholars' Education Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The trustees have met six times during the year. Attendance during the year at meetings of the trustees was as follows:

Trustee	Meetings attended	Out of a possible
Martin Sidders (chairman)	6	6
Susan Archer	5	6
Sanjaveen Bala	6	6
Catherine Baxendale	6	6
Andrew Cunningham	6	6
Geoff Payne	6	6
William Rammel	5	6
Alan Read	3	3
Claire Robins	6	6
Nicholas Spittal	6	6
Paul Burrett	1	2
Sean Hegarty	1	1

### Governance review

The new Board has discharged its duties through meetings of the Trustees, Committees established by the Board to oversee Finance and Audit, Remuneration, Admissions, the SRA Building Contract and Due Diligence, delegation to Local Governing Bodies and delegation to the Chief Executive Officer in accordance with the Schedule of Delegation.

During the year the Trustees have reviewed the performance of the Board and the Chair. The Board has been effective in carrying out its duties and has identified areas for future improvement.

## Scholars' Education Trust Governance Statement

The Board has received comprehensive information on which to make decisions and to exercise its oversight of Trust activities.

The finance and audit committee are established as a committee comprising directors and local governing body governors to:

- Recommend approval of the Annual Financial Statements to the Trust Board
- Scrutinise Annual Budgets, Cash Forecasts and Three Years Plans
- Monitor finance performance against Budget
- Appoint the external auditors, set their remuneration and monitor independence
- Review internal controls
- Review the risks faced by the trust and mitigating actions
- Review Value for Money; and
- Consider Financial Policy for recommendation to the Board

### Review of Value for Money

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

The accounting officer considers how the 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:

- Continued staff training and support with a wider trust remit; with across the trust training and sharing best practice opportunities for both teaching and support staff.
- A continued focus this year on IT particularly in light of the COVID challenge, national lockdown and staff and student absenteeism because of self-isolating. In addition, as part of the SET planned capital programme the Trust has moved to a new internet connectivity provider thus enjoying a faster connection rate and reliability.
- Establishing a new school support / improvement programme focussing on reviewing and improving leadership sharing of good practice across the Trust, curriculum, outcomes, financial stability .
- A significant centrally provided support for schools during the COVID crisis; includes remote learning set up and support, risk assessment audit, HR enhanced support, monitoring of COVID impacted budgets and funding and estates support and risk assessment review.

## Scholars' Education Trust Governance Statement

### 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 objective. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Scholars' Education Trust for the period 1<sup>st</sup> September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. There were three reviews carried out in 2020/21 in a Trust Board pre-planned and approved programme. During the year the internal audits tested and reviewed: Financial Oversight and Delegated Authorities, Governance, Business Continuity, Procurement and Spending Decisions, Business Card, Investments and Whistleblowing. The overall grading was at the highest level, Good Assurance.

### Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

### The Risk and Control Framework

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

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

On a regular 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. The internal audit provision reported to the Trust

## Scholars' Education Trust Governance Statement

board on a series of tests throughout the year with no material findings reported and overall assurance graded, at the highest level, as Good.


### Review of effectiveness

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

- The work of the external auditor
- The work of the internal auditor
- The work of the executive managers within the academy trust who have responsibility for the development maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee ensured continuous improvement of the systems in place.

Approved by order of the members of the board of trustees on 7.12.21 and signed on its behalf by:



Martin Sidders  
Trustee



Claire Robins  
Accounting Officer

## Scholars' Education Trust Governance Statement

### Statement on Regularity, Propriety and Compliance

As accounting officer of Scholars' Education Trust I have considered my responsibility to notify the academy Trust Board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019. I confirm that and the academy Trust Board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2019.

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



Claire Robins  
Accounting Officer

Date: 7.12.21.

# Scholars' Education Trust Governance Statement

## Statement of Trustees' Responsibilities

The trustees (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 the incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2020 to 2021;
- 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 to 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 7.12.2021.....and signed on its behalf by:

Trustee



## Independent Auditor's Report on the Financial Statements to the Members of Scholars' Education Trust

---

### Opinion

We have audited the financial statements of Scholars' Education Trust ('the academy trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and the related 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2021 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 Academies Accounts Direction 2020 to 2021 issued by the ESFA.

### 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 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 FRS's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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.



