

Company Registration Number: 07697587 (England & Wales)

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

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FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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FEVERSHAM EDUCATION TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

S Azam
MF Dad
MK Khan
T Khan
S Rehman

Directors

AJ Haider, Chair
MS Khan, Vice Chair
S Ahmed
JG Ashton
I Awan
P Bashir (appointed 5 October 2019)¹
M Hussain¹
Y Hussein (resigned 23 October 2019)
J Khan (appointed 5 October 2019)¹
I Rehman

¹ Finance & Audit Committee

Company registered number
07697587

Company name
Feversham Education Trust

Principal and registered office
Bolling Road
Bradford
West Yorkshire
BD4 7EB

FEVERSHAM EDUCATION TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Senior Management Team:

Executive Group

Mubaaruck Ibrahim, Chief Executive Officer

Lynn Murphy, Director of Innovation & Transformation

Angela Aspinall, Director of Operations & Infrastructure

Daniel Mountain (resigned 31 August 2020), Head of Schools Finance

Umar Jillani (appointed 5 October 2020), Head of Schools Finance

Senior Leaders

Sajida Muneer, Principal, Feversham Academy

Sajda Khan, Assistant Principal, Feversham Academy

Jacqueline Mary Abbott, Assistant Principal, Feversham Academy

Richard Hanson, Principal, Queensbury Academy

Maria Louise Monaghan, Vice Principal, Queensbury Academy

Graham Waters, Assistant Principal, Queensbury Academy

Lyndsay Hall, Assistant Principal, Queensbury Academy

Esther Waters, Assistant Principal, Queensbury Academy

Shahnaz Anwar-Bleem, Executive Principal, Iqra Academy

Nicola Gilpin, Vice Principal, Iqra Academy

Jill Shovlin, Vice Principal, Iqra Academy

Rehana Shafquat, Principal, Bronte Girls Academy

Steph Robertshaw, Assistant Principal, Bronte Girls Academy

Independent auditors

Clive Owen LLP

Chartered Accountants

Statutory Auditors

140 Coniscliffe Road

Darlington

County Durham

DL3 7RT

Bankers

Lloyds Bank plc

44 Queens Street

Morley

Leeds

LS27 9BZ

Solicitors

Hill Dickinson

50 Fountain Street

Manchester

M2 2AS

FEVERSHAM EDUCATION TRUST
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

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

The Academy Trust operates 3 secondary academies and a primary academy all serving a catchment area in Bradford. For the accounting period 2019/20 it had a pupil capacity of 2,824 and had a roll of 2,562 in the school census on 31 October 2019.

The Academy Trust is signed up to the Local Authorities admissions process for all its Academies.

Structure, governance and management

Constitution

The Academy Trust is a charitable 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 Directors of Feversham Education Trust are also the directors of the charitable company for the purposes of company law.

The charitable company operates as Feversham Education Trust.

Within the Academy Trust there are currently four academies that operate as Feversham Academy, Queensbury Academy, Iqra Academy and Bronte Girls Academy.

Details of the Directors who served during the year, and to the date these accounts are approved 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

The Academy Trust has purchased insurance to protect Directors from claims arising against negligent acts, errors or omissions occurring whilst on Academy Trust business. Further details are provided in note 13.

Method of recruitment and appointment or election of Directors

The members may appoint by ordinary resolution up to 5 Directors. The members may also appoint staff Directors through such process as they may determine.

All Directors are appointed based upon the contribution they can make to the development and future success of Feversham Education Trust. When selecting and recruiting new Directors appointments are made after consulting local community groups and businesses dependent on the skills needed, or by using Governors for Schools and Academy Ambassadors programmes. An interview process is undertaken by a sub-committee of the Board of Directors.

FEVERSHAM EDUCATION TRUST
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

The term of office for any Director shall be 4 years. Subject to remaining eligible to be a particular type of trustee, any Director may be re-appointed or re-elected.

Policies adopted for the induction and training of Directors

The training and induction provided for new Directors depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Directors are given a tour of the academy / academies and the chance to meet with staff and students. All Directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Directors. As there are normally only one or two Directors a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational structure

During the year the Academy Trust continued to operate a unified management structure. The structure consists of 3 levels: The Directors, the Executive Group and the Senior Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The organisational structure reflects the transition of a growing MAT and is based on the following principles:

- a) The Members of Feversham Education Trust define the Object, Purpose and Ethos.
- b) The Directors, who in part form the Governing Council, have overall responsibility and ultimate decision making authority for all the work of Feversham Education Trust, including the establishment and running of academies and free schools (academies). This is largely exercised through strategic planning and the setting of policy. It is managed through the business planning, monitoring of budgets, performance appraisal, the setting and monitoring of standards and the implementation of quality assurance processes.
- c) The Directors have the power to direct change where required to ensure that the Object, Purpose and Ethos are maintained.
- d) The Directors delegate their responsibilities for the day-to-day operation of each academy and the whole of the funding granted by the Department of Education for the benefit of that academy directly to a Local Governing Body (LGB) through a Scheme of Delegation (the Scheme). The funding granted for each academy must be applied only to that academy subject to the requirements of the Scheme. The Principal of each academy is an ex officio member of the LGB.
- e) The Executive Group control Feversham Education Trust at an executive level implementing the policies laid down by the Directors and reporting back to them regularly. As a group, the Executive Group are responsible for authorisation of spending within agreed budgets and the appointment of staff through appointment boards.
- f) Some spending control is devolved to members of the Leadership Team with financial limits above which a Executive Group must countersign.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration for key management personnel will be set by the Directors with reference to successful performance appraisal and academy trust performance.

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

Structure, governance and management (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time £000

Total cost of facility time	32
Total pay bill	12,898
Percentage of total pay bill spent on facility time	0.25 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	31.00 %
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Engagement with employees (including disabled persons)

The Academy Trusts most valuable asset is its staff. The success of the Academy Trust is based on having outstanding leaders, teachers and support staff. A vital element of achieving this is through staff engagement. As an organisation committed to equality and fairness for all we are committed to obtaining the views and thoughts of all staff. The Head Teachers have a weekly staff meeting with all teaching staff, all staff have clear objectives and receive feedback twice a year, and the Academy Trust engage regularly with the trade unions. All staff are aware of the main priorities included in the School Development Plan. As pupil numbers and needs change over time regularly discussion and consultation are done with staff to advise them of any potential changes to the future staffing structure.

As an organisation completely dependent upon its staff's performance the Academy Trust recognise the need to keep staff informed and motivated.

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

Structure, governance and management (continued)

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

The main stakeholders of the Academy Trust are pupils and parents/guardians. Historically schools have always had an interest in ensuring that these stakeholders are embraced, and their requirements met.

The start of the process of pupil/parent engagement is to ensure they are aware of the Academy Trust and what and how it does things. The Academy Trust engage directly with feeder primary schools and hold open evenings for potential new pupils. Once a pupil starts with the Academy Trust engagement with pupil/parents/guardians is continuous and includes:-

- pupil feedback regarding specific pieces of work and overall progress
- parent feedback regarding progress and other matters

The academies have termly reports that document the progress of pupils and identification of any gaps, this is shared with pupils and parents/guardians. The academies will also contact parents about any relevant material or event they believe parents should be aware of for example, attendance, accidents, behaviour etc.

The involvement of parents/guardians in their child's education is paramount.

The Academy Trust also has some important suppliers whom the Academy Trust is dependent upon for service. These services include:

- Supply Teachers and Support Staff
- Catering
- Cleaning
- Building Repairs and Maintenance
- ICT
- Professional Services such as Occupation Health, Payroll, HR, Accountancy etc.

The Academy Trust seeks to engage with such suppliers as partners rather than pure suppliers. When agreeing any new contract, the Academy Trust seeks to ensure value for money so price alone is not the driver. It wants efficient, effective and economic services from suppliers. It wants to build lasting partnerships that underpin the delivery of outstanding services. The Academy Trust takes its time when re-negotiating such contracts to ensure it gets the best possible service for the best price. It makes suppliers aware of the need for them to become partners.

The Academy Trust has very few customers to whom it sells, this tends to be one off and miscellaneous.

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

Objectives and activities

Objects and aims

The principal object and activity of the charitable company is the operation of Feversham Education Trust to provide education for students of different abilities up to the age of 19.

In accordance with the Articles of Association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specified, amongst other things, the basis for admitting students to the Academy Trust, the catchment area from which the students are drawn, and that the curriculums should comply with the substance of the national curriculum.

The main objectives of the Academy Trust during the year ended 31 August 2020 are as summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy Trust by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce; and
- to conduct the Academy Trust's business in accordance with the highest standard of integrity, probity and openness.

During this financial year the Board of Directors took the decision to work with the ESFA to re-broker Queensbury. The Board felt that the interests of both the Academy Trust and Queensbury would be best served by allowing Queensbury to be re-brokered. Discussions have taken place with Trinity Multi Academy Trust and agreement has almost been reached regarding the transfer of Queensbury. Assuming everything goes to plan the transfer is expected to happen by 31 January 2021.

