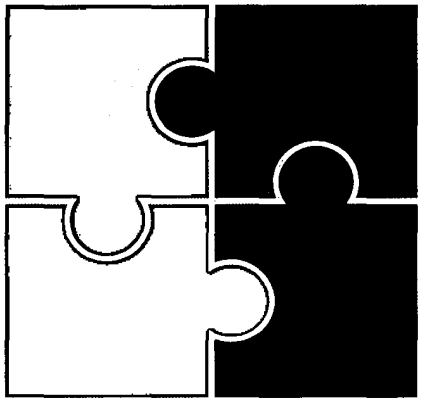
SAPIENTIA EDUCATION TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020



SAPIENTIA
EDUCATION TRUST

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A28 17/12/2020 #202
COMPANIES HOUSE

Company Registration Number:
07466353 (England and Wales)

SAPIENTIA EDUCATION TRUST

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SAPIENTIA EDUCATION TRUST

Reference and Administrative Details

Members	Mr P Rout Mrs D Ralphs (until 8 December 2020) Mr A Underwood OBE Mrs M Abel Mrs S Dinneen OBE
Directors (Trustees)	Mr P Rout (Chairman) # Mr P Norton (Vice Chairman) Mr J Taylor (SET CEO/Executive Principal and Accounting Officer) # Mr I Baker # Mr F Davey # Mr R Hill Professor J Last OBE Mr R Margand Mrs P Sheppard (appointed 13 February 2020) Mrs E Soule (resigned 9 December 2019) Ms L Wayman (resigned 9 December 2019) # = member of Audit and Risk Committee

SET Leadership Team

Chief Executive Officer	Mr J Taylor
Deputy CEO: Director of Education and Safeguarding	Mrs Z Fisher
Chief Operating Officer/Company Secretary	Mr R Moorhouse MBE
Partnership and Professional Learning Lead	Ms N Furneaux
Director of Standards	Miss K Bray
HR Director	Mrs T Smith
Finance Director	Mr G Hough

Reference and Administrative Details (continued)

Company Name	Sapientia Education Trust
Principal and Registered Office	Wymondham College Golf Links Road Wymondham Norfolk NR18 9SZ
Company Registration Number	07466353 (England and Wales)
Independent Auditor	Lovewell Blake LLP Chartered Accountants and Statutory Auditor Bankside 300 Peachman Way Broadland Business Park Norwich NR7 0LB
Bankers	NatWest Bank plc 5 Market Place Wymondham Norfolk NR18 0AG
Solicitors	NP Law Limited 7 St. Andrews Street Blackburn Lancashire BB1 8AE

Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates the following schools:

Wymondham College (became an Academy on 1 February 2011)
Old Buckenham Primary School (joined the Trust on 1 September 2016)
Seething and Mundham Primary School (joined the Trust on 1 April 2017)
Burston Primary School (joined the Trust on 1 June 2017)
Tivetshall Primary School (joined the Trust on 1 June 2017)
Rockland St Mary Primary School (joined the Trust on 1 September 2017)
Surlingham Primary School (joined the Trust on 1 September 2017)
Great Hockham Primary and Nursery School (joined the Trust on 1 November 2017)
Stradbroke High School (joined the Trust on 1 December 2017)
Ghost Hill Infant and Nursery School (joined the Trust on 1 April 2018)
Framingham Earl High School (joined the Trust on 1 May 2018)
Old Buckenham High School (joined the Trust on 1 September 2018)
White House Farm Primary School (joined the Trust on 1 September 2019)
Attleborough Academy (joined the Trust on 1 June 2020)
Fakenham Academy (joined the Trust on 1 June 2020)
Wymondham College Prep School (joined the Trust on 1 September 2020)

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association dated 1 February 2011 are the primary governing documents of the Academy Trust. A deed of variation of the funding agreement was issued on 1 March 2016. The Trustees of Sapientia Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Sapientia Education Trust.

Details of the Trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

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

Subject to the provisions of the Companies Act, every Trustee or other officer or auditor of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default breach of duty or breach of trust in relation to affairs of the Academy Trust.

Structure, Governance and Management (continued)

Method of Recruitment and Appointment or Election of Trustees

The number of Trustees shall be not less than three but shall not be subject to any maximum. The term of office for any Trustee shall be four years; this time limit shall not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be reappointed or re-elected.

The members shall appoint Trustees save that no more than one individual appointed as a Trustee shall be an employee of the Academy Trust.

Policies and Procedures Adopted for the Induction and Training of Trustees

All Trustees, on appointment, receive a briefing from the Clerk to the Trustees and a set list of supporting documentation. The Academy Trust arranges its own Trustee training and training for Governors who serve at Local Governing Body level.

Organisational Structure

The Academy Trust's organisational structure consists of four levels: the Members, Board of Trustees, the Local Governing Body and the Executive at each school. The Executive are the Executive Principal/Headteacher and Senior Leadership Team. Below the Senior Leadership Team there may be other groups according to the requirements of each individual school e.g. at Wymondham College there are Heads of House and Heads of Department meetings.

The Board of Trustees has the following sub - committees:

Finance Committee which oversees all financial issues for the Academy Trust and reports to the Board of Trustees.

Infrastructure Committee which oversees all infrastructure issues for the Academy Trust including Health & Safety matters; the Committee reports to the Board of Trustees.

Audit and Risk Committee which oversees audit and risk matters for the Academy Trust and reports to the Board of Trustees.

Human Resources and Remuneration Committee which oversees human resources and remuneration matters for the Academy Trust and reports to the Board of Trustees.

Standards Committee which oversees educational standards and boarding matters for the Academy Trust and reports to the Board of Trustees.

The sub-committees receive consolidated reports capturing the relevant information from each MAT school in a common format to allow the sub-committee members to assess performance data across all MAT schools. The sub-committees then report to the MAT Board.

The Trustees have approved a scheme of financial delegation that allows budgetary responsibility to be delegated, through the CEO, to the lowest effective level.

Structure, Governance and Management (continued)

Organisational Structure (continued)

The Local Governing Body is responsible for setting specific school policy, maintenance of standards and approving and monitoring performance and delivery against the strategic plan. To do this effectively, the Local Governing Body meets at least termly. The Local Governing Body reports are collated by the MAT central team and are reported to the relevant Board sub-committee.

The Executive Principal/Headteacher at each school is responsible, along with their Senior Leadership team for implementing the polices approved by the Trust Board and the Local Governing Body.

Arrangements for setting pay and remuneration of key management personnel

The pay levels of senior staff at all MAT schools are reviewed annually, reported to and approved by the Board of Trustees. Any decisions about pay rises are based on a combination of national pay agreements, performance and inflation.

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require relevant public sector employers to publish specified information related to facility time taken by trade union officials. The relevant information related to Sapientia Education Trust between 1 April 2019 and 31 March 2020 is published below:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
8	971

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1-50%	7
51-99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£0
Provide the total pay bill	£22,000,000
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time	0%

Structure, Governance and Management (continued)

Related Parties and other Connected Charities and Organisations

Wymondham College Enterprises Limited is a fully owned subsidiary company of Sapientia Education Trust. The company's principal activity is the running of the breakfast and after-school clubs. For the year ended 31 August 2020 the subsidiary company returned a net loss before taxation of £3,923. The subsidiary company is not consolidated within these accounts on the grounds of materiality.