## Independent Auditor's Report on the Financial Statements to the Members of Scholars' Education Trust (continued)

---

### **Opinion on other matter prescribed by the Companies Act 2006**

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

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In 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 strategic report or the trustees' annual report.

We have nothing to report in respect of the following matters where 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 or trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 30, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the academy trust's internal control.

Independent Auditor's Report on the Financial Statements to the Members of  
Scholars' Education Trust  
(continued)

---

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fra**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, the Academies Accounts Direction 2020 to 2021, the Academies Financial Handbook 2020 and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

Independent Auditor's Report on the Financial Statements to the Members of  
Scholars' Education Trust  
(continued)

---

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**Use of this report**

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

Moore Kingston Smith LLP

**Shivani Kothari (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith LLP

Date: 13 December 2021

4 Victoria Square  
St Albans  
Hertfordshire  
AL1 3TF

## Independent Reporting Accountant's Assurance Report on Regularity to Scholars' Education Trust and the Education and Skills Funding Agency

---

In accordance with the terms of our engagement letter dated 12th September 2019 and further to the requirements of the Education Funding and Skills Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021 we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Scholars' Education Trust during the period 1 September 2020 to 31 August 2021 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 Scholars' Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Scholars' Education Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Scholars' Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Scholars' Education Trust's funding agreement with the Secretary of State for Education dated 1 January 2000 and the Academies Financial Handbook, extant from 1 September 2021 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

## Independent Reporting Accountant's Assurance Report on Regularity to Scholars' Education Trust and the Education and Skills Funding Agency

---

The work undertaken to draw to our conclusion includes:

- review of financial records for unusual transactions
- sample testing expenditure transactions were reasonable, appropriate and appropriately authorised in accordance with the trust's procurement policy
- review the minutes of the Board meetings
- review the processes and controls to identify related party transactions and potential conflicts
- obtaining formal representations from the Board and the accounting officer
- reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report

### Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Moore Kingston Smith LLP

Date: 13 December 2021

**Shivani Kothari (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith LLP

4 Victoria Square  
St Albans  
Hertfordshire  
AL1 3TF

Scholars' Education Trust  
Statement of Financial Activities for the year ended 31 August 2021  
(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2021 £000	Total 2020 £000
<b>Income and endowments from:</b>						
Donations and capital grants	2	-	72	3,973	4,045	4,595
Charitable activities:						
Funding for the academy trust's educational operations	3	639	24,357	-	24,996	23,771
Teaching schools	3, 31	-	45	-	45	11
Other trading activities	4	429	-	-	429	514
Investments	5	1	-	-	1	6
<b>Total</b>		<b>1,069</b>	<b>24,474</b>	<b>3,973</b>	<b>29,516</b>	<b>28,897</b>
<b>Expenditure on:</b>						
Charitable activities:						
Academy trust educational operations	6, 7	801	25,961	1,475	28,237	25,950
Teaching schools	31	-	7	-	7	11
<b>Total</b>		<b>801</b>	<b>25,968</b>	<b>1,475</b>	<b>28,244</b>	<b>25,961</b>
<b>Net income/(expenditure)</b>		<b>268</b>	<b>(1,494)</b>	<b>2,498</b>	<b>1,272</b>	<b>2,936</b>
Transfers between funds	19	-	1,038	(1,038)	-	-
		268	(456)	1,460	1,272	2,936
<b>Other recognised gains/(losses):</b>						
Actuarial (losses)/gains on defined benefit pension schemes	19, 28	-	(2,016)	-	(2,016)	(927)
<b>Net movement in funds</b>		<b>268</b>	<b>(2,472)</b>	<b>1,460</b>	<b>(744)</b>	<b>2,009</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,870	(5,713)	68,490	64,647	62,638
<b>Total funds carried forward</b>		<b>2,138</b>	<b>(8,185)</b>	<b>69,950</b>	<b>63,903</b>	<b>64,647</b>

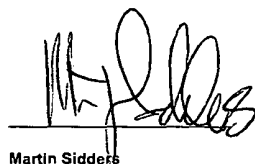
All of the academy's activities derive from continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Scholars' Education Trust  
Balance Sheet as at 31 August 2021