Objectives, strategies and activities

The Academy Trust's main objectives are encompassed in its mission statements which is to provide the best quality of education for all learners within a secure learning environment. To this end the objectives and the strategies used to achieve them include:

- tuition and learning opportunities for all students to attain appropriate academic qualifications
- training and opportunities for all staff and especially teaching staff
- a programme of after school activities for all students
- a career advisory service to help students obtain employment or move on to higher education

The activities undertaken to achieve these objectives are all intended to provide the highest quality of education in the public sector for students up to the age of 19.

Public benefit

The Academy Trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Directors have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Directors have considered this guidance in deciding what activities the Academy Trust should undertake.

As an organisation set up for the public benefit the Academy Trust is aware of its public life obligations and strives to achieve the Nolan Principles of public service:

FEVERSHAM EDUCATION TRUST
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

Public benefit (continued)

1. Selflessness

Holders of public office should act solely in terms of the public interest.

2. Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

3. Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

4. Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

5. Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

6. Honesty

Holders of public office should be truthful.

7. Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

The Academy Trust is also aware of its charity obligations to provide public benefit to the greatest number of people possible and to ensure that the Directors act in a way that avoids any potential conflict of interest. The Directors are aware that they are there to serve the general public and cannot and should not acquire any personal gain. The Directors recognise

- The purpose of the organisation
- The need to serve the public
- The need to report on the organisation's work/performance to the public
- The need to be open and transparent
- The need to minimise risk and work in the best interest of the public
- The need for decisions to be in the interest of the Academy Trust the public and not allow personal gain/objectives to interfere with this objective
- The need to allow all members of society to access the service we provide
- The need to observe the laws and regulations that govern the organisation and to follow the spirit of these rules and regulations.

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

Strategic report

Achievements and performance

Feversham Academy

Examination results for 2020 remained significantly above national floor standards and national averages. At GCSE students achieved a progress 8 score of 1.47 raising the standard above that achieved in 2019 by Feversham and performing significantly better than the national average. Provisional progress figures published by the DfE places Feversham's performance in the top 1% of schools in the country, within the top 25 schools in the country. The percentage of students achieving a grade 5 in Math's was 50% compared to 39.7% National Average. The table below details further result comparisons.

At post 16, the APS (Average Point Score) is in line with 2019 national figures and Average Grade at A-Level is in line with 2019 national grades.

Subject	National 2020			Feversham 2020 Exams		
	9 - 7 %	9 - 5 %	9 - 4 %	9 - 7 %	9 - 5 %	9 - 4 %
Art Textiles	29.6	69.4	86.5	22.2	66.7	77.8
Business	28	63.3	80.1	0	100	100
English Lang.	23.5	61.5	80.2	23.4	60.9	83.6
English Lit.	24.7	62.3	80.1	25.2	67.7	82.7
Geography	30.1	60.1	75.5	19	51.7	69
History	29.4	59.2	74.4	29	63.8	79.7
Maths	24.3	57.5	77.2	22.7	59.4	75.8
MFL Arabic	62.1	85.5	93.2	52.2	100	100
MFL French	29.5	63.9	82	9.1	63.6	81.8
MFL Latin	62.1	85.5	93.2	100	100	100
MFL Urdu	62.1	85.5	93.2	25	78.8	90.4
Religious Studies	34.9	66.6	80.5	54.8	79	91.9
Sci Biology	54	88.3	95.2	65	100	100
Sci Chemistry	53.5	88	95.9	72.5	100	100
Sci Physics	53.2	88.4	96.3	65	100	100
Science Combined	10.4	41.1	64.5	10.2	52.8	86.4
Sports Studies	Vocational Subjects					100
Health & Social Care						80.8
IMedia						94.1

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

Strategic report (continued)

Achievements and performance (continued)

Queensbury Academy

Provisional Progress 8 figures published by the DfE shows marginal improvements for Queensbury Academy and indicates that the decline in performance has been halted and turn around has started.

Examination results for 2020 are shown in the table below.

Subject	National 2020			Queensbury 2020 Exams		
	9 - 7 %	9 - 5 %	9 - 4 %	9 - 7 %	9 - 5 %	9 - 4 %
Art	29.6	69.4	86.5	32.4	50	79.4
Biology	54	88.3	95.2	28.9	71.1	84.2
Chemistry	53.5	88	95.9	25	65.6	96.9
English Language	23.5	61.5	80.2	12.2	42.6	63.3
English Literature	24.7	62.3	80.1	12.4	41.4	55.4
Geography	30.1	60.1	75.5	13.7	52.9	82.4
History	29.4	59.2	74.4	15.4	38.5	59.6
Maths	24.3	57.5	77.2	6.9	38.8	51.6
PE	33.4	70.4	85.6	13.8	69	89.7
Photography	29.6	69.4	86.5	14	48.8	67.4
Physics	53.2	88.4	96.3	34.4	78.1	96.9
Spanish	31.8	64.7	81.6	4.3	13.8	28.7
Science	10.4	41.1	64.5	4.8	26.1	40
Catering	Vocational Subjects					85
Engineering						89.2
HSC						91.5
ICT						80.4
Music Tech						73.7
Sport						81

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

Strategic report (continued)

Achievements and performance (continued)

Iqra Academy

Area	Year 2 Baselines (Tracking for the cohort of 89 pupils)	Year 6 Attainment TA 2020 (Targets shown in brackets)	Progress Y2 – Y6 ARE Progress	Progress Y2 – Y6 More than ARE Progress
% Age Related Standard+ Reading	80% (71 pupils)	85% (85%) (76 pupils) 12% above 2019 National Figures	<ul style="list-style-type: none"> 50/51 achieved ARE or above in Y2 & Y6 19/21 achieved GD in Y2 & Y6 16/17 pupils achieved WTS/PKF in Y2 but managed to score between 90 and 107 on the Y6 test 	<ul style="list-style-type: none"> 9/51 achieved ARE in Y2 but GD in Y6 7 pupils who were WTS or PKF in Y2 achieved ARE in Y6
% Greater Depth Standard Reading	24% (21 pupils)	31% (30%) (28 pupils) 4% above 2019 National Figures	86/89 = 97% of pupils achieved ARE progress	16/89 = 18% achieved more than ARE progress
% Age Related Standard+ Writing	82% (73 pupils)	88% (87%) (78 pupils) 10% above 2019 National Figures	<ul style="list-style-type: none"> 53/53 achieved Are or above in Y2 & Y6 20/21 achieved GD in Y2 & Y6 15/15 pupils achieved WTS/PKF in Y2 but managed ARE Progress or better in Y6 	<ul style="list-style-type: none"> 9/53 achieved Are in Y2 but GD in Y6 10 pupils were WTS or PKF in Y2 but achieved ARE in Y6
% Greater Depth Standard Writing	24% (21 pupils)	30% (30%) (27 pupils) 10% above 2019 National Figures	88/89 = 99% of pupils achieved ARE progress	19/89 = 21% of pupils achieved more than ARE progress in Y6 in 2020.
% Age Related Standard+ Maths	81% (72 pupils)	87% (86%) (77 pupils) 8% above 2019 National Figures	<ul style="list-style-type: none"> 53/54 achieved Are or above in Y2 & Y6 14/19 achieved GD in Y2 & Y6 16/16 pupils achieved WTS/PKF in Y2 but managed to score 90 and 108 on the Y6 test 	<ul style="list-style-type: none"> 14/54 achieved ARE in Y2 but GD in Y6 9 pupils who were WTS or PKF in Y2 achieved ARE in Y6
% Greater Depth Standard Maths	21% (19 pupils)	32% (30%) (29 pupils) 5% above 2019 National Figures	83/89 = 93% of pupils achieved ARE progress	23/89 = 26% achieved more than Are progress

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

Strategic report (continued)

Achievements and performance (continued)

Iqra Academy (continued)

Area	Year 2 Baselines (Tracking for the cohort of 89 pupils)	Year 6 Attainment TA 2020 (Targets shown in brackets)	Progress Y2 – Y6 ARE Progress	Progress Y2 – Y6 More than ARE Progress
% Age Related Standard+ GPS	N/A	90% (90%) (80 pupils) 12% above 2019 National Figures	N/A	N/A
% Greater Depth Standard GPS	N/A	37% (40%) (33 pupils) 1% above 2019 National Figures		
% Expected Standard+ R, W & M	70% (62 pupils)	80% (85%) (71 pupils) 15% above 2019 National Figures	N/A	N/A
% Greater Depth Standard R, W & M	9% (8 pupils)	19% (15%) (17 pupils) 8% above 2019 National Figures	N/A	N/A

When looking at the data above please note the following information:

- Teacher Assessments for Year 6 were generated using the latest Y6 test data (completed at the end of Spring 2) and work in pupil books. Moderation of work had taken place for the Pupil progress data at the end of Spring 2.
- The DFE have not released a progress measure for 2020 so we have looked at the pupils attainment in Y2 and compared this with Y6 to find the percentage of pupils achieving ARE progress e.g. EXS in Y2 to EXS in Y6 or GDS in Y2 to GDS in Y6 or WTS/PKF to WTS (a scaled score of 80 – 99 on the Y6 Practise Sats tests in Spring 2).
- More than ARE progress has been calculated for those pupils who have moved up a level e.g. EXS in Y2 but GDS in Y6 or WTS/PKF in Y2 and EXS in Y6.
- There is no progress measure for GPS as this is not statutory in KS1.
- There is no progress figure for attainment in R, W & M as this is calculated for individual subjects.
- The targets that were set for 2020 are shown in brackets next to the TA for 2020.