Engagement with employees (including disabled persons)

The Trust engages with employees in the following ways:

- Termly meetings of the Joint Consultative Committee (Trade Union Regional Representatives and Trust senior staff);
- information and Consultation with Employees Committee at school level where appropriate;
- half-termly Staff newsletter to all employees from the CEO and senior Trust staff;
- Trust performance management system;
- staff voice monitored at Trust Committee level and reported, where appropriate, the Trust Board;
- staff representation at Local Governing Body (LGB) level; and
- the Trust welcomes employment applications from all members of the community and will make appropriate adjustments for staff with disabilities as well as making adjustments for staff who develop disabilities during their employment.

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

The Trust engages with stakeholders in the following ways:

- Termly CEO newsletters to all schools to be passed on to their local communities;
- schools have their own regular newsletters issued to their own stakeholders as well as engaging in various social media platforms;
- pupil voice captured at each Trust schools and each school has its own 'school council' structure to hear pupil voice; and
- the Trust has a series of regular meetings with contracted suppliers throughout the course of the academic year to review progress and delivery against contract.

Objectives and Activities

Objects and Aims

The principal object and activity of the Academy Trust is to advance for public benefit the provision of education in the United Kingdom. In doing so it meets the requirements of the Funding Agreement signed by the Secretary of State for Education. It ensures that all MAT schools provide a balanced and broad curriculum and it approves each individual school's Admissions Policy to ensure it meets the requirements of the Schools Admissions Code.

Objectives, Strategies and Activities

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

- to provide a high quality and well-rounded education for all students;
- to provide value for money for the funds expended;
- to ensure that the MAT schools are suitably staffed;
- to comply with all statutory and curriculum requirements;
- to develop and maintain links with local industry and the wider community in Norfolk including working with other educational establishments; and
- to conduct the MAT's business in accordance with the highest standards of integrity, probity and openness.

The Board's Academy Trust's Vision is:

"To provide a world class education locally, enabling every pupil to flourish"

Strategic intent:

- To deliver an education that is holistic and broad ranging, of high quality in and beyond the classroom
- To ensure opportunities to achieve are available for all
- To harness and develop the talents that exist in the MAT
- To meet the professional needs of staff, sharing best practice, with a strong commitment to personal development.

In meeting this intent the Academy Trust will be:

- Responsive to schools as they join the MAT, valuing the unique qualities/individualism of each MAT school, whilst recognising the need for all schools to deliver the strategic intents of the Academy Trust.
- Run on sound and ethical business principles, offering a structure whereby resources and expertise can be focused across all of the schools, keeping down back office costs and driving up standards.

The Academy Trust Strategic Plan is reviewed and evaluated annually by Trustees. Where appropriate the plan is amended and will be in place for the start of the 2020-21 financial year. A summary of the achievements during the course of the year up until 31 August 2020 is outlined in achievements and performance below.

Public Benefit

The key public benefit delivered by the Academy Trust is the maintenance and delivery of high quality day and boarding education to the children of Norfolk and others.

The Trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit.

Strategic Report

Achievements and Performance

In the year leading up to 31 August 2020 the following were achieved:

All of our Trust schools offered provision for key worker and vulnerable children following the nationwide school closure on 23 March 2020. In line with government guidance our Primary Schools extended opening in June and our Secondary Schools offered enhanced provision for Year 10 and Year 12 pupils from 15 June 2020. All Schools reopened in full in September 2020.

- White House Farm Primary School opened on 1 September 2019.
- Attleborough Academy and Fakenham Academy joined the Trust on 1st June 2020.
- Wymondham College Prep School was approved to open on 1st September 2020, with the new Head teacher successfully appointed.
- A new Director of Primary Standards was recruited to work across primary schools within the Academy Trust.
- Additional Capacity was added to the central team in HR, Estates and Education functions, including a newly defined Deputy CEO/Director of Education position.
- The Sapientia Education Teaching School ran a full programme of training activities at all levels throughout the year;
- The Academy Trust invested in Maths mastery and new approaches to Phonics across our Primary schools.
- Covid-19 caused disruption to the entire school system and there is no published school performance data. Internal data indicated improvements were likely at KS2 and KS4, especially at Old Buckenham Primary School, Great Hockham Primary School and Old Buckenham High School. KS1 greater depth was predicted to have improved, notably so at Surlingham Primary School and Ghost Hill Nursery and Infant School.
- Seething and Mundham Primary School was judged to 'require improvement' by Ofsted. We agree with this judgment, particularly in terms of curriculum implementation, noting that Ofsted recognised the improvements made since joining the Trust.
- Teaching School activity included continuing the highly successful Maths and Physics TSST schemes and our CEO engaged in NLE work with three schools outside of the Trust.

Extensive investments were undertaken to improve infrastructure at our schools. This included:

- A new building at Rockland St Mary for use by the local Nursery.
- Improved outdoor areas at Old Buckenham High School and Framingham Earl High School.
- Completion of new roofing at Stradbroke High School.
- Installation of a new canopy at Old Buckenham High School East Courtyard along with replacement of all the windows in the East Courtyard with double glazed units.
- Installation of new double-glazed windows in the Tom Eaton centre at Wymondham College
- Installation of new hot-water boiler at Fakenham Academy.
- Extension to the Wymondham College Main School Refectory to provided extra dining space and additional upgraded kitchen facilities.
- Provision of a new road surface and car parking at the rear of Wymondham College to provide safer vehicle access and movement on the College site.

Achievements and Performance (continued)

- Installation of double-glazed windows at Old Buckenham Primary School and new flooring in main school corridors.
- Installation of new Fire Alarm system at Great Hockham Primary School and replacement of carpets in the school.
- New interactive white boards at Rockland St Mary and Surlingham Primary Schools.

Key Performance Indicators

Covid-19 presented a number of financial challenges. The sudden closure of schools on 23 March 2020 meant a sudden, unexpected and significant loss of income in relation to the lettings, catering and boarding operations of the Trust. Trustees liaised with the Charity Commission to ensure that statutory obligations were met. The Trust utilised the coronavirus job retention scheme and furloughed a number of staff, whose roles were funded through private income. In addition, the Trust worked with the ESFA to ensure that planned Trust growth could continue. These measures ensured that the Trust was able to fully re-open boarding on 7 September 2020 and complete the process of Attleborough Academy and Fakenham Academy joining the Trust on 1 June 2020.

Whilst the accounts show an in year loss, this is solely related to the impact of Covid-19 and is consistent with financial projections shared with the ESFA.