	Notes	2021 £000	2021 £000	2020 £000	2020 £000
<b>Fixed assets</b>					
Tangible assets	12		68,526		66,127
			68,526		66,127
<b>Current assets</b>					
Stock	14	21		23	
Debtors	15	950		1,028	
Cash at bank and in hand		5,024		4,826	
Short term investments	16	400		100	
		6,395		5,977	
<b>Liabilities</b>					
Creditors : Amounts falling due within one year	17	(1,625)		(904)	
<b>Net current assets/(liabilities)</b>			4,770		5,073
<b>Total assets less current liabilities</b>			73,296		71,200
Creditors: Amounts falling due after more than one year	18		(249)		(374)
<b>Net assets excluding pension liability</b>			73,047		70,826
Defined benefit pension scheme liability	28		(9,144)		(6,179)
<b>Total net assets</b>			63,903		64,647
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	19	69,950		68,490	
General fund	19	959		466	
Pension reserve	19	(9,144)		(6,179)	
<b>Total restricted funds</b>			61,765		62,777
<b>Unrestricted income funds</b>	19		2,138		1,870
<b>Total funds</b>			63,903		64,647

The financial statements on pages 37 to 56 were approved by the trustees, and authorised for issue on 07.12.2021 2021 and are signed on their behalf by:



Martin Sidders

Trustee

Company Registration Number: 07697132 (England and Wales)

Scholars' Education Trust  
Statement of Cash Flow for the year ended 31 August 2021

	Notes	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	23	398	(119)
Cash flows from financing activities	24	-	(30)
Cash flows from investing activities	25	100	525
Change in cash and cash equivalents in the reporting period		498	376
Cash and cash equivalents at 1 September 2020		4,926	4,550
Cash and cash equivalents at 31 August 2021		5,424	4,926



## Scholars' Education Trust

### Notes to the Financial Statements for the year ended 31 August 2021

---

#### 1 Statement of Accounting Policies

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

##### Company information

Scholars' Education Trust is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office and principal place of business is Manland Way, Harpenden, Hertfordshire, AL5 4QP.

##### Basis of Preparation

The financial statements 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 (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

Scholars' Education Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand pound.

##### 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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### Income

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

##### • Grants

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

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

Capital grants are recognised when 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.

##### • Sponsorship Income

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

##### • 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 academy trust has provided the goods or services.

##### • Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and "Income from other trading activities". Upon sale, the value of the stock is charged against "Income from other trading activities" and the proceeds are recognised as "Income from other trading activities". Where it is impractical to fair value the items 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".

## Scholars' Education Trust

### Notes to the Financial Statements for the year ended 31 August 2021 (continued)

#### 1 Statement of Accounting Policies (continued)

##### • Donated fixed assets

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.

##### 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 a 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 the support costs involved in undertaking each activity. Direct costs attributable to a single activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with 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 fundraising 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.

##### Tangible Fixed Assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold buildings	2% straight line
Long leasehold buildings	2% straight line
Fixtures, fittings and equipment	20% straight line
Computer hardware	33% / 20% straight line
Motor vehicles	25% straight line

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

##### Liabilities

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

##### Provisions

Provisions can be 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 an 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 last 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.

##### Stock

Unsold stocks are valued at the lower of cost or net realisable value.

## Scholars' Education Trust

### Notes to the Financial Statements for the year ended 31 August 2021 (continued)

#### 1 Statement of Accounting Policies (continued)

##### Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

##### Taxation

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

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

##### Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

##### Employee benefits

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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Scholars' Education Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

**1 Statement of Accounting Policies (continued)**

**Fund Accounting**

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

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

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

**Critical accounting estimates and areas of judgment**

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.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2018. 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 has been calculated using estimated useful lives of the assets held. We have reviewed this and agreed these are reasonable rates being used.

**2 Donations and capital grants**

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2021 £000
Capital Grants	-	-	3,973	3,973
Other donations	-	72	-	72
<b>2020/21 Total</b>	<b>-</b>	<b>72</b>	<b>3,973</b>	<b>4,045</b>
<b>2019/20 Total</b>	<b>-</b>	<b>69</b>	<b>4,526</b>	<b>4,595</b>