Summary of the Value added from Y2 to Y6

Reading

- In Y2 71 pupils were working at ARE, in Y6 this has increased to 76 pupils. In Y2 21 pupils were working at GD and in Y6 this has increased to 28 pupils. This demonstrates positive value added for Reading.
- Based on the TA for Reading progress figures would have been at least 0 and positive. This is an improvement of at least 2.6 for progress in reading.

Writing

- In Y2 73 pupils were working at ARE, in Y6 this has increased to 78 pupils. In Y2 21 pupils were working at GD and in Y6 this has increased to 27 pupils. This demonstrates positive value added for Writing. Due to COVID full writing moderation of these results did not take place.
- Based on the TA for Writing progress figures would have been at least 0+ and positive. This demonstrates strong progress in Writing for the last 3 years.

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

Strategic report (continued)

Achievements and performance (continued)

Maths

- In Y2 72 pupils were working at ARE, in Y6 this has increased to 77 pupils. In Y2 19 pupils were working at GD and in Y6 this has increased to 29 pupils. This demonstrates positive value added for Maths.
- Based on the TA for Maths progress figures would have been at 0+ and positive. This is an improvement of at least 1.8 for progress in Maths.

As shown above and in the ARE and more than ARE progress figures, Reading, Writing and Maths all show a positive value added from KS1 to KS2 for 2020. Although there are no measures for 2020 progress, the increase in the number of pupils achieving ARE and GD from KS1 to KS2 and the sustained progress of GD pupils from KS1 to KS2 shows that progress for this cohort is good. We are confident that progress of this cohort is strong, especially as these pupils are the first group of children to have the new national curriculum in KS1 measured against the new curriculum in KS2.

Attainment in all areas continues to be above the national and local figures for 2019. Writing and GPS are particular strengths of the school, with attainment figures that are well above the national and local figures for the past 3 years at ARE and GD.

Early Years Results – Good Level of Development (GLD) 2017 to 2020 (No EYF5 assessments Due to COVID 2020)					
	2017	2018	2019	2020	2021 Targets
School result	82%	77.8%	83%	N/A	85%
Bradford result	68%	67%	68%	N/A	N/A
National result	71%	72%	71.8%	N/A	N/A

Year 1 Phonics screening check 2017 to 2020 (Due to COVID 2020 tests did not take place)					
	2017	2018	2019	2020	2021 Targets
School result	88%	91%	88.8%	March 2020 90% on track	90%
Bradford result	80%	81%	80.9%	N/A	N/A
National result	81%	83%	82%	N/A	N/A

Year 2 Phonics screening check 2017 to 2020 (2020 data based on the March Phonics tests for pupils on track to pass)					
	2017	2018	2019	2020	2021 Targets
School result	97%	98%	95.5%	March 2020 95% on track	96%
Bradford result	90%	90%	90.7%	N/A	N/A
National result	N/A	90%	91%	N/A	N/A

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

Strategic report (continued)

Achievements and performance (continued)

Key Stage 2 Teacher Assessment Summary July 2020 – No tests due to COVID (Bradford in brackets after national)														
	Working at or above the expected standard							High attaining						
	2017 School	2018 School	2018 National	2019 School	2019 National	2020 School	2021 Targets	2017 School	2018 School	2018 National	2019 School	2019 National	2020 School	2021 Targets
Reading	90%	84%	75% (70%)	78%	73%	85%	92%	34%	12%	28% (23%)	23%	27%	31%	44%
Writing	89%	92%	78% (76%)	91%	78%	88%	90%	37%	28%	20% (17%)	30%	20%	33%	36%
Maths	88%	76%	76% (73%)	93%	79%	87%	94%	32%	12%	24% (22%)	17%	27%	31%	37%
EGPS	89%	93%	78% (76%)	90%	78%	90%	90%	44%	44%	34% (32%)	40%	36%	37%	40%
R,W,M combined	85%	67%	64% (60%)	78%	65%	80%	85%	15%	3%	10% (8%)	12%	11%	19%	25%

Progress measures from KS1 to KS2 2017		Progress measures from KS1 to KS2 2018		Progress measures from KS1 to KS2 2019		Progress measures from KS1 to KS2 2020	
Reading	1.0	Reading	-4.1	Reading	-2.6	Reading ARE progress = 97%	
Writing	0.6	Writing	-0.2	Writing	0.5	More than ARE progress= 18%	
Maths	0.2	Maths	-4.4	Maths	-1.8	Y2 ARE - 71/89 Vs 76/89 in Y6	
Average scaled scores 2017 (rounded):		Average scaled scores 2018 (rounded):		Average scaled scores 2019 (rounded):		Y2 GD – 21/89 Vs 28/89 in Y6	
Reading	107 (N. 104)	Reading	104 (N. 105)	Reading	104 (N. 104)	Writing ARE progress = 99%	
Maths	106 (N. 104)	Maths	103 (N. 104)	Maths	105 (N. 105)	More than ARE progress= 21%	
EGPS	109 (N. 106)	EGPS	108 (N. 106)	EGPS	108 (N. 106)	Y2 ARE - 73/89 Vs 78/89 in Y6	
						Y2 GD – 21/89 Vs 27/89 in Y6	
						Maths ARE progress = 93%	
						More than ARE progress= 26%	
						Y2 ARE - 72/89 Vs 77/89 in Y6	
						Y2 GD – 19/89 Vs 29/89 in Y6	

Key Stage 1 Attainment Summary March 2020 (Bradford in brackets) (2020 data for pupils working at ARE for March)														
	Working at or above the expected standard							Working at greater depth						
	2017 School	2018 School	2018 National	2019 School	2019 National	2020 School	2021 Targets	2017 School	2018 School	2018 National	2019 School	2019 National	2020 School	2021 Targets
Reading	92%	84%	75%(71%)	80.7%	75%	78%	80%	44%	27%	26%(20%)	27%	25%	N/A	28%
Writing	90%	82%	70%(67%)	80.7%	69%	66%	80%	36%	24%	16%(13%)	22%	15%	N/A	20%
Maths	94%	84%	76%(73%)	80.7%	76%	80%	80%	37%	27%	22%(18%)	26%	22%	N/A	25%
R, W, M		82%	N/A	77.3%	N/A	63%	75%		21%	N/A	14.8%	N/A	N/A	18%

Bronte Girls Academy

Bronte only had year 7 and 8 pupils during the period and there is no information to note in terms of the results outcome.

Feversham First Steps Nursery

Feversham First Steps is a wholly owned subsidiary of Feversham Education Trust. It is a nursery school catering children aged 2 - 5. This financial year has been a difficult year due to the impact of COVID-19. The nursery had to shut during the lockdown period and some staff were furloughed. Under these conditions the nursery has managed well.

FEVERSHAM EDUCATION TRUST
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

Key performance indicators

The KPI's are designed to analyse financial and commercial risk as well as staffing ratios and academic performance.

- Total income per pupil	£5,915
- Total GAG income per pupil	£4,909
- Staff costs per pupil	£4,825
- Total costs per pupil (ex Depreciation)	£6,125
- Staff costs (excluding Agency supply) as % of total costs	78.8%
- Staff costs (excluding Agency supply) as % of total income	81.6%
- Pupil to teacher ratio	19:1

Going concern

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

Promoting the success of the Academy Trust

The members and Directors have considered how the organisation can best serve the interests of pupils, parents/guardians, staff, business partners, suppliers and the community we serve. The Directors believe the best way to achieve this is to provide an outstanding education for pupils. The whole drive within the Academy Trust is to continuously improve teaching and learning. Constant review is undertaken of teacher's performance and the impact this is having on pupil attainment and progress. The Academy Trust has an overarching objective to be amongst the top 10% performing schools/Trusts in England. The Academy Trust has two outstanding schools, one Requires Improvement and one still to be assessed by Ofsted. Every effort is made to get to achieve and retain an Outstanding Ofsted inspection. The Academy Trust believes that every child should be given an outstanding education and pupils leaving school should have the highest possible exam grades.

A significant part of delivering this success is having good relationships and partnerships with pupils, staff, parents/guardians and suppliers. It also requires strong leadership and management. In order to achieve these objectives, it is imperative the Academy Trust has tight financial control of all of its assets and utilises them in the best possible way. The budgeting process is integrated with curriculum planning. The budget takes full account of the Academy Trust school improvement plans, pupil numbers, curriculum delivery, class sizes, SEND, behaviour and available income.

The success of the community relies on the success of the Academy Trust. The Academy Trust is educating the community of today and tomorrow. The community needs well educated, rounded and emotionally intelligent residents to create a cohesive and fair society. In order for communities to prosper they need a population of people who are educated and able to generate wealth; people who are committed to giving something back and seek for a just and equitable society. The Academy Trust believes it has an important role to play in delivering these attributes.