The Academy Trust met its aims and objectives from the income received for the period. The effective management of cash flow and scheduling of capital expenditure meant that the Academy Trust's cash balances were never exceeded by commitments. In particular:

- All schools in the Academy Trust met their planned carry-forward targets at the end of the year with the exception of Old Buckenham High School. The School had significant staffing issues at the start of the academic year which necessitated additional spend on staffing resources;
- boarding numbers at Wymondham College returned to traditional levels for the academic year 2019/20 and, despite the issues associated with Covid-19 noted elsewhere in this report, numbers for the beginning of the 2020/21 academic year are high;
- having taken the necessary statutory steps with the Charity Commission and having consulted with the ESFA, the Board did not issue a Summer Term 2020 boarding invoice;
- the planned programme of expenditure contained within the Rate of Return plan for boarding accommodation improvements at Wymondham College was revised during the year due to the impact of Covid-19. Improvement work in boarding accommodation did take place but was significantly impacted in the summer months when, traditionally, major work would normally take place. Projects that could not delivered in the year will be carried forward into the academic year 2020/21;
- a number of planned capital projects were delivered at Academy Trust schools using SCA funding to address condition issues; and
- Attleborough and Fakenham Academies received confirmation of successful CIF bids which will be delivered during the academic year 2020/21.

Examination results are covered in the Achievements and Performance section of this report.

Going concern

After making appropriate enquiries, the Sapientia Education Trust Trustees have a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Promoting the success of the company

The Trustees of Sapientia Education Trust consider, both individually and collectively, that they have acted in the way they would consider, in good faith, would be most likely to promote the success of the Trust for the benefit of the staff, students and stakeholders at all of our Schools while meeting the terms of the funding agreement the Trust has with the Secretary of State. The future plans for the Trust are laid out in the SET Strategic Plan which is reviewed by the Board of Trustees on an annual basis.

- Values and Culture. The plan underpins the Trust Mission statement as shown elsewhere in this report. It aims to ensure that all children at all Trust schools receive the best possible education while they are with us and that we promote and deliver continual professional development to all our staff.
- Employees. Our staff are fundamental to the success of the Trust and we aim to be a responsible employer in the pay and benefits staff receive. Additionally, our programme of Health and Safety management and inspection supports our commitment to the well-being of staff and the safety of their working environment.
- Stakeholders. We engage at all levels of our operation to understand the views and concerns of our staff, students and parents as well as the wider local community our schools serve. Schools will undertake local surveys to better understand how they might serve their local community and this will be reported through to the Local Governing Body, the Trust Committee structure (as outlined elsewhere in this report) and to the Board. Local Governing Body representation includes parental representation as well as other stakeholders who bring a unique set of skills to support the schools. Regular contact with stakeholders through newsletters and engagement with social media is an important part of our wider engagement with our school communities.
- Management of Risk. The management of risk is an integral part of all Trust work. Risk is managed through daily operational activities, supported by the work of the Trust's Health and Safety inspection programme. At the strategic level, each Trust Committee (as detailed elsewhere in this report) consider risks relevant to their area of responsibility on a termly basis with the Board receiving a Trust risk report each term. The full Risk Register is reviewed annually. Assessment of risk at all levels is part of our arching aim to deliver the highest standards of business conduct and operation.
- Impact on the local community and environment. The Trustees are cognisant of the impact of our schools in their local community. At local level, schools engage with local stakeholders about how they can minimise their environmental impact. We strive to use education to drive positive environmental change amongst our students and staff and in the wider community.

The Board of Trustees act in a responsible manner and ensure that Trust management operate in a responsible manner in accordance with best practice and good governance as well as those behaviours that would be expected in a Multi-Academy Trust responsible for the delivery of high quality education to children. We also seek to act in best interests of our beneficiaries having due regard to both Department of Education and Charity Commission guidance. We aim to cement our reputation for quality, fairness and responsible behaviour through our actions.

Financial Review

Most of the Academy Trust's income is obtained either from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes, or fee income for the provision of boarding. The grants received from ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2020, the Academy Trust received income of £22,227k (2019: £18,545k) in respect of General Annual Grant and other Government funding, £905k from the Government for Coronavirus funding, £2,275k (2019: £787k) in the form of ESFA capital grants, £5,039k (2019: £6,663k) fee income, transfers from the local authority on conversion of £7,844k (2019: £4,098k), transfers from an existing academy joining the trust of £23,727k (2019: £Nil), teaching school income of £91k (2019: £137k) and £743k (2019: £1,085k) other income, giving total income of £62,851k (2019: £31,315k) for the period. Expenditure for the period amounted to £36,140k (2019: £32,232k).

The in year deficit (changes in balance of restricted general funds, excluding pension reserves, plus unrestricted reserves) was £420k (2019: £318k).

The Academy Trust receives grants for fixed assets from ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), 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 charge over the expected useful life of the assets concerned.

At 31 August 2020 the net book value of fixed assets was £90,594k (2019: £58,651k) and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

Reserves Policy

The Trustees have reviewed reserve levels and believe that they should provide sufficient working capital to cover delays between spending and receipt of grants to allow for unexpected situations such as urgent maintenance work.

The Academy Trust held fund balances at 31 August 2020 of £73,902k (2019: £48,846k) comprising a deficit of £17,835k (2019: £11,275k) of restricted funds, surplus of £91,169k (2019: £59,078k) of restricted fixed assets and surplus of £568k (2019: £1,043k) of unrestricted general funds. The deficit in restricted funds has arisen primarily as a result of the deficit on the local government pension fund of £18,140k (2019: £11,525k). Any increase in pension contributions suggested by the Scheme Actuary should be able to be met from the Academy Trust's budgeted annual income. The Academy Trust also holds cash reserves of £819k in relation to boarding deposits which are included in creditors as at 31 August 2020.

As at 31 August 2020 the Academy Trust's actual position of reserves (restricted general funds, excluding pension reserves, plus unrestricted funds) stood at £873k (2019: £1,293k). The Trustees intend to build reserve levels as circumstances allow and are deciding on an appropriate reserves target given the changing circumstances of the Academy Trust.

Financial Review (continued)

Investment Policy

With the exception of cash held for operation of the Academy Trust, the Academy Trust has no realisable investments as at 31 August 2020. The Academy Trust seeks to maximise returns from its investments, minimise risk and maintain flexibility and access to funds. The level of investment will depend on resources available at the time the investment is considered and will take into account the current financial situation as well as consideration of the finances during the period the investment is being considered for. Equally the Audit and Risk Committee will take a view on prevailing national economic circumstances and the credit ratings of those who are offering investment opportunities. Finally, the period of the investment will be judged on the rates available and other Academy Trust priorities at the time.

Principal Risks and Uncertainties

The Trustees have identified and reviewed the major risks to which the Academy Trust is exposed and have established systems and procedures to manage these risks.

The Audit and Risk Committee have identified the top five risks faced by Sapientia Education Trust as:

- The ongoing challenges of delivering education under the restrictions imposed by Covid-19;
- the impact on Trust schools of the new Ofsted inspection framework, whilst ensuring that Trust schools maintain a high level of expectation for their pupils;
- ensuring that communication across all levels of Academy Trust governance meets the requirements of the Academy Trust Board;
- uncertainty about central government funding to schools is under increasing pressure; and
- the financial impact of low or reduced pupil numbers at Academy Trust schools.