Scholars' Education Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
<b>DfE / ESFA revenue grants</b>				
General Annual Grant (GAG)	-	21,340	21,340	20,109
Other DfE/ESFA grants				
UIFSM	-	167	167	83
Pupil Premium	-	681	681	684
Teachers Pay grant	-	283	283	268
Teachers Pension grant	-	800	800	-
Others	-	566	566	1,000
	-	23,837	23,837	22,144
<b>Teaching Schools</b>				
Teaching School Grants	-	45	45	11
	-	45	45	11
<b>Other Government grants</b>				
Local authority grants	-	321	321	218
	-	321	321	218
<b>COVID-19 Additional Funding (DfE/ESFA)</b>				
Catch-up Premium	-	151	151	-
<b>COVID-19 Additional Funding (non-DfE/ESFA)</b>				
Coronavirus Job Retention Scheme grant	-	20	20	-
Coronavirus exceptional support	-	28	28	-
	-	199	199	-
<b>Other Income from the academy trust's educational operations</b>				
Catering income	535	-	535	637
Trip income	49	-	49	346
Music income	8	-	8	113
Other income	-	-	-	23
RPA Claims	47	-	47	290
	639	-	639	1,409
<b>2020/21 Total</b>	<b>639</b>	<b>24,402</b>	<b>25,041</b>	<b>23,771</b>
<b>2019/20 Total</b>	<b>1,409</b>	<b>22,362</b>		<b>23,771</b>

4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Hire of facilities	118	-	118	186
Other income	311	-	311	328
<b>2020/21 Total</b>	<b>429</b>	<b>-</b>	<b>429</b>	<b>514</b>
<b>2019/20 Total</b>	<b>514</b>	<b>-</b>		<b>514</b>

5 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Short term deposits	1	-	1	6
<b>2020/21 Total</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>6</b>
<b>2019/20 Total</b>	<b>6</b>	<b>-</b>		<b>6</b>

Scholars' Education Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

6 Expenditure

	Staff Costs £000	Non Pay Premises £000	Expenditure Other £000	Total 2021 £000	Total 2020 £000
Academy's educational operations:					
Direct costs	18,503	3,197	1,025	22,725	20,227
Allocated support costs	2,552	1,475	1,485	5,512	5,723
Teaching School:					
Direct costs	7	-	-	7	11
2020/21 Total	21,062	4,672	2,510	28,244	25,961
2019/20 Total	19,813	2,940	3,208		25,961

Net income/(expenditure) for the period includes:

	2021 £000	2020 £000
Operating leases rentals	30	29
Depreciation	1,475	1,239
Fees payable to auditor for:		
Audit	18	17
Other services	16	11

7 Charitable Activities

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2021 £000	Total 2020 £000
Direct costs - educational operations	49	22,676	-	22,725	20,227
Direct costs - Teaching Schools	-	7	-	7	11
Support costs - educational operations	752	3,285	1,475	5,512	5,723
2020/21 Total	801	25,968	1,475	28,244	25,961
2019/20 Total	1,204	23,518	1,239		25,961

Analysis of support costs

	Educational operations £000	Total 2021 £000	Total 2020 £000
Support staff costs	2,552	2,552	2,453
Depreciation	1,475	1,475	1,239
Technology costs	329	329	335
Other support costs	1,082	1,082	1,624
Legal costs	40	40	39
Governance costs	34	34	33
Total support costs	5,512	5,512	5,723

# Scholars' Education Trust

## Notes to the Financial Statements for the year ended 31 August 2021 (continued)

### 8 Staff

#### a. Staff costs

Staff costs during the period were:

	2021 £000	2020 £000
Wages and salaries	15,006	14,122
Social security costs	1,307	1,277
Operating costs of defined benefit pension scheme	4,429	4,003
Apprenticeship levy	60	55
	<b>20,802</b>	<b>19,457</b>
Staff training	108	150
Supply staff costs	142	181
Staff restructuring costs	10	25
	<b>21,062</b>	<b>19,813</b>
Staff restructuring costs comprise:		
Severance payments	10	25
	<b>10</b>	<b>25</b>

#### b. Staff numbers

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

	2021 No.	2020 No.
Teachers	258	244
Administration and support	226	225
Management	31	33
	<b>515</b>	<b>502</b>

#### c. Higher paid staff

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

	2021 No.	2020 No.
£60,001 - £70,000	6	1
£70,001 - £80,000	8	9
£80,001 - £90,000	4	3
£90,001 - £100,000	2	1
£110,001 - £120,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
£150,001 - £160,000	1	1