Financial review

Most of the Academy Trust's income is obtained from the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the period ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

FEVERSHAM EDUCATION TRUST
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Financial review (continued)

The Academy Trust also received grants for fixed assets from the DfE/ESFA. In accordance with The Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Additional funding is also received from the LA in the form of a monthly grant and the MAT also delivers an in-house catering provision at one of the academies.

During the period ended 31 August 2020 total expenditure, excluding capital items (charged to the fixed assets fund) and pension losses was £14,790,000. This total expenditure was less than the combination of recurrent grant funding from the DfE/ESFA together and other incoming resources.

During the period covered by the statements the Academy Trust spent £138,000 on Capital Investment in furniture and fixtures and £275,000 on computer equipment. Of this capital expenditure £150,000 was funded by grant income with the balance of £263,000 being transferred to the restricted fixed assets fund from the revenue fund.

The in-year surplus excluding the pension reserve and restricted fixed asset funds was £365,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the Academy Trust's objectives.

The balance on the revenue reserves at the end of the period (excluding pension fund deficit) stands at £4,142,000.

At 31 August 2020 net book value of fixed assets was £40,904,000 and movements in intangible and tangible fixed assets are shown in notes 14 and 15 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy Trust.

The provisions of Financial Reporting Standard No.17 'Retirement Benefits' (FRS 17) have been applied in full, resulting in a pension deficit of £6,861,000 recognised on the Balance Sheet.

The Academy Trust held fund balances as at 31 August 2020 of £38,741,000 comprising of £2,350,000 restricted general funds, £41,460,000 of restricted fixed asset funds, (£6,861,000) of restricted pension fund and £1,792,000 of unrestricted funds.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the Academy Trust's objectives.

FEVERSHAM EDUCATION TRUST
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Reserves policy

The level of reserves is reviewed by Directors regularly throughout the year. The minimum level of reserves for the ongoing needs of the Academy Trust is reviewed by the Directors on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors therefore consider it is prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in fixed assets and restricted funds) equivalent to approximately 4 weeks expenditure or £1m.

This is considered sufficient to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The Academy Trust's current level of free reserves are in surplus by £1,792,000 and therefore are considered to be above the level of reserves required for the ongoing needs of the Academy Trust. The Directors continue to consider additional activities related to the academy trust's objectives to which the excess reserves may be applied including:

- a) The development of improved IT infrastructure and capabilities
- b) Anticipated increases in cost of living and pension contributions and the growing gap between income and expenditure
- c) Expenditure held over to the following year to withstand variations in the level of funding to the Academy Trust to balance out variations in funding
- d) The continued upgrade of existing sites
- e) The development of services to support the further enhancement of educational standards.

Investment policy

The Board of Directors have authority to deposit and invest funds not immediately required for the furtherance of the academy trust's principle object.

FEVERSHAM EDUCATION TRUST
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Principal risks and uncertainties

The principal risks and uncertainties are centered on changes in the level of funding from DfE/ESFA. In addition, the Academy Trust is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the Academy Trust balance sheet.

The Directors have assessed the major risks, to which the Academy Trust is exposed, in particular those relating specifically to teaching provision of facilities and other operational areas of the Academy Trust, and its finances. The Directors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (eg. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement. A significant risk faced during this financial year and beyond is the impact of COVID-19. The Academy Trust has undertaken a massive health and safety exercise to ensure the safety of staff and pupils. The plans have been continually revised and reviewed, with external expert input when and where necessary.

The Academy Trust has fully implemented the requirements of the Safe Recruitment procedures and all staff have received training in this area in addition to training on Child Protection.

The Academy Trust is subject to a number of risks and uncertainties in common with other academies. The Academy Trust has in place procedures to identify and mitigate financial risks.

The main risks identified by the Board of Directors for the year ending 31st August 2020 are:

1. The impact of COVID-19 in terms of pupil progress, attainment and pupil welfare. To mitigate against this the Academy Trust has developed a comprehensive set of plans to keep pupils safe and deliver as far as possible a full and comprehensive curriculum.
2. The impact of COVID-19 on staff and the ability to provide a full and enriched curriculum. Likewise, it has had an impact on staff welfare. To mitigate against this the Academy Trust has developed a comprehensive set of plans to keep staff safe and secure as far as possible and to ensure their welfare remains paramount.
3. Finances: The Academy Trust continues to face market pressures of increasing staffing costs with relatively static income per pupil. As a consequence, the Academy Trust is finding it necessary to scrutinise its cost base continually. The challenge is to provide an excellent education for all pupils whilst remaining financially solvent. The Academy Trust has developed conservative plans taking account of known information. A thorough review of expenditure and staffing is continuous as the Academy Trust seeks to ensure strong financial control of its operations.
4. The potential impact on the Academy Trust of the re-brokerage of Queensbury in terms of reputation, resources and finances.

COVID-19

The biggest risk during this financial year has been COVID-19. The Academy Trust has created extensive plans to maintain a safe environment for pupils and staff. The Academy Trust was hit with the lockdown and the schools were closed for 5 months. The risk register is currently dominated by COVID-19 risk and the Academy Trust has done everything necessary to mitigate the impact of COVID-19. The Academy Trust has detailed COVID-19 safe plans in place that have been developed with input from the local authority and other Trusts. The plans have so far been successful. The Academy Trust has faced fluctuating numbers of pupil and staff absence.

FEVERSHAM EDUCATION TRUST
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Principal risks and uncertainties (continued)

COVID related absences (01/02/20 - 18/09/20)

Please see below days lost due to COVID-19, the lack of information from Iqra is due to the MIS system used by Iqra which will not allow data to be accessed centrally.

	Number of Staff absent	Number of Days lost
Bronte Girls' Academy	3	15
Feversham Academy	24	1,042
Queensbury Academy	50	1,989
Iqra Academy	N/A	N/A

Despite this the Academy Trust has continued to provide pupils with an education. Although a lot of this has been online and cannot match the face-to-face impact of a teacher, it has been consistently available to all pupils. The Academy Trust has constantly monitored pupil uptake of online material and where necessary it has contacted pupils and parents/guardian when there has been evidence of pupils not accessing the online material. The Academy Trust has also kept in contact with pupils and parent/guardians to monitor their welfare.

The Academy Trust have an IT plan in place that allows pupils to access their education remotely. The IT infrastructure has been significantly upgraded to ensure both staff and pupils can exploit the infrastructure to continue teaching and learning. The administration and finance functions have continued with minimal change. There have been some changes to the authorisation process as lockdown did result in staff not physically being on site to view and authorise orders and other documents. The integrity of the finance process and procedures have been maintained.

The cost implications of COVID-19 have been neutral as the impact has been both positive and negative. Costs such as cleaning, mobile data and lost income have had a negative impact, there have been cost savings in supply, exams and general education resources. The Academy Trust expect that during 2020-21 overall cost will increase due to supply, mobile IT equipment, cleaning, catch-up provision etc. Although extra funds have been made available to cover catch up, the Academy Trust still anticipates this will not cover all of the extra costs and its financial plans have been adjusted to reflect this.

The Academy Trust has not made or received any additional funding from the Government regarding COVID-19 during the period 1st September 2019 to 31st August 2020.

Disabled persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all main areas of the Academy Trust. The policy of the Academy Trust is to support recruitment and retention of students and employees with disabilities. The Academy Trust does this by adapting the physical environment by making support resources available and through training and career development.

Employee consultation

The Academy Trust has worked extensively with all relevant Unions to develop its employee engagement.

FEVERSHAM EDUCATION TRUST
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Fundraising

The academies do not actively engage in any fundraising activities for their own benefit however they do encourage and support students in pursuing socially responsible fundraising for other organisations and causes. No professional/commercial fundraisers are engaged to work on behalf of the Academy Trust or any of the academies within the Academy Trust. The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Directors. The Academy Trust has received no complaints in respect of any of these activities. Pupils are made aware of the need to be considerate to the needs of others in all their activities and should administer reasonable care when dealing with the public, avoiding any unreasonable or persistent fundraising approaches and undue pressure to donate.

Streamlined energy and carbon reporting

The Group's greenhouse gas emissions and energy consumption are as follows:

	2020
Energy consumption used to calculate emissions (kWh)	4,168,441
Energy consumption breakdown (kWh):	
Gas	3,104,195
Electricity	1,053,815
Transport fuel	10,431
Scope 1 emissions (in tonnes of CO2 equivalent):	
Gas consumption	571.00
Owned transport	3.00
Total scope 1	<u>574.00</u>
Scope 2 emissions (in tonnes of CO2 equivalent):	
Purchased electricity	<u>244.00</u>
Total gross emissions (in tonnes of CO2 equivalent):	<u>818.00</u>
 Intensity ratio:	
Tonnes of CO2 equivalent per pupil	0.328

The Group has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2020 UK Government's Conversion Factors for Company Reporting.