Financial and Risk Management Objectives and Policies

The Trustees have responsibility to assess the strategic risks to which the Academy Trust is exposed and have completed a risk management register to ensure that steps are taken to mitigate risks.

This is done through the sub-committees and includes educational risks such as the Academy Trust not achieving the planned educational outcomes and maintenance and improvement on previous examination results, whole or partial building loss, financial and operational risks, including budget risks and health and safety reviews and safeguarding students. In this way steps are taken to mitigate risk. Some significant risks such as public and employee liability are covered by the Academy Trust's insurance policy. The Risk Register is managed through the Trustees' Audit and Risk Committee.

During the 2018/19 academic year, the Board appointed internal auditor (MHA Larking Gowen) to complete internal audit reviews as directed by the Trust Audit & Risk Committee. In addition, the Trust Board strengthened the monitoring of risk by amending the role of each Board Committees to ensure that the Committee owned their relevant area of the risk register. Each Committee reviewed their area of the risk register at each meeting and amended/updated as appropriate. Where a significant risk was identified, this was reported to the Board at each Board meeting. Overall monitoring of the risk register will remain with the Audit & Risk Committee as noted above. In December 2019, the Board reviewed this process and in order to drive consistency in reporting through the Board committees, adopted the Charity Commission's risk scoring methodology as detailed in the Charities Commission leaflet 'Charities and risk management (CC26)'.

Fundraising

The Academy Trust does not use any external fundraisers. All fundraising undertaken was monitored by the Trustees.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	
Energy consumption used to calculate emissions (kWh)	19,913,873
Energy consumption breakdown (kWh) (optional) • Gas • Electricity • Transport fuel	
Scope 1 emissions in metric tonnes CO2e From combustion of gas From combustion of other fossil fuels From combustion of fuel for transport Total scope 1	 2,401.58 671.60 15.72 3,088.90
Scope 2 emissions in metric tonnes CO2e Purchased electricity	 975.04
Scope 3 emissions in metric tonnes CO2e Business travel in employee owned vehicles	 9.02
Total gross emissions in metric tonnes CO2e	4,072.96
Intensity ratio Tonnes CO2e per pupil	 0.744

Quantification and reporting methodology

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

Intensity measurement

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

Measures taken to improve energy efficiency

SET is in the process of undertaking a complete review of our energy monitoring and and reporting processes. This is primarily an undertaking to produce a Trust-wide Energy Database. The database will be 'owned' and controlled by the SET finance department but will entail collating data from all schools on a monthly basis. This data will be reviewed once a quarter for quality assurance purposes.

SET does not currently have a specified carbon emissions reduction target. However, SET will continue to undertake any energy improvement works possible, within budgetary constraints. In the 2020-21 financial year there are new double-glazing windows planned for Fakenham Academy, Attleborough Academy, Ghost Hill Infant School & Nursery, Old Buckenham Primary School & Nursery and Great Hockham Primary School & Nursery. Any planned heating replacements will, wherever viable, focus on heat decarbonisation or switching to renewable or electricity-based heating, such as the deployment of heat pumps.

SET will continue to seek external funding to improve the energy performance and reduce carbon emissions at our schools, where possible. Investigations are currently ongoing to explore whether the Public Sector Decarbonisation Scheme (PSDS) would enable us to make significant changes to decarbonise our heating systems. The fund may also enable work to improve the thermal efficiency of the building fabric.

Plans for Future Periods

For the coming financial year, the Academy Trust plans to implement the following key objectives:

Sapientia Education Trust:

- ensure that all schools offer provision that is in accordance with Covid-19 requirements. This includes the implementation of health and safety measures and detailed plans for blended and/or virtual learning, should this be required;
- implement our 'Flourish Framework'; response to Covid-19;
- further develop capacity within the MAT central team commensurate with the growth of the MAT;
- focus on improving outcomes in the primary phase, especially in maths and greater depth;
- be mindful of staff workload issues;
- review the curriculum offer in all schools, to ensure clear intent, implementation and impact;
- support Old Buckenham High School and Fakenham Academy to improve outcomes;
- review the effectiveness of governance arrangements in all schools;
- further develop the Sapientia Teaching School Alliance, in the light of national changes; and
- implement a programme of Internal Audit as directed by the Academy Trust Audit and Risk Committee.

At Wymondham College:

- embed work around the curriculum; including the 'floreat curriculum'
- implement a review of Middle Leadership;
- maintain the boarding numbers;
- further improve the quality of teaching and learning across the College;
- deliver the wellbeing strategic plan;
- further enhance 'Wymondham life' extra-curricular offer;
- enhance and improve continual professional development opportunities at all levels across the College;
- develop the boarding offer;
- continue to develop enrichment opportunities at the College; and
- continue the improvement to boarding provision through the Rate of Return programme.

At Old Buckenham Primary School:

- develop the quality and impact of middle leadership;
- further improve progress levels at KS2, including Maths; and
- start Phase one of the window replacement project.

At Seething and Mundham Primary School:

- Implement the new Curriculum;
- ensure high quality monitoring;
- develop the quality and impact of middle leadership; and
- build sustainability in terms of student numbers.

Plans for Future Periods (continued)

At Burston Primary School:

- improve outcomes in maths;
- develop the quality and impact of leadership at school level; and
- build sustainability in terms of student numbers.

At Tivetshall Primary School:

- review the viability of the school; in line with previous decision to review in January 2021.
- ensure all students progress levels are appropriate; and
- build sustainability in terms of student numbers.

At Rockland St Mary Primary School:

- develop the quality and impact of middle leadership;
- maintain improved outcomes at KS2; and
- build sustainability in terms of student numbers.

At Surlingham Primary School:

- develop the quality and impact of middle leadership; and
- build sustainability in terms of student numbers.

AT Great Hockham Primary and Nursery School

- develop the quality and impact of middle leadership;
- Improve KS1 outcomes
- maintain recent improvements in KS2 SATs; and
- complete Phase two of the window replacement project.

At Stradbroke High School:

- embedding new QA systems and processes;
- embedding approaches to the curriculum, including leadership roles; and
- maintain recent improvements;

At Ghost Hill Infant and Nursery School:

- maintain improved KS1 outcomes; and increase the proportion pupils achieving of greater depth; and
- complete Phase two of the window replacement project.

Plans for Future Periods (continued)

At Framingham Earl High School:

- maintaining the improvement in progress levels;
- improve progress levels for Higher Attaining Students at GCSE;
- develop and implement plans for the car-park enhancement project;
- begin the programme of window replacement;
- refurbish and re-shape the car-park areas at the front and side of the school to improve safety; and
- develop the area at the rear of the school into outdoor social space for students.

At White House Farm Primary School:

- ensuring an effective Curriculum offer, with high quality teaching and learning;
- building Pupil numbers; and
- developing Phonics expertise.

At Old Buckenham High School:

- increase the proportion of students studying EBACC subjects at KS4;
- plan to install a MUGA playing surface at the school;
- continue to address the issues of poor condition throughout the fabric of the school; and
- improve Pupil Premium outcomes and attendance.