#### d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £3,153,284 (2020: £3,196,823).

### 9 Related Party Transactions - Trustees' Remuneration and Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

Claire Robins (trustee and head teacher at SJL):

Remuneration	£135,000 - £140,000 (2020: £135,000 - £140,000)
Employer's pension contributions	£30,000 - £35,000 (2020: £30,000 - £35,000)

### 10 Trustees and officers insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim.

Scholars' Education Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

11 Disclosure of central services

The academy trust has provided central services to its academies during the year. The trust charges for these services based on rates of 5.6% (2020: 5.48%) of the individual schools' ESFA core income for the year. The services include business management, finance, payroll, HR provision, attendance improvement support, admin / data lead, estates management support & planning, IT school and trust based provision together with school internet connectivity charges, trust curriculum and student events, governance support and whole Trust staff training opportunities which includes an annual Trust staff conference.

The actual amounts charged during the year were as follows:

	2021 £000	2020 £000
Sir John Lawes School	390	360
Samuel Ryder Academy	412	385
Robert Barclay Academy	192	176
Harpenden Academy	51	42
Priory Academy	192	176
	<u>1,237</u>	<u>1,139</u>

12 Tangible fixed assets

	Assets Under Construction £000	Freehold Land and Buildings £000	Leasehold Land and Buildings £000	Furniture and Equipment £000	Plant and Machinery £000	Total £000
<b>Cost</b>						
At 1 September 2020	3,385	21,764	45,059	1,101	2,211	73,520
Transfer	(5,468)	449	5,019	-	-	-
Additions	2,083	-	914	217	660	3,874
At 31 August 2021	<u>-</u>	<u>22,213</u>	<u>50,992</u>	<u>1,318</u>	<u>2,871</u>	<u>77,394</u>
<b>Depreciation</b>						
At 1 September 2020	-	1,900	2,724	834	1,935	7,393
Charged in year	-	272	667	146	390	1,475
At 31 August 2021	<u>-</u>	<u>2,172</u>	<u>3,391</u>	<u>980</u>	<u>2,325</u>	<u>8,868</u>
<b>Net book values</b>						
At 31 August 2021	<u>-</u>	<u>20,041</u>	<u>47,601</u>	<u>338</u>	<u>546</u>	<u>68,526</u>
At 31 August 2020	<u>3,385</u>	<u>19,864</u>	<u>42,335</u>	<u>267</u>	<u>276</u>	<u>66,127</u>

13 Financial instruments

	2021 £000	2020 £000
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	599	597
	<u>599</u>	<u>597</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	1,251	904

14 Stock

	2021 £000	2020 £000
General Stock	21	23
	<u>21</u>	<u>23</u>



Scholars' Education Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

15 Debtors

	2021 £000	2020 £000
Trade debtors	13	-
VAT recoverable	366	567
Other debtors	-	30
Prepayments and accrued income	571	431
	<u>950</u>	<u>1,028</u>

16 Current asset investments

	Total £000
<b>Cost</b>	
At 1 September 2020	100
Additions	300
At 31 August 2021	<u>400</u>
<b>Amortisation</b>	
At 1 September 2020	-
Charged in year	-
At 31 August 2021	<u>-</u>
<b>Carrying amount</b>	
At 31 August 2021	<u>400</u>
At 31 August 2020	<u>100</u>

Current investments are made up of bank deposits held for investment

17 Creditors: Amounts falling due within one year

	2021 £000	2020 £000
Trade creditors	400	271
ESFA creditor: abatement of GAG	-	54
Other creditors	144	61
Accruals and deferred income	1,081	518
	<u>1,625</u>	<u>904</u>

Deferred income

	2021 £000	2020 £000
Deferred income as at 1 September 2020	238	548
Resources deferred in the year	374	238
Amounts released from previous years	(238)	(548)
Deferred income as at 31 August 2021	<u>374</u>	<u>238</u>

At the balance sheet date the academy trust was holding funds received in advance for school trips and music tuition for the school year ending 31 August 2022. A number of government grants had also been received which related to the school year ending 31 August 2022.

18 Creditors: amounts falling due in greater than one year

	2021 £000	2020 £000
Other creditors	249	374
	<u>249</u>	<u>374</u>

Included within other creditors (long and short term) is an ESFA creditor for abatement of GAG of £108,530 in relation to Harpenden Academy. A repayment plan has been agreed. £54,265 is repayable within one year and the final £54,265 is payable in academic year 22/23.