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

The Academy Trust takes its environment responsibilities seriously. The Energy and Carbon Report is used to inform the Academy Trust on how it is environmentally doing. Due to COVID-19 the focus on energy conservation has not taken a high priority. During the new financial year the Academy Trust will be looking to set energy targets and will set a date when it might be feasible to be carbon neutral. The Academy Trust anticipates it will have an energy plan before the end of the new financial year.

FEVERSHAM EDUCATION TRUST
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

The Feversham Education Trust (FET) is not for profit Multi-Academy Trust (MAT), which aspires to be one of the UK's leading educational providers. FET is a mixed MAT that runs both faith-based and non-faith-based schools. It is a strongly values-based organisation that works to improve the life chances of young people in areas of social and economic deprivation, to help them succeed at the highest levels of education, in employment and in the professions.

The Academy Trust grew from humble beginnings in 1984 with 24 pupils, moved to a new site in 1993 to meet the growing demand for places and became a Voluntary Aided School in 2001 to ensure that the high-quality provision was accessible by all and not just those who could afford the fees. In 2012 the founder school converted to academy status and in 2016 formed the Feversham Education Trust, in order to build a network of schools where every school is high performing or on a clear trajectory to become so. The Academy Trust currently operates a nursery, three secondary schools, and a primary.

The Bronte Girls Academy opened in September 2019. The school has made significant progress and is fully subscribed with a waiting list.

During this financial year the Board of Directors took the decision to work with the ESFA to re-broker Queensbury. The Board felt that the interests of both the Academy Trust and Queensbury would be best served by allowing Queensbury to be re-brokered. Discussions have taken place with Trinity Multi Academy Trust and agreement has almost been reached regarding the transfer of Queensbury. Assuming everything goes to plan the transfer is expected to happen by 31 January 2021.

Disclosure of information to auditors

Insofar as the Directors are aware:

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

The Directors' Report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 14 January 2021 and signed on its behalf by:


AJ Haider
Chairman

FEVERSHAM EDUCATION TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As Directors, we acknowledge we have overall responsibility for ensuring that Feversham 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.

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

The Board of Directors 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 Feversham Education Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 9 times during the year.

Attendance during the year at meetings of the Board of Directors was as follows:

Director	Meetings attended	Out of a possible
AJ Haider, Chair	9	9
MS Khan, Vice Chair	8	9
S Ahmed	4	9
JG Ashton	9	9
I Awan	7	9
P Bashir (appointed 5 October 2019)	7	8
M Hussain	9	9
Y Hussein (resigned 23 October 2019)	2	2
J Khan (appointed 5 October 2019)	8	8
I Rehman	6	9

Due to the pending re-brokerage of Queensbury the Board have commissioned an external review of the cost structure of the Academy Trust. The Board have also agreed a schedule of internal audit and scrutiny for the new financial year.

FEVERSHAM EDUCATION TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance & Audit Committee is a sub-committee of the Board of Directors. Its Terms of Reference set out its responsibility to conduct a higher degree of financial oversight and due diligence to specific activities carried out by the MAT and to report its findings back to the full Directors in the 2019/20 financial year this included:

- Review of all financial reporting at each meeting
- Review and interrogation of the proposed 2020/21 budget and long term plan
- Specific review of the cost base at Iqra that has resulted in the re-deployment of excess staff to other Academy Trust schools. All schools are reviewed on-going, but this review was undertaken to bring about structural financial savings.
- Review of the accounts and liaison with the external auditors.
- Review of all internal audit reports.
- Oversight of grant funding and spending.
- Oversight of regulatory returns and engagement.

Attendance during the year at meetings was as follows:

Director	Meetings attended	Out of a possible
P Bashir (Chair)	5	5
M Hussain	5	5
J Khan	4	5

Review of value for money

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

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Directors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by review at least twice a year of the organisations structure. This is done through considering:

- Pupil numbers
- Curriculum requirements/Curriculum map/
- SEN requirements
- Attendance
- Behaviour
- Pupil progress/attainment
- Pupil Premium and closing the gap
- Number of teachers
- SLT/TLR's
- Educational support staff
- Other support staff
- Impact of all resources
- All decisions consider the best value principles of economy, efficiency, and effectiveness.
- The Academy Trust uses a debit card to benefit from online purchasing, while taking in to account the safety and reputation of the retailer such as Amazon.
- The Academy Trust uses collaborative purchasing with either local schools or nationally tendered contracts.
- All consumable orders are finalised by finance staff who seek best value by directing orders to the most appropriate supplier. Service level agreements are reviewed and compared with current market trends.
- The Principal and the Board of Directors regularly review forecasts and staffing requirements. The Senior Management Team receive regular budgetary updates allowing for fully informed management decisions.

FEVERSHAM EDUCATION TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- The Academy Trust has developed its Risk Register to not only mitigate risk that have the potential to drive up cost. The Risk Register provides a checking point to ensure the Academy Trust focuses on what is important and has the potential to undermine what the Academy Trust is trying to achieve.
- Centrally negotiating preferred supplier arrangements for the supply of agency staff, MIS, HR etc.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Feversham Education Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

The impact of COVID-19 on the systems of internal control has been minimal. There have been some changes to processes to recognise that staff will not always be available on-site. The use of electronic signatures and email authorisation has replaced the need for physical signatures when and where it has been appropriate. As far as possible the tendering process has been maintained and only in exceptional circumstances where speed and urgency has been of the essence has the internal process been circumvented.

The Board of Directors have continued to engage with BHP Chartered Accountants for the internal audits, and although there has only been one financial audit done during the financial year September 2019 to August 2020 a risk approach has been taken and external experts did undertake reviews of the COVID-19 Plans, Health and HR. A schedule of internal audit/scrutiny has been agreed with the external auditors for the new financial year and similar to last year external experts will be engaged to assist with any areas of risk were their input would be beneficial.

Capacity to handle risk

The Board of Directors 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 Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

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 Directors
- regular reviews by the Finance & 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
- rigorous use of Curriculum Led Financial

FEVERSHAM EDUCATION TRUST
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Directors has decided to employ BHP Chartered Accountants as internal auditor.

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

- Tendering
- Expenditure
- Credit Card
- Petty Cash
- Journals
- Reporting

On a termly basis, the internal auditor reports to the Board of Directors through the finance & audit committee on the operation of the systems of control and on the discharge of the Directors' financial responsibilities.

Due to COVID-19 only one internal audit was undertaken this financial year. The audit report was presented to the Board of Directors through the Finance & Audit committee on the operation of the systems of control and on the discharge of the Directors' financial responsibilities.

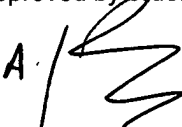
Review of effectiveness

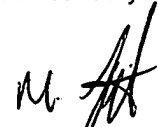
As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- on discharge of the Board of Directors financial decisions to help the committee consider actions and assess year on year progress
- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the finance & audit committee and have ensured a plan for continuous improvement of the system is in place.

Approved by order of the members of the Board of Directors on 14 January 2021 and signed on their behalf by:


A J Haider
Chair of Directors


M Ibrahim
Accounting Officer

FEVERSHAM EDUCATION TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

I confirm that 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 Directors and ESFA.

A handwritten signature in black ink, appearing to be 'M. Ibrahim', written over a horizontal line.

M Ibrahim
Accounting Officer
Date: 14 January 2021

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STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

Company law requires the Directors to prepare financial statements for each financial . Under company law, the Directors 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 Group and the charitable company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the group'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 Directors on 14 January 2021 and signed on its behalf by:


A J Haider
Chairman

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
FEVERSHAM EDUCATION TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the parent academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report including the Strategic Report.

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

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

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the Directors (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors 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 Directors are responsible for assessing the Group's and the parent 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 Directors either intend to liquidate the Group or the parent academy trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Christopher Beaumont BA (Hons) BFP FCA DChA (Senior Statutory Auditor)

for and on behalf of

Clive Owen LLP

Chartered Accountants

Statutory Auditors

140 Coniscliffe Road

Darlington

County Durham

DL3 7RT

14 January 2021

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 19 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Feversham Education Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Feversham Education Trust's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of Feversham Education Trust's funding agreement with the Secretary of State for Education dated 29 July 2011, and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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

Approach

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

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

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

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

The work undertaken to draw our conclusion includes:

- Review of governing body and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Directors and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Directors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place.

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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

Conclusion

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

A handwritten signature in black ink, appearing to read 'Clive Owen'.