At Fakenham Academy:

- review the leadership structure;
- deliver the window replacement project funded by the CIF process;
- address the concrete deterioration problems throughout the school; and
- improve outcomes at GCSE, especially at 5+ in English and Maths.

At Attleborough Academy:

- review the staffing structures;
- develop the next phase of the master plan, in partnership with Norfolk LA;
- deliver the roof replacement and window replacement projects funded by the CIF process; and
- ensure the viability of the Sixth form, working in partnership with other Trust Schools.

At Wymondham College Prep School:

- Plan to move into the new building;
- Successfully market the school to reception and Year 5 boarding parents; and
- Induct staff to ensure the delivery of the Trust's vision.

Equal Opportunities Policy

Sapientia Education Trust recognises its commitment to students, staff, parents/carers and Trustees/Governors and to the wider community based on the principle of promotion of self-respect and respect for others. As such we believe that discrimination is unacceptable, and our equal opportunities policy seeks to foster all individuals' abilities. In meeting the duties, all our actions will embody our Trust's key principles and values which include:

- we encourage young people to develop into good citizens to aim for excellence in all they attempt, to communicate effectively, work well in teams and to enjoy life;
- we strive to make the best possible provision for all students, staff, governors and those connected with the Academy Trust regardless of disability, ethnicity, culture, religious belief, national origin or status, gender or sexual orientation;
- we respect diversity. We know that treating everyone equally is not simply a matter of treating everyone the same. We adopt the Norfolk Inclusion Statement's view that inclusion is 'The process of taking necessary steps to ensure that every young person is given an equality of opportunity to develop socially, to learn and enjoy community life'. This means we do our best to make reasonable adjustments for disability, recognise and celebrate cultural differences and understand the different needs and experiences of boys and girls;
- we know that equality is not simply about protecting the potentially vulnerable. We believe that all students may be disadvantaged by the holding of prejudicial views, and seek to promote good relationships between all groups, and positive attitudes towards disabled people, people from different ethnic or cultural groups or faith backgrounds and people of different gender or sexual orientation;
- we value our staff for their ability and potential to help us make the best possible provision for the students in the Academy Trust regardless of disability, ethnicity, culture, religious belief, national origin, gender or sexual orientation;
- we are proactive in our efforts to identify and minimise existing barriers or inequalities;
- we seek the views of all groups affected by the policies and work of our Academy Trust and involve them in policy review where appropriate; and
- we recognise our role in promoting community cohesion and actively encourage the participation in public life of all in the Academy Trust.

Disabled Persons

Sapientia Education Trust recognises its responsibilities under the Disability Discrimination Act. The general duty to promote disability equality is owed to all disabled people which means that we have due regard to:

- promote equality of opportunity between disabled people and other people;
- eliminate unlawful discrimination;
- eliminate disability related harassment;
- promote positive attitudes towards disabled people;
- encourage participation by disabled people in public life; and
- take steps to take account of disabled people's disabilities, even where that involves treating disabled people more favourably than other people.

Accessibility

There is specific disability legislation in relation to disabled students and accessibility which means we plan strategically over time to:

- increase access to the curriculum;
- make improvements to the physical environment of the Schools within the Academy Trust to increase access; and
- make written information available to students in a range of different ways.

We must ensure that disabled students do not receive less favourable treatment and to do this the Schools within the Academy Trust have a duty to make reasonable adjustments.

All Academy Trust schools have a Single Equality Scheme (SES) which integrates statutory duties in relation to race, disability and gender and promoting community cohesion. The duties cover staff, students and people using the services of the schools such as parents. It also addresses the legislation relating to religion or belief, sexual orientation and age and therefore includes our priorities and actions to eliminate discrimination and harassment in these equality areas.

The SES and Action plan enables the schools to achieve a framework for action which covers all eight equality strands and ensures that we meet our public sector duty responsibilities in an inclusive way. We will continue to meet our statutory duties by reporting annually on the progress of the SES and action plan. This will be reviewed annually by the individual school Local Governing Body, and will cover activity in relation to the eight equality strands and promoting community cohesion.

Auditor

Insofar as the Trustees are aware:

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

Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on ..8 December 2020..and signed on the Board's behalf by:

Peter Rout
Chairman of Board

SAPIENTIA EDUCATION TRUST

GOVERNANCE STATEMENT

Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Sapientia 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 Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Trustees have 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 Sapientia Education Trust and the Secretary of State for Education. He is also responsible for reporting to the Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year. The Trustee Board attendance during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Rout (Chair)	5	5
Mr P Norton (Vice-Chair)	4	5
Mr J Taylor (CEO and Accounting Officer)	5	5
Mr I Baker (Responsible Officer)	3	5
Mr F Davey	4	5
Mr R Hill	4	5
Professor J Last	4	5
Mr R Margand	3	5
Mrs P Sheppard (appointed 13 February 2020)	2	3
Mrs E Soule (resigned 9 December 2019)	0	1
Ms L Wayman (resigned 9 December 2019)	0	1

The impact of Covid-19 meant the Board had to revise its operating procedures following the national lockdown in March 2020. Meetings were encouraged to continue, where possible, using remote technology. This will continue into the 2020/21 academic year until advised otherwise. The Board had been planning a major review of its relationship with its LGBs during the summer 2020 but this work was postponed in light of other priorities and will now be undertaken during the academic year 2020/21.

The Board has risen positively to the new challenges it has faced over the course of this year and Trustees have actively engaged to ensure that structures and systems are in place and appropriate for the growth of the MAT. The Board's efforts to carry out reviews during the year were curtailed due to the issues noted above. However, the Board was able to imbed the changes to Risk Management as noted previously in this report and during the summer term focused its efforts on understanding the risks associated with the measures schools were required to implement as a result of Covid-19. The Board received a separate Risk Report on Covid-19 during the summer 2020 that noted the issues identified and the measures taken to address those issues.

The Board continued to receive external quality assurance reviews during the year. In addition, they also received regular updates from the CEO on the operational work taken to address Covid-19. In receiving these reports, the Board acknowledged the importance of employing the Trust Health and Safety Officer and as a result have increased the capacity of the Health and Safety team with the employment of an additional officer for the coming academic year.

The **Audit and Risk Committee** is also a sub-committee of the main Board of Trustees. Its purpose is to review the Trust's internal and external financial statements to ensure they reflect best practice, and to review the effectiveness of the Academy Trust's internal control systems established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner. The Committee received Health and safety reports from the two Health and Safety Officers employed by the Academy Trust up until the point when the Infrastructure Committee was established.

Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Rout	2	2
Mr J Taylor	2	2
Mr I Baker (Chair)	2	2
Mr F Davey	0	2
Mr P Norton	2	2

The **Finance Committee** is also a sub-committee of the main Board of Trustees. Its purpose is to review the financial performance at each Academy Trust school to ensure that each school operates its budget within approved limits and in accordance with the Academy Trust Financial Rules and Procedures.

Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Rout (Chair)	4	4
Mr J Taylor	3	4
Mr I Baker (Responsible Officer)	3	4
Mr F Davey	2	2
Mr R Margand	3	3
Mr P Norton	4	4

The **HR and Remuneration Committee** is also a sub-committee of the main Board of Trustees. Its purpose is to review the Academy Trust's HR policies and HR activity as well as approving any pay award recommendations.

Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Hill (Chair)	1	2
Mr J Taylor	2	2
Professor J Last	1	2
Mr P Rout	2	2
Mr P Norton	1	2
Mr R Margand	0	2

The **Infrastructure Committee** is also a sub-committee of the main Board of Trustees. Its purpose is to review the Academy Trust's Estate Management Plan, H&S activities and IT Infrastructure.

Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr F Davey (Chair)	2	2
Mr J Taylor	2	2
Mr P Rout	2	2

The **Standards Committee** is also a sub-committee of the main Board of Trustees. Its purpose is to review the Academy Trust's educational performance across all schools and to monitor progress of pupils at all stages of their education.

Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Ms L Wayman (Chair) (resigned 9 December 2019)	0	1
Mr P Rout (Interim Chair)	3	3
Mr J Taylor	3	3
Mr R Margand	0	2
Mr P Norton	3	3
Mrs E Soule (resigned 9 December 2019)	1	1

Review of Value for Money

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

The Accounting Officer considers how the 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 available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- ensuring that three quotations are sought for high value orders in accordance with the Academy Trust Financial Rules and procedures;
- value engineering construction projects to achieve savings where possible; and
- ensuring that, where possible, contracts are re-negotiated on a Trust-wide basis to achieve better economies of scale.

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 ongoing 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 Sapientia Education Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Academy Trust Board 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 is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 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 Trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Academy Trust Board on at least six occasions during the FY;
- monthly meetings with the CEO, Chief Operating Officer, Finance Director, Chair of the Trust Board and Responsible Officer to review the financial performance of Trust schools;
- regular reviews by the Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

During the FY 2019-20 the Board re-appointed Mr I Baker, a Trustee, as the Responsible Officer (RO). The ROs role includes giving advice on financial matters and attending monthly finance meetings as noted above. The RO also approves a chosen supplier once the 'three quotes' have been obtained for items over the limit specified in each individual school's Headteacher's letter of delegation.

During the 2019-20 FY the Board appointed Larking Gowen to carry out an internal audit programme. During the course of the year the following areas were considered:

- Spring Term – Pupil Exits
- Summer Term – Contracts and Procurement

Unfortunately, completion of both reports was delayed over the summer due to Covid-19 restrictions but both have been completed and will be presented to the Audit and Risk Committee in November 2020.

On a termly basis, the internal auditor reports to the Board of Trustees, through the Audit and Risk Committee on the operations of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

SAPIENTIA EDUCATION TRUST

GOVERNANCE STATEMENT (continued)

Review of Effectiveness

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

- the Responsible Officer;
- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process and the school resource management self-assessment tool; and
- 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 Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of members of the Governing Body on 8 December 2020 and signed on its behalf by:

Peter Rout
Chairman of Board

Jonathan Taylor
Accounting Officer

SAPIENTIA EDUCATION TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Sapientia Education Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with 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 Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2019.

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

Jonathan Taylor
Accounting Officer

SAPIENTIA EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including Strategic 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 8 December 2020 and signed on its behalf by:

Peter Rout
Chairman of Board

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAPIENTIA EDUCATION TRUST

Opinion

We have audited the financial statements of Sapientia Education Trust for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education & 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Other information includes the Trustees' report (incorporating the strategic report and the directors' report), the governance statement, and the Accounting Officers statement. Our opinion in the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 22, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAPIENTIA EDUCATION TRUST (continued)

Auditor's responsibilities for the audit of the financial statements

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

Use of our report

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

Lovewell Blake LLP

MARK PROCTOR FCA DChA (Senior Statutory Auditor)
For and on behalf of LOVEWELL BLAKE LLP, Statutory Auditor

Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

10/12/2020

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

In accordance with the terms of our engagement letter dated 7 September 2020 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 Sapientia Education Trust during the period 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 Sapientia Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Sapientia 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 Sapientia Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Sapientia Education Trust's funding agreement with the Secretary of State for Education dated 1 February 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 period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

Delegated authorities: Carrying out the suggested procedures detailed in the Academies Accounts Direction 2019/20 Annex B section 4.4 – 4.10 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2019 regarding write-offs, property transactions, leases, novel and contentious payments, special payments to staff, borrowings, and if the terms of a FNtI have been complied with;

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SAPIENTIA EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)

Transactions with connected parties: Carrying out the suggested procedures in the Academies Accounts Direction 2019/20 Annex B section 4.12 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2019 regarding declarations of interest and contracts with connected parties, including governors, and employees providing external consultancy;

Governance: Carrying out the suggested procedures in the Academies Accounts Direction 2019/20 Annex B Section 4.14 in considering whether the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2019 regarding its governance arrangements;

Internal controls: Identifying the policies, reviewing their effectiveness and testing the operation of controls, through carrying out the suggested procedures in the Academies Accounts Direction 2019/20 Annex B Section 4.16 in order to consider whether the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2019 regarding its internal controls;

Procurement: Identifying the policies, reviewing their effectiveness and testing their operation, through carrying out the suggested procedures in the Academies Accounts Direction 2019/20 Annex B Section 4.18 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2019 regarding its procurement procedures; and

Income: Considering the conditions associated with specialist grant income and whether it has been spent as the purposes intended.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 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.

Lovewell Blake LLP

MARK PROCTOR FCA DChA (Reporting Accountant)
LOVEWELL BLAKE LLP

10/12/2020

Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

SAPIENTIA EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 August 2020
(Including Income and Expenditure Account)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2020 £000	Total 2019 £000
Income & endowments from:						
Donations & capital grants	2	4	-	2,275	**2,279**	792
Transfer from local authority on conversion	29	-	-	7,844	**7,844**	4,098
Transfer of existing academies joining the academy trust	28	596	(3,147)	26,278	**23,727**	-
Charitable activities:						
Funding for the Academy Trust's educational operations	3	16	23,224	-	**23,240**	18,635
Provision of boarding activities	3, 26	5,098	-	-	**5,098**	6,776
Teaching schools	27	-	91	-	**91**	137
Other trading activities	4	550	20	-	**570**	870
Investments	5	-	2	-	**2**	7
Total		6,264	20,190	36,397	**62,851**	31,315
Expenditure on:						
Charitable activities:						
Academy Trust's educational operations	7	88	25,305	4,306	**29,699**	26,427
Provision of boarding activities	7, 26	6,405	-	-	**6,405**	5,725
Teaching schools	27	-	36	-	**36**	80
Total	6	6,493	25,341	4,306	**36,140**	32,232
Net income / (expenditure)		(229)	(5,151)	32,091	**26,711**	(917)
Transfers between funds	15	(246)	246	-	**-**	-
Other recognised gains / (losses):						
Actuarial gain /(losses) on defined benefit pension schemes	15, 23	-	(1,655)	-	**(1,655)**	(4,209)
Net movement in funds		(475)	(6,560)	32,091	**25,056**	(5,126)
Reconciliation of funds						
Total funds brought forward	15	1,043	(11,275)	59,078	48,846	53,972
Total funds carried forward	15	**568**	**(17,835)**	**91,169**	**73,902**	48,846

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

The notes on pages 34 to 62 form part of these financial statements.