Also included in other creditors are Salex loans of £195,000 (2020: £320,000) which are repayable within five to nine years. The loans are provided interest free with the exception of £50k loan bearing an interest of 1.79%

## Scholars' Education Trust

## Notes to the Financial Statements for the year ended 31 August 2021 (continued)

## 19 Funds

	Balance at 1 September 2020 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2021 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	40	21,340	(21,885)	1,464	959
Other DfE/ESFA grants	-	-	-	-	-
UIFSM	-	167	(167)	-	-
Pupil Premium	-	681	(681)	-	-
Teachers pay grant	-	283	(283)	-	-
Teachers pension grant	-	800	(800)	-	-
Other income	-	117	(117)	-	-
Other grants	-	566	(566)	-	-
Catch-up premium	-	151	(151)	-	-
Coronavirus Job Retention Scheme grant	-	20	(20)	-	-
Coronavirus exceptional support	-	28	(28)	-	-
Local Authority Grant	-	321	(321)	-	-
Pension reserve	(6,179)	-	(949)	(2,016)	(9,144)
Priory transfer	426	-	-	(426)	-
	<u>(5,713)</u>	<u>24,474</u>	<u>(25,968)</u>	<u>(978)</u>	<u>(8,185)</u>
<b>Restricted fixed asset funds</b>					
Priory Academy land	818	-	-	-	818
DfE/ESFA capital grants	67,672	3,973	(1,475)	(1,038)	69,132
Prior year restatement	-	-	-	-	-
	<u>68,490</u>	<u>3,973</u>	<u>(1,475)</u>	<u>(1,038)</u>	<u>69,950</u>
<b>Total restricted funds</b>	<u>62,777</u>	<u>28,447</u>	<u>(27,443)</u>	<u>(2,016)</u>	<u>61,765</u>
<b>Total unrestricted funds</b>	<u>1,870</u>	<u>1,069</u>	<u>(801)</u>	<u>-</u>	<u>2,138</u>
<b>Total funds</b>	<u>64,647</u>	<u>29,516</u>	<u>(28,244)</u>	<u>(2,016)</u>	<u>63,903</u>

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

**Restricted general funds**

This includes all monies received from the ESFA to carry out the objectives of the academy trust. It also includes funding received from the DfE and Local Education Authorities for specific purposes.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Sufficient resources are held in an appropriate form for the fund to be applied in accordance with any restrictions.

**Pension reserve**

This represents the negative reserve in respect of the liability on the LGPS defined benefit pension scheme.

**Restricted fixed asset fund**

The restricted fixed asset fund represents income and expenditure relating to the purchase or other acquisition of land, buildings and capital equipment. This includes gifted assets received from the local authority, and capital grants from the DfE and other sources to finance the development and building of the academies within the trust, and their tangible fixed assets, and the annual charges for depreciation of these assets.

**Unrestricted funds**

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

# Scholars' Education Trust

## Notes to the Financial Statements for the year ended 31 August 2021 (continued)

### 19 Funds (continued)

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

	Balance at 1 September 2019 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2020 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	310	20,109	(20,379)	-	40
Other DfE/ESFA grants	-	2,035	(2,035)	-	-
Local Authority Grant	-	218	(218)	-	-
Pension reserve	(4,446)	-	(806)	(927)	(6,179)
Other Income	426	80	(80)	-	426
	<u>(3,710)</u>	<u>22,442</u>	<u>(23,518)</u>	<u>(927)</u>	<u>(5,713)</u>
<b>Restricted fixed asset funds</b>					
Priory Academy land	818	-	-	-	818
DfE/ESFA capital grants	62,540	4,526	(1,239)	1,845	67,672
Prior year restatement	1,490	-	-	(1,490)	-
	<u>64,848</u>	<u>4,526</u>	<u>(1,239)</u>	<u>355</u>	<u>68,490</u>
<b>Total restricted funds</b>	<u>61,138</u>	<u>26,968</u>	<u>(24,757)</u>	<u>(572)</u>	<u>62,777</u>
<b>Total unrestricted funds</b>	<u>1,500</u>	<u>1,929</u>	<u>(1,204)</u>	<u>(355)</u>	<u>1,870</u>
<b>Total funds</b>	<u>62,638</u>	<u>28,897</u>	<u>(25,961)</u>	<u>(927)</u>	<u>64,647</u>

### Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	Total 2021 £000	Total 2020 £000
Sir John Lawes School	564	331
Samuel Ryder Academy	1,297	1,011
Robert Barclay Academy	248	170
Harpenden Academy	(129)	(211)
Priory Academy	890	866
Central services	227	169
Total before fixed assets and pension reserve	3,097	2,336
Restricted fixed asset fund	69,950	68,490
Pension reserve	(9,144)	(6,179)
Total funds	<u>63,903</u>	<u>64,647</u>

Harpenden is carrying a deficit due to inherited clawback costs incurred before joining the trust. It is pleasing to note that there is now only 2 final payments remaining, that coupled with a robust financial management programme it is expected that from 2023/24 Harpenden Academy will be in a financially positive position.

### Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding depreciation) £000	2021 Total £000	2020 Total £000
Sir John Lawes School	4,856	1,309	213	1,098	7,476	7,439
Samuel Ryder Academy	5,133	1,234	225	1,146	7,738	7,417
Robert Barclay Academy	2,551	758	110	767	4,186	3,949
Harpenden Academy	657	236	19	285	1,197	1,154
Priory Academy	2,344	794	153	656	3,947	3,424
Central services	253	933	-	1,032	2,218	1,339
	<u>15,794</u>	<u>5,264</u>	<u>720</u>	<u>4,984</u>	<u>26,762</u>	<u>24,722</u>

Scholars' Education Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

20 Analysis of net assets between Funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	68,526	68,526
Current assets	2,138	2,833	1,424	6,395
Current liabilities	-	(1,625)	-	(1,625)
Non-current liabilities	-	(249)	-	(249)
Pension scheme liability	-	(9,144)	-	(9,144)
<b>Total net assets</b>	<b>2,138</b>	<b>(8,185)</b>	<b>69,950</b>	<b>63,903</b>

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	66,127	66,127
Current assets	1,870	1,744	2,363	5,977
Current liabilities	-	(904)	-	(904)
Non-current liabilities	-	(374)	-	(374)
Pension scheme liability	-	(6,179)	-	(6,179)
<b>Total net assets</b>	<b>1,870</b>	<b>(5,713)</b>	<b>68,490</b>	<b>64,647</b>

21 Capital Commitments

	2021 £000	2020 £000
Contracted for, but not provided in the financial statements	-	2,270

22 Commitments under operating leases

Operating Leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £000	2020 £000
Amounts due within one year	7	23
Amounts due between two and five years	2	3
	<b>9</b>	<b>26</b>

Scholars' Education Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

**23 Reconciliation of Net Income/(expenditure) to Net Cash Inflow from Operating Activities**

	2021 £000	2020 £000
Net income/(expenditure) for the reporting period	1,272	2,936
<i>Adjusted for:</i>		
Depreciation	1,475	1,238
Capital grants from DfE/ESFA and other capital income	(3,973)	(4,526)
Interest receivable	(1)	(6)
Defined benefit pension scheme cost less contributions payable	949	806
(Increase)/decrease in stocks	2	3
(Increase)/decrease in debtors	78	(302)
Increase/(decrease) in creditors	596	(268)
Net Cash provided by / (used in) Operating Activities	<u>398</u>	<u>(119)</u>

**24 Cash flows from financing activities**

	2021 £000	2020 £000
Repayments of borrowing	-	(30)
Net cash provided by / (used in) financing activities	<u>-</u>	<u>(30)</u>

**25 Cash flows from investing activities**

	2021 £000	2020 £000
Dividends, interest and rents from investments	1	6
Purchase of tangible fixed assets	(3,874)	(4,007)
Capital grants from DfE Group	<u>3,973</u>	<u>4,526</u>
Net Cash provided by / (used in) investing Activities	<u>100</u>	<u>525</u>

**26 Analysis of cash and cash equivalents**

	2021 £000	2020 £000
Cash in hand and at bank	5,024	4,826
Notice deposits (less than 3 months)	<u>400</u>	<u>100</u>
Total cash and cash equivalents	<u>5,424</u>	<u>4,926</u>

**27 Members' Liability**

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

## Scholars' Education Trust

### Notes to the Financial Statements for the year ended 31 August 2021 (continued)

---

#### 28 Pension and Similar Obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

##### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

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

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £2,583,396 (2020: £2,375,000).