Reporting Accountant
Clive Owen LLP

140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Date: 14 January 2021

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Income from:						
Donations and capital grants:	3					
Acquisition of existing academy trust		-	-	-	-	6,612
Other donations and capital grants		-	-	678	678	10,457
Charitable activities:	4					
Funding for the academy trust's educational operations		202	14,670	-	14,872	11,061
Other trading activities	5	281	-	-	281	305
Investments	6	2	-	-	2	4
Total income		485	14,670	678	15,833	28,439
Expenditure on:						
Charitable activities:	7					
Funding for the academy trust's educational operations		314	15,103	1,373	16,790	12,129
Other charitable activities		199	-	-	199	186
Total expenditure		513	15,103	1,373	16,989	12,315
Net (expenditure) /income		(28)	(433)	(695)	(1,156)	16,124
Transfers between funds	19	-	(263)	263	-	-
Net movement in funds before other recognised gains/(losses)		(28)	(696)	(432)	(1,156)	16,124
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	26	-	(1,149)	-	(1,149)	(1,957)
Net movement in funds		(28)	(1,845)	(432)	(2,305)	14,167

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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

	Unrestricted	Restricted	Restricted	Total	Total
	funds	funds	fixed asset	funds	funds
	2020	2020	2020	2020	2019
Note	£000	£000	£000	£000	£000
Reconciliation of funds:					
Total funds brought forward	1,820	(2,666)	41,892	41,046	26,879
Net movement in funds	(28)	(1,845)	(432)	(2,305)	14,167
Total funds carried forward	1,792	(4,511)	41,460	38,741	41,046

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07697587

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020


	Note	2020 £000	2019 £000
Fixed assets			
Intangible assets	14	2	4
Tangible assets	15	40,902	41,785
		<hr/>	<hr/>
		40,904	41,789
Current assets			
Debtors	16	929	827
Cash at bank and in hand		4,615	5,052
		<hr/>	<hr/>
		5,544	5,879
Creditors: amounts falling due within one year	17	(831)	(1,716)
		<hr/>	<hr/>
Net current assets		4,713	4,163
Creditors: amounts falling due after more than one year	18	(15)	(20)
		<hr/>	<hr/>
Net assets excluding pension liability		45,602	45,932
Defined benefit pension scheme liability	26	(6,861)	(4,886)
		<hr/>	<hr/>
Total net assets		<u>38,741</u>	<u>41,046</u>

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07697587

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	19	41,460	41,892
Restricted income funds	19	2,350	2,220
Restricted funds excluding pension asset	19	43,810	44,112
Pension reserve	19	(6,861)	(4,886)
Total restricted funds	19	36,949	39,226
Unrestricted income funds	19	1,792	1,820
Total funds		<u>38,741</u>	<u>41,046</u>

The financial statements on pages 34 to 73 were approved by the Directors, and authorised for issue on 14 January 2021 and are signed on their behalf, by:


AJ Haider
Chairman

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07697587

ACADEMY TRUST BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Fixed assets			
Intangible assets	14	2	4
Tangible assets	15	40,902	41,785
		<hr/>	<hr/>
		40,904	41,789
Current assets			
Debtors	16	928	816
Cash at bank and in hand		4,605	5,047
		<hr/>	<hr/>
		5,533	5,863
Creditors: amounts falling due within one year	17	(826)	(1,706)
		<hr/>	<hr/>
Net current assets		4,707	4,157
		<hr/>	<hr/>
Total assets less current liabilities		45,611	45,946
Creditors: amounts falling due after more than one year	18	(15)	(20)
		<hr/>	<hr/>
Net assets excluding pension liability		45,596	45,926
Defined benefit pension scheme liability	26	(6,861)	(4,886)
		<hr/>	<hr/>
Total net assets		<u>38,735</u>	<u>41,040</u>

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07697587

ACADEMY TRUST BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	19	41,460	41,892
Restricted income funds	19	2,350	2,220
Restricted funds excluding pension liability	19	43,810	44,112
Pension reserve	19	(6,861)	(4,886)
Total restricted funds	19	36,949	39,226
Unrestricted income funds	19	1,786	1,814
Total funds		<u>38,735</u>	<u>41,040</u>

The financial statements on pages 34 to 73 were approved by the Directors, and authorised for issue on 14 January 2021 and are signed on their behalf, by:



AJ Haider
Chairman

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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

	Note	2020 £000	2019 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(348)	2,251
Cash flows from investing activities	22	(89)	(259)
Change in cash and cash equivalents in the year		(437)	1,992
Cash and cash equivalents at the beginning of the year		5,052	3,060
Cash and cash equivalents at the end of the year	23, 24	<u>4,615</u>	<u>5,052</u>

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Feversham Education Trust constitutes a public entity as defined by FRS 102.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Academy Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Academy Trust alone as permitted by section 408 of the Companies Act 2006.

1.2 Fund accounting

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

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

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

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

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

Grants are included in the Consolidated 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 Consolidated Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

- **Transfer of existing academies into the Group**

Where assets and liabilities are received on the transfer of an existing academy into the Group, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Group. An equal amount of income is recognised for the transfer of an existing academy into the Group within 'Income from Donations and Capital Grants' to the net assets acquired.

- **Donated fixed assets (excluding transfers on conversion or into the Group)**

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 Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Group's accounting policies.

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

The Directors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Directors 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.

1.6 Basis of consolidation

The financial statements consolidate the accounts of Feversham Education Trust and all of its subsidiary undertakings ('subsidiaries').

The Academy Trust has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

1.7 Intangible assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

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

The estimated useful lives are as follows:

Computer software	- 3 years straight line
-------------------	-------------------------

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.8 Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Consolidated 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 Consolidated 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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 50 years straight line
Leasehold Buildings	- 50 years straight line
Leasehold Land	- Over the life of the lease
Computer equipment	- 3 years straight line
Fixtures and fittings	- 5 years straight line
Motor vehicles	- 4 years straight line

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

1.9 Leased assets

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

1.10 Investments

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

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 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.

FEVERSHAM EDUCATION TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.12 Debtors

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

1.13 Cash at bank and in hand

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

1.14 Liabilities

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

1.15 Provisions

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

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

1.16 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. 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 academy trust's wholly owned subsidiary are held at face value less any impairment.

FEVERSHAM EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.17 Pensions

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Group 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 Consolidated Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.18 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 29.

FEVERSHAM EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. In the current year the actuary has made assumptions to estimate the liability associated with McCloud Sargeant (McCloud) and GMP Indexation and Equalisation (GMP).

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £1,296,000.

Amortisation – Amortisation is calculated so as to write off the costs of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the amortisation accounting policy. The value of amortisation charge during the year was £2,000.

Critical areas of judgment:

Land and buildings – Land and buildings at Feversham College are held under a 125 year lease from the Muslim Association of Bradford. The playing fields are held under a 125 year lease from City of Bradford MDC. Land and buildings at Bronte Girls' Academy are held under a 125 year lease from the Secretary State for Housing. The land and buildings at Iqra Academy are held under a 125 year lease from City of Bradford MDC. These assets are included on the balance sheet of the Academy Trust due to the significant risks and rewards of ownership belonging to the Academy Trust, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the Academy Trust could use them without major modification.

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

3. Income from donations and capital grants

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Acquisition of existing academy trust	-	-	-	-	6,612
	-	-	-	-	6,612
Donations	-	-	-	-	9,803
Capital Grants	-	-	678	678	654
Subtotal	-	-	678	678	10,457
	-	-	678	678	17,069
Total 2019	202	266	16,601	17,069	

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

4. Funding for the academy trust's educational operations

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	12,577	12,577	9,545
Start Up Grants	-	186	186	270
Pupil Premium	-	734	734	545
PE and Sports Grant	-	21	21	-
UFSM	-	133	133	20
Rates	-	88	88	58
Year 7 Catch Up	-	45	45	30
Teachers' Pay and Pension grants	-	604	604	-
Other DfE Group grants	-	2	2	81
	-	14,390	14,390	10,549
Other Government grants				
SEN	-	-	-	4
Other Government grants	-	280	280	199
	-	280	280	203
Other funding				
Student Trips	6	-	6	60
Student Catering	196	-	196	249
	202	-	202	309
	202	14,670	14,872	11,061
Total 2019	309	10,752	11,061	

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

5. Income from other trading activities

	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Non student catering income	-	-	11
Other income	82	82	102
Operation of Feversham First Steps Nursery	199	199	192
	<u>281</u>	<u>281</u>	<u>305</u>

All income from other trading activities in 2019 was attributable to unrestricted funds.

6. Investment income

	Unrestricted funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Investment income	<u>2</u>	<u>2</u>	<u>4</u>
Total 2019	<u>4</u>	<u>4</u>	

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

7. Expenditure

	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000	Total 2019 £000
Academy trust's educational operations:					
Direct costs	9,570	-	671	10,241	7,707
Allocated support costs	3,145	1,817	1,587	6,549	4,422
Operation of Feversham First Steps	183	-	16	199	186
	<u>12,898</u>	<u>1,817</u>	<u>2,274</u>	<u>16,989</u>	<u>12,315</u>
Total 2019	<u>9,343</u>	<u>1,179</u>	<u>1,793</u>	<u>12,315</u>	

In 2020, of the total expenditure, £513,000 (2019 - £588,000) was to unrestricted funds and £16,476,000 (2019 - £11,727,000) was to restricted funds.

Included within expenditure are the following transactions.

	Amount	Reason
- Unrecoverable debts	£7,000	Unrecoverable debtors

No individual unrecoverable debts were above £5,000

There were no individual transactions exceeding £5,000 for:

- Compensation payments
- Gifts made by the academy trust
- Fixed asset losses
- Stock losses
- Cash losses.

There were no ex-gratia payments during the period.