Company No: 07466353

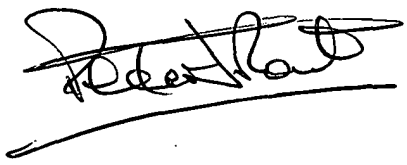
SAPIENTIA EDUCATION TRUST

BALANCE SHEET as at 31 August 2020

	Note	2020 £000	2019 £000
Fixed assets			
Tangible assets	12	**90,594**	**58,651**
Current assets			
Debtors	13	2,208	1,078
Cash at bank and in hand		4,954	4,238
		7,162	**5,316**
Liabilities			
Creditors: Amounts falling due within one year	14	**5,714**	**3,596**
Net current assets		**1,448**	**1,720**
Total assets less current liabilities		**92,042**	**60,371**
Defined benefit pension scheme liability	23	(18,140)	(11,525)
Total net assets	16	**73,902**	**48,846**
Funds of the multi-academy trust:			
Restricted funds			
Fixed asset fund	15	91,169	59,078
Restricted income fund	15	305	250
Pension reserve	15	(18,140)	(11,525)
Total restricted funds		**73,334**	**47,803**
Unrestricted income funds	15	**568**	**1,043**
Total funds		**73,902**	**48,846**

The financial statements on pages 31 to 62 were approved by the Trustees and authorised for issue on 8 December 2020 and are signed on their behalf by:

Peter Rout
Chairman of Board



The notes on pages 34 to 62 form part of these financial statements.

SAPIENTIA EDUCATION TRUST

STATEMENT OF CASH FLOWS for the year ended 31 August 2020

	Notes	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	18	(1,576)	(3,084)
Cash flows from investing activities	19	2,292	793
Change in cash and cash equivalents in the reporting period		**716**	**(2,291)**
Reconciliation of net cash flow to movement in net funds			
Cash and cash equivalents at 1 September 2019		4,238	6,529
Cash and cash equivalents at 31 August 2020	20/21	**4,954**	**4,238**

The notes on pages 34 to 62 form part of these financial statements.

1. Statement of accounting policies

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

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

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

The Trustees have taken into account the effects of COVID-19 in making this assessment.

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

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grant 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.

1. Statement of accounting policies (continued)

c) Income (continued)

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

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

Transfer on conversion
Where assets and liabilities are received by the Academy Trust on conversion to an academy, 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 academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

Transfer of existing academies into the Academy Trust
Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred net 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 Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within Donations and capital grant income to the net assets acquired.

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1. Statement of accounting policies (continued)

e) Tangible Fixed Assets
Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Freehold buildings	2% straight line
Leasehold property	Over the period of the lease/average remaining life
Plant and machinery	10% straight line
Fixtures, fittings and equipment	10% straight line
Motor vehicles	25% reducing balance
Computer hardware	25% straight line

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

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

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

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

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

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

1. Statement of accounting policies (continued)

j) Leased property
The Academy Trust has recognised the value of the property occupied by it, under a lease of 125 years from the date of joining the Academy Trust, as prepared on behalf of the Education and Skills Agency, for all academies joining the Academy Trust since 1 September 2016 as listed on page 3.

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity'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 note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

l) Taxation
The 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 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.

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

Teachers' Pension Scheme
The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a 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.

1. Statement of accounting policies (continued)

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

n) Fund Accounting
Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Trust at the discretion of the Trustees.
Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.
Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency/Department for Education.

o) Critical accounting estimates and areas of judgement
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions
The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:
The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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.

p) Redundancies
Where an obligation to make a redundancy or termination payment arises, the costs incurred by the Academy Trust are accounted for on an accruals basis and included within employee benefits.

q) 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 academy 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.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Capital grants	-	2,275	2,275	787
Other donations	4	-	4	5
	4	2,275	2,279	792

Income from donations and capital grants was £2,279k (2019: £792k) of which £4k (2019: £5k) was unrestricted and £2,275k (2019: £787k) related to restricted fixed asset funds.
Donations and capital grants include government funding of £2,275k (2019: £787k).

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL AND BOARDING OPERATIONS

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Educational operations				
DfE / ESFA grants				
• General Annual Grant (GAG)	-	19,082	19,082	16,478
• Other DfE/ESFA Grants	-	2,816	2,816	1,653
Other Government grants				
• Local authority grants	-	303	303	386
• National grants	-	26	26	28
Exceptional government funding				
• Coronavirus Job Retention Scheme grant (re boarding operations)	-	905	905	-
Other educational income				
• Attleborough High School Link	2	-	2	-
• Exam Re-sit Fees	1	-	1	2
• Teacher Training Income	-	5	5	19
• Supply Teacher Cover /Insurance claims	-	87	87	54
• 6th Form facility fees	13	-	13	15
	16	23,224	23,240	18,635
Boarding operations				
Boarding fees	4,707	-	4,707	6,218
Day pupil fees	332	-	332	445
Staff gas and electricity income	5	-	5	5
Interest receivable	17	-	17	9
Rents received	31	-	31	36
Catering income	4	-	4	59
Miscellaneous income	2	-	2	4
	5,098	-	5,098	6,776
	5,114	23,224	28,338	25,411

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL AND BOARDING OPERATIONS (Cont'd)

Funding for educational and boarding operations amounted to £28,338k (2019: £25,411k) of which £5,114k (2019: £6,840k) was unrestricted and £23,224k (2019: £18,571k) related to restricted general funds.

The Academy Trust furloughed some of its catering and boarding staff under the governments CJRS. The funding received of £905k relates to staff costs in respect of 184 staff which are included within note 8 below as appropriate.

4. OTHER TRADING ACTIVITIES

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Hire of facilities	71	-	71	210
Sales of goods and services	321	4	325	450
School trips and other income	105	16	121	149
Miscellaneous income	53	-	53	61
	550	20	570	870

Income from other trading activities was £570k (2019: £870k) of which £550k (2019: £845k) was unrestricted and £20k (2019: £25k) related to restricted general funds.

5. INVESTMENT INCOME

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Short term deposits	-	2	2	7

Investment income relating to the Trust's boarding operations is shown in note 3.

6. EXPENDITURE

	Staff Costs £000	Non Pay Expenditure Premises £000	Non Pay Expenditure Other £000	Total 2020 £000	Total 2019 £000
Academy's educational operations (note 7)					
• Direct costs	12,766	4,335	1,481	18,582	17,006
• Allocated support costs	6,891	1,392	1,021	9,304	8,335
• FRS102 pension costs	1,813	-	-	1,813	1,086
	21,470	5,727	2,502	29,699	26,427
Academy's boarding operations (note 26)					
• Direct costs	3,533	-	805	4,338	3,651
• Allocated support costs	934	499	634	2,067	2,074
	4,467	499	1,439	6,405	5,725
Teaching School	17	-	19	36	80
	25,954	6,226	3,960	36,140	32,232

Total expenditure for 2020 was £36,140k (2019: £32,232k) of which £6,493k (2019: £5,833k) was unrestricted, £25,341k (2019: £21,955k) related to restricted general funds and £4,306k (2019: £4,444k) related to restricted fixed asset funds.