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

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

# Scholars' Education Trust

## Notes to the Financial Statements for the year ended 31 August 2021 (continued)

### 28 Pension and Similar Obligations (continued) Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,065,000 (2020: £996,000), of which employer's contributions totalled £846,000 (2020: £795,000) and employees' contributions totalled £219,000 (2020: £201,000).

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

Additional disclosure should be made where the scheme is in deficit and the entity has entered into an agreement with the trustees to make additional contributions in addition to normal funding levels, including the number of years over which it is anticipated that the additional contributions will be paid.

#### Principal Actuarial Assumptions

	2021	2020
Rate of increase in salaries	3.40%	2.60%
Rate of increase for pensions in payment/inflation	2.90%	2.20%
Discount rate for scheme liabilities	1.70%	1.70%

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

	2021	2020
<i>Retiring today</i>		
Males	22.10	21.90
Females	24.50	24.10
<i>Retiring in 20 years</i>		
Males	23.10	22.80
Females	26.20	25.50

#### Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.5%	793	1,810
Salary increase rate +0.5%	280	264
Pension increase rate +0.5%	779	1,717

#### The academy's share of the assets in the scheme were:

	2021 £000	2020 £000
Equity instruments	6,646	5,397
Corporate bonds	3,292	3,134
Property	1,281	893
Cash and other liquid assets	749	337
Total market value of assets	<u>11,968</u>	<u>9,761</u>

The actual return on scheme assets was £1,143,000 (2020: £334,000).

Scholars' Education Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

**28 Pension and Similar Obligations (continued)**

Amounts recognised in the statement of financial activities:

	2021 £000	2020 £000
Current service cost	1,685	1,508
Interest income	110	163
Interest cost	(846)	251
Total amount recognised in the SOFA	<u>949</u>	<u>1,922</u>

**28 Pension and Similar Obligations (continued)**

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

	2021 £000	2020 £000
At 1 September	15,941	12,843
Current service cost	1,685	1,508
Interest cost	281	251
Employee contributions	219	201
Actuarial (gain)/loss	3,159	1,325
Benefits paid	(173)	(187)
At 31 August	<u>21,112</u>	<u>15,941</u>

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

	2021 £000	2020 £000
At 1 September	9,762	8,397
Interest income	172	162
Actuarial gain/(loss)	1,142	398
Employer contributions	846	791
Employee contributions	219	201
Benefits paid	(173)	(187)
At 31 August	<u>11,968</u>	<u>9,762</u>

**29 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 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.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.

**30 Agency arrangements**

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the year ended 31 August 2021, the trust received £21,619 (2020: £28,825) and disbursed £21,619 (2020: £30,584) from the fund. An amount of £37,481 (2020: £28,215) is included in other creditors relating to undistributed funds that is repayable to the ESFA.



Scholars' Education Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

31 Teaching school trading account

	Unrestricted Funds £000	Restricted General Fund £000	Restricted Fixed Asset Funds £000	Total 2021 £000	Total 2020 £000
<b>Income</b>					
Other income	-	45	-	45	11
	-	45	-	45	11
<b>Expenditure</b>					
<u>Direct costs</u>					
Staff costs	-	11	-	11	-
	-	11	-	11	-
<b>Total operating costs</b>	-	11	-	11	11
<b>Surplus/(deficit) on teaching</b>	-	34	-	34	-
Surplus/(deficit) brought forward	-	-	-	-	-
<b>Surplus/(deficit) carried forward</b>	-	34	-	34	-

32 Investments

Since 2013 individual schools in Hertfordshire had an opportunity to buy a share in Herts for Learning, a company providing products and services to schools. The cost of investment was £25 and some of the schools within the trust purchased one share. The investment is not included in the financial statements on the ground of materiality and we believe the transactions with Herts For Learning do not constitute a related party transactions.

33 Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	Acquisition/ disposal of subsidiaries £000	New finance leases £000	Other non- cash changes £000	At 31 August 2021 £000
Cash	4,826	198	-	-	-	5,024
Cash equivalents	100	300	-	-	-	400
	4,926	498	-	-	-	5,424