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

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Academy Trust's educational operations	10,241	6,549	16,790	12,129
Operation of Feversham First Steps	199	-	199	186
	<u>10,440</u>	<u>6,549</u>	<u>16,989</u>	<u>12,315</u>
Total 2019	<u>7,812</u>	<u>4,503</u>	<u>12,315</u>	

Analysis of direct costs

	Educational operations 2020 £000	Feversham First Steps 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Staff costs	9,570	-	9,570	7,001
Educational supplies	320	-	320	310
Examination fees	211	-	211	150
Staff development	62	-	62	46
Technology costs	54	-	54	73
Educational consultancy	-	-	-	26
Staff expenses	6	-	6	11
Other costs	18	-	18	9
Operation of Feversham First Steps	-	199	199	186
	<u>10,241</u>	<u>199</u>	<u>10,440</u>	<u>7,812</u>
Total 2019	<u>7,626</u>	<u>186</u>	<u>7,812</u>	

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2020 £000	Total funds 2020 £000	Total funds 2019 £000
Net interest cost on pension scheme	89	89	47
Staff costs	3,145	3,145	2,180
Depreciation	1,298	1,298	718
Technology costs	140	140	96
Staff expenses	32	32	80
Transport	66	66	16
Maintenance of premises	219	219	163
Cleaning	34	34	19
Other premises costs	23	23	23
Energy	272	272	173
Rent & rates	145	145	85
Insurance	73	73	52
Catering	411	411	309
Legal costs - other	292	292	269
Security	9	9	-
Other costs	260	260	258
Governance costs	41	41	15
	<u>6,549</u>	<u>6,549</u>	<u>4,503</u>
Total 2019	<u>4,503</u>	<u>4,503</u>	

9. Net expenditure

Net expenditure for the year includes:

	2020 £000	2019 £000
Operating lease rentals	26	23
Depreciation of tangible fixed assets	1,296	714
Amortisation of intangible assets	2	4
Fees paid to auditors for:		
- audit	16	16
- other services	1	1
	<u>1,325</u>	<u>758</u>

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Wages and salaries	8,998	6,509	8,998	6,509
Social security costs	863	615	863	615
Pension costs	2,318	1,280	2,318	1,280
	<u>12,179</u>	<u>8,404</u>	<u>12,179</u>	<u>8,404</u>
Agency staff costs	536	777	536	777
Trading subsidiary	183	162	-	-
	<u>12,898</u>	<u>9,343</u>	<u>12,715</u>	<u>9,181</u>

Included in operating costs of defined benefit pension schemes is £737,000 (2019: £401,000) relating to the pension deficit actuarial adjustment.

b. Staff numbers

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

	Group 2020 No.	Group 2019 No.
Teachers	135	131
Educational support	208	221
Other	16	16
	<u>359</u>	<u>368</u>

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

10. Staff (continued)

c. Higher paid staff

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

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	5	2
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	2	2
In the band £90,001 - £100,000	1	-
In the band £120,001 - £130,000	1	-
In the band £130,001 - £140,000	-	1
	<u> </u>	<u> </u>

d. Key management personnel

The key management personnel of the Academy Trust comprise the Directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,534,000 (2019 : £1,541,000).

11. Central services

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

- Advisory services
- Governance and compliance services
- Professional fees
- School improvement consultancy
- Recruitment and advertising

The Group charges for these services on the following basis:

Charges are made on a flat percentage of GAG income (5% and 7.5% for Queensbury).

The actual amounts charged during the year were as follows:

	2020 £000	2019 £000
Bronte Academy	39	-
Feversham Academy	229	224
Iqra School	120	21
Queensbury Academy	346	233
	<u> </u>	<u> </u>
Total	<u>734</u>	<u>478</u>

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

12. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits (2019 - £NIL).

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

13. Directors' and Officers' insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2020 was not separately identifiable from the total insurance cost.

14. Intangible assets

Group

	Software £000
Cost	
At 1 September 2019	12
At 31 August 2020	<u>12</u>
Amortisation	
At 1 September 2019	8
Charge for the year	2
At 31 August 2020	<u>10</u>
Net book value	
At 31 August 2020	<u><u>2</u></u>
At 31 August 2019	<u><u>4</u></u>

FEVERSHAM EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. Intangible assets (continued)

Academy Trust

	Software £000
Cost	
At 1 September 2019	12
	<hr/>
At 31 August 2020	12
	<hr/>
Amortisation	
At 1 September 2019	8
Charge for the year	2
	<hr/>
At 31 August 2020	10
	<hr/>
Net book value	
At 31 August 2020	2
	<hr/> <hr/>
At 31 August 2019	4
	<hr/> <hr/>

FEVERSHAM EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. Tangible fixed assets

Group

	Leasehold property £000	Freehold property £000	Motor vehicles £000	Furniture and fixtures £000	Computer equipment £000	Total £000
Cost or valuation						
At 1 September 2019	34,265	9,255	17	1,167	799	45,503
Additions	-	-	-	138	275	413
At 31 August 2020	34,265	9,255	17	1,305	1,074	45,916
Depreciation						
At 1 September 2019	2,782	366	14	366	190	3,718
Charge for the year	670	128	3	244	251	1,296
At 31 August 2020	3,452	494	17	610	441	5,014
Net book value						
At 31 August 2020	30,813	8,761	-	695	633	40,902
At 31 August 2019	31,483	8,889	3	801	609	41,785

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

15. Tangible fixed assets (continued)

Academy Trust

	Freehold property £000	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation						
At 1 September 2019	9,255	34,265	1,167	799	17	45,503
Additions	-	-	138	275	-	413
At 31 August 2020	9,255	34,265	1,305	1,074	17	45,916
Depreciation						
At 1 September 2019	366	2,782	366	190	14	3,718
Charge for the year	128	670	244	251	3	1,296
At 31 August 2020	494	3,452	610	441	17	5,014
Net book value						
At 31 August 2020	8,761	30,813	695	633	-	40,902
At 31 August 2019	8,889	31,483	801	609	3	41,785

16. Debtors

	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Trade debtors	41	35	38	22
Other debtors	-	2	2	4
Prepayments and accrued income	840	678	840	678
VAT recoverable	48	112	48	112
	929	827	928	816

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

17. Creditors: Amounts falling due within one year

	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Trade creditors	448	1,353	448	1,348
Other taxation and social security	167	150	166	148
Other creditors	6	9	2	6
Accruals and deferred income	210	204	210	204
	<u>831</u>	<u>1,716</u>	<u>826</u>	<u>1,706</u>
	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Deferred income at 1 September 2019	66	117	66	117
Resources deferred during the year	74	66	74	66
Amounts released from previous periods	(66)	(117)	(66)	(117)
	<u>74</u>	<u>66</u>	<u>74</u>	<u>66</u>

At the Balance Sheet date the Academy Trust was holding funds received in advance for UIFSM and rates relief.

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

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

	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Other creditors	15	20	15	20

A loan of £30,000 from Salix Finance Ltd is provided on the following terms:

- £4,286 is repaid annually over 7 years, the final repayment will be made in September 2024.
- This is an interest free loan.

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

19. Statement of funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Unrestricted funds						
General Funds	1,814	286	(314)	-	-	1,786
Feversham First Steps	6	199	(199)	-	-	6
	<u>1,820</u>	<u>485</u>	<u>(513)</u>	<u>-</u>	<u>-</u>	<u>1,792</u>
Restricted general funds						
General Annual Grants (GAG)	2,183	12,577	(12,147)	(263)	-	2,350
Pupil Premium	-	734	(734)	-	-	-
Other DfE/ESFA grants	-	893	(893)	-	-	-
Other Government grants	-	280	(280)	-	-	-
Start Up Grants	37	186	(223)	-	-	-
Pension reserve	(4,886)	-	(826)	-	(1,149)	(6,861)
	<u>(2,666)</u>	<u>14,670</u>	<u>(15,103)</u>	<u>(263)</u>	<u>(1,149)</u>	<u>(4,511)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	2,361	603	(191)	-	-	2,773
GAG	1,814	-	(245)	263	-	1,832
Legacy assets	27,431	-	(537)	-	-	26,894
Other Government grants	407	75	(76)	-	-	406
Unrestricted fixed assets	76	-	(2)	-	-	74
Donations	9,803	-	(322)	-	-	9,481
	<u>41,892</u>	<u>678</u>	<u>(1,373)</u>	<u>263</u>	<u>-</u>	<u>41,460</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
Total Restricted funds	39,226	15,348	(16,476)	-	(1,149)	36,949
Total funds	41,046	15,833	(16,989)	-	(1,149)	38,741

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

The General Annual Grant (GAG) must be used for the normal running of the academy including salaries and related costs, overheads, repairs and maintenance, and insurance.

Transfers from GAG have been made to fund the purchase of capital assets.

Pupil Premium is additional funding to be spent as the school sees fit to support deprived students.

Other DfE/ESFA grants relate to PE teacher grant, Universal Infant Free School Meals, free school meal supplementary grant, rates relief, Year 7 catch up grant and teachers' pay and pension award grants.

Other Government grants relates to funding from the Local Authority.