Net income/(expenditure) for the period includes:

		2020 £000	2019 £000
Operating lease rentals		91	92
Depreciation		2,179	1,688
Fees payable to auditor for:	- Audit	25	21
	- other services	3	11

Included within expenditure are the following transactions:

	Total £000	Individual items above £5,000 Amount £000	Reason
Unrecoverable debts	193	7	Unrecoverable – relating to boarding operations
		5	Unrecoverable – relating to boarding operations
		7	Unrecoverable – relating to boarding operations
		8	Unrecoverable – relating to boarding operations
		9	Unrecoverable – relating to boarding operations
		14	Unrecoverable – relating to boarding operations
		6	Unrecoverable – relating to boarding operations
		6	Unrecoverable – relating to boarding operations
		10	Unrecoverable – relating to boarding operations
		11	Unrecoverable – relating to boarding operations
		6	Unrecoverable – relating to boarding operations
		7	Unrecoverable – relating to boarding operations
		5	Unrecoverable – relating to boarding operations

7. CHARITABLE ACTIVITIES

		Total 2020 £000	Total 2019 £000
Direct costs – educational operations		18,582	17,006
Direct costs – boarding and catering	25	4,338	3,651
Support costs – educational operations		9,304	8,335
Support costs – boarding and catering	25	2,067	2,074
Teaching schools		36	80
FRS102 Pension costs	22	1,813	1,086
		36,140	32,232

Analysis of support costs	Boarding £000	Educational Operations £000	Total 2020 £000	Total 2019 £000
Support staff costs	934	6,623	7,557	6,762
Premises costs	499	1,392	1,891	1,465
Legal costs – conversion	-	13	13	-
Legal costs - other	21	41	62	-
Other support costs	613	907	1,520	2,108
Governance costs	-	60	60	74
Total support costs	2,067	9,036	11,103	10,409
Governance costs				
Legal and professional fees			28	38
Auditor's remuneration			28	32
Governors' reimbursed expenses			4	4
			60	74

Charitable activities amounting to £25,073k (2019: £21,048k) related to restricted general funds and £4,306k (2019: £4,265k) related to restricted fixed asset funds.

8. STAFF

a. Staff costs

Staff costs during the period were:	Total 2020 £000	Total 2019 £000
Wages and salaries	17,961	16,100
Social security costs	1,705	1,497
Pension costs	5,932	3,958
	25,598	21,555
Teaching School	17	56
Agency staff costs	291	375
Staff restructuring costs	48	26
	25,954	22,012
Staff restructuring costs comprise:		
Redundancy payments	16	11
Severance payments	32	15
	48	26

b. Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £32k (2019: £15k).

c. Staff numbers

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

	2020 No.	2019 No.
Charitable Activities		
Teaching	320	310
Admin/educational support	356	383
Residential/matrons	75	134
Cleaners/estates/catering	99	118
Medical	10	12
	860	957

d. Higher paid staff

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

	2020 No.	2019 No.
£60,001 - £70,000	6	9
£70,001 - £80,000	3	1
£80,001 - £90,000	2	4
£90,001 - £100,000	2	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-

e. Key management personnel

The key management personnel of the Trust comprise the trustees 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 £764k (2019: £646k).

9. CENTRAL SERVICES

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

- human resources
- financial services
- legal services
- educational support services
- others as arising

The trust charges for these services on the following basis:

- flat percentage of income 4.25%

	2020 £000	2019 £000
The actual amounts charged during the year were as follows:		
Wymondham College – includes charges for SET Central Team	958	920
Old Buckenham Primary School	30	32
Seething & Mundham Primary School	16	15
Burston Primary School	10	10
Tivetshall Primary School	7	9
Rockland St Mary Primary School	11	12
Surlingham Primary School	12	12
Great Hockham Primary and Nursery School	16	16
Stradbroke High School	73	66
Framingham Earl High School	157	143
Ghost Hill Infant and Nursery School	28	28
Old Buckenham High School	113	116
White House Farm Primary School	15	-
Attleborough Academy	39	-
Fakenham Academy	40	-
	1,525	1,379

10. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

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

The value of Trustees' remuneration and other benefits was as follows:

J Taylor (CEO and Trustee)		
Remuneration	£140,000 - £150,000	(2019: £135,000 - £140,000)
Employer's pension contributions	£35,000 - £40,000	(2019: £20,000 - £25,000)

During the period ended 31 August 2020, travel and subsistence expenses totalling £2,201 were reimbursed or paid directly to 1 Trustee (2019: £2,045 to 1 Trustee). Other related party transactions involving the Trustees are set out in note 24.

11. TRUSTEES AND OFFICERS INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides maximum cover up to £2,000,000 and the cost for the period ended 31 August 2020 is included within the premium per pupil as part of the risk protection arrangement with the DfE. The cost of this insurance is included in the total insurance cost.

12. TANGIBLE FIXED ASSETS

	Land & buildings £000	Fixtures & fittings, plant & machinery £000	Motor vehicles £000	Total 2020 £000
Cost				
At 1 September 2019	65,468	202	151	65,821
Acquisitions	34,122	-	-	34,122
Additions	-	-	-	-
Disposal	-	-	-	-
At 31 August 2020	99,590	202	151	99,943
Depreciation				
At 1 September 2019	6,954	116	100	7,170
Charged in year	2,150	16	13	2,179
On disposals	-	-	-	-
At 31 August 2020	9,104	132	113	9,349
Net book values				
At 31 August 2020	90,486	70	38	90,594
At 31 August 2019	58,514	86	51	58,651

The academy trust's transactions relating to land and buildings included:

- the taking up of a leasehold on Attleborough Academy for £nil over a term of 125 years.
- the taking up of a leasehold on Fakenham Academy for £nil over a term of 125 years.
- the taking up of a leasehold on White House Farm Primary School for £nil over a term of 125 years.

13. DEBTORS

	2020 £000	2019 £000
Trade debtors	140	364
VAT recoverable	479	324
Other debtors	632	40
Prepayments and accrued income	957	350
	2,208	1,078

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £000	2019 £000
Trade creditors	529	315
Other taxation and social security	1,005	640
Other creditors	2,056	1,406
Accruals and deferred income	2,124	1,235
	5,714	3,596

Deferred income	2020 £000	2019 £000
Deferred income at 1 September 2019	991	122
Released from previous years	(991)	(122)
Resources deferred in the year	1,545	991
Deferred income at 31 August 2020	1,545	991

Deferred income related to amounts received from ESFA and NCC during 2019/20 relating to 2020/21.

15. FUNDS

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains losses and transfers £000	Balance at 31 August 2020 £000
Restricted general funds					
General Annual