The Start Up grants relates to academy project development in regards to the opening of the Bronte Girls Academy.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 26.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

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

FEVERSHAM EDUCATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £000	2019 £000
Bronte Girls Academy	155	37
Feversham Academy	2,420	2,380
Iqra Academy	1,287	1,258
Queensbury Academy	238	187
Central Services	36	172
Trading subsidiary	6	6
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	4,142	4,040
Restricted fixed asset fund	41,460	41,892
Pension reserve	(6,861)	(4,886)
	<hr/>	<hr/>
Total	38,741	41,046
	<hr/>	<hr/>

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	Total 2020 £000	Total 2019 £000
Bronte Girls Academy	531	154	22	281	988	233
Feversham Academy	3,261	673	113	701	4,748	4,616
Iqra Academy	2,311	303	37	425	3,076	530
Queensbury Academy	3,298	676	148	861	4,983	4,959
Central Services	169	1,339	-	189	1,697	1,073
Trading subsidiary	183	-	-	16	199	186
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy trust	9,753	3,145	320	2,473	15,691	11,597
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

FEVERSHAM EDUCATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

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

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Unrestricted funds						
General Funds	1,588	628	(402)	-	-	1,814
Feversham First Steps	-	192	(186)	-	-	6
	<u>1,588</u>	<u>820</u>	<u>(588)</u>	<u>-</u>	<u>-</u>	<u>1,820</u>
Restricted general funds						
General Annual Grants (GAG)	1,184	9,545	(8,320)	(226)	-	2,183
Pupil Premium	-	545	(545)	-	-	-
Other DfE/ESFA grants	-	189	(189)	-	-	-
Other Government grants	-	203	(203)	-	-	-
Start Up Grants	-	270	(233)	-	-	37
Transfer on conversion	-	1,071	(1,071)	-	-	-
Pension reserve	(1,676)	(805)	(448)	-	(1,957)	(4,886)
	<u>(492)</u>	<u>11,018</u>	<u>(11,009)</u>	<u>(226)</u>	<u>(1,957)</u>	<u>(2,666)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	1,376	1,061	(76)	-	-	2,361
GAG	1,785	-	(197)	226	-	1,814
Legacy assets	22,517	5,357	(443)	-	-	27,431
Other Government grants	27	380	-	-	-	407

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19. Statement of funds (continued)

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
Unrestricted fixed assets	78	-	(2)	-	-	76
Donations	-	9,803	-	-	-	9,803
	<u>25,783</u>	<u>16,601</u>	<u>(718)</u>	<u>226</u>	<u>-</u>	<u>41,892</u>
Total Restricted funds	<u>25,291</u>	<u>27,619</u>	<u>(11,727)</u>	<u>-</u>	<u>(1,957)</u>	<u>39,226</u>
Total funds	<u>26,879</u>	<u>28,439</u>	<u>(12,315)</u>	<u>-</u>	<u>(1,957)</u>	<u>41,046</u>

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	40,902	40,902
Intangible fixed assets	-	-	2	2
Current assets	1,797	3,191	556	5,544
Creditors due within one year	(5)	(826)	-	(831)
Creditors due in more than one year	-	(15)	-	(15)
Provisions for liabilities and charges	-	(6,861)	-	(6,861)
Total	<u>1,792</u>	<u>(4,511)</u>	<u>41,460</u>	<u>38,741</u>

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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	41,785	41,785
Intangible fixed assets	-	-	4	4
Current assets	1,830	3,540	509	5,879
Creditors due within one year	(10)	(1,300)	(406)	(1,716)
Creditors due in more than one year	-	(20)	-	(20)
Provisions for liabilities and charges	-	(4,886)	-	(4,886)
Total	1,820	(2,666)	41,892	41,046

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

	2020 £000	2019 £000
Net (expenditure)/income for the period (as per Statement of Financial Activities)	(1,156)	16,124
Adjustments for:		
Depreciation and amortisation	1,298	718
Capital grants from DfE and other capital income	(678)	(10,330)
Defined benefit pension scheme obligation inherited	-	805
Defined benefit pension scheme cost less contributions payable	737	401
Defined benefit pension scheme finance cost	89	47
Decrease/(increase) in debtors	254	(560)
(Decrease)/increase in creditors	(890)	1,193
Dividends, interest and rents from investments	(2)	(3)
Acquisition of existing academy trust	-	(6,144)
Net cash (used in)/provided by operating activities	(348)	2,251

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22. Cash flows from investing activities

	Group 2020 £000	Group 2019 £000
Dividends, interest and rents from investments	2	3
Purchase of tangible fixed assets	(413)	(10,592)
Capital grants from DfE Group	322	527
Capital funding received from sponsors and others	-	9,803
Net cash used in investing activities	(89)	(259)

23. Analysis of cash and cash equivalents

	Group 2020 £000	Group 2019 £000
Cash in hand	4,615	5,052
Total cash and cash equivalents	4,615	5,052

24. Analysis of changes in net debt

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash at bank and in hand	5,052	(437)	4,615
	5,052	(437)	4,615

25. Capital commitments

	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Contracted for but not provided in these financial statements	494	132	494	132

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26. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

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

Teachers' Pension Scheme

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

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

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 2019. 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
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the 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 is 4.45%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to TPS in the year amounted to £1,143,000 (2019 - £601,000).

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

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

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26. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £615,000 (2019 - £390,000), of which employer's contributions totalled £438,000 (2019 - £278,000) and employees' contributions totalled £ 177,000 (2019 - £112,000). The agreed contribution rates for future years are 15.5% for employers and 12.2% for employees.

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

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	3.45	3.25
Rate of increase for pensions in payment/inflation	2.20	2.00
Discount rate for scheme liabilities	1.70	1.90
Inflation assumption (CPI)	2.20	2.00
Commutation of pensions to lump sums	75.00	75.00

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

	2020 Years	2019 Years
Retiring today		
Males	21.8	22.2
Females	24.6	25.4
Retiring in 20 years		
Males	22.5	23.2
Females	25.7	27.2

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	(376)	(291)
Discount rate -0.1%	376	298
Mortality assumption - 1 year increase	(484)	(361)
Mortality assumption - 1 year decrease	484	366
CPI rate +0.1%	309	183
CPI rate -0.1%	(309)	(180)

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26. Pension commitments (continued)

Share of scheme assets

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

	2020 £000	2019 £000
Equities	5,120	4,833
Government bonds	638	654
Corporate bonds	329	280
Property	283	274
Cash and other liquid assets	112	118
Other	99	69
Total market value of assets	<u>6,581</u>	<u>6,228</u>

The actual return on scheme assets was (£171,000) (2019 - £84,000).

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	2020 £000	2019 £000
Current service cost	1,175	497
Past service cost	-	182
Interest income	123	(139)
Interest cost	(212)	186
Total amount recognised in the Consolidated Statement of Financial Activities	<u>1,086</u>	<u>726</u>

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

	2020 £000	2019 £000
Opening defined benefit obligation	11,114	6,256
Transferred in on existing academies joining the trust	-	1,969
Current service cost	1,175	497
Interest cost	212	186
Employee contributions	177	112
Actuarial losses	855	1,902
Benefits paid	(91)	10
Past service costs	-	182
Closing defined benefit obligation	<u>13,442</u>	<u>11,114</u>

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26. Pension commitments (continued)

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

	2020 £000	2019 £000
Opening fair value of scheme assets	6,228	4,580
Interest income on assets	123	139
Transferred in on existing academies joining the trust	-	1,164
Actuarial losses	(294)	(55)
Employer contributions	438	278
Employee contributions	177	112
Benefits paid	(91)	10
At 31 August	<u>6,581</u>	<u>6,228</u>

27. Operating lease commitments

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

	Group 2020 £000	Group 2019 £000	Academy Trust 2020 £000	Academy Trust 2019 £000
Amounts payable				
Within 1 year	16	26	16	26
Between 1 and 5 years	12	26	12	26
	<u>28</u>	<u>52</u>	<u>28</u>	<u>52</u>

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28. Related party transactions

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

The following related party transaction took place in the year:

Expenditure related party transaction

Feversham First Steps Limited, which is a 100% owned subsidiary, has received an intercompany loan of £1,000 (2019: £5,000) from the Academy Trust. This loan has been repaid.

The management charge from 2019 of £2,000 remains outstanding.

29. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the trust received £46,000 (2019: £46,000) and disbursed £34,000 (2019: £39,000) from the fund. The Academy Trust charged £2,000 (2019: £2,000) for administration fees. An amount of £10,000 (2019: £5,000) is included in other creditors relating to undistributed funds that are repayable to ESFA.

30. Principal subsidiaries

The following was a subsidiary undertaking of the academy trust:

Name	Company number	Registered office or principal place of business	Principal activity
Feversham First Steps Limited	07609252	Feversham College, 158 Cliffe Road, Bradford, BD3 0LT	Pre-school education
Class of shares	Holding	Included in consolidation	
Ordinary	100%	Yes	

The financial results of the subsidiary for the year were:

Name	Income £000	Expenditure £000	Net assets £000
Feversham First Steps Limited	199	(199)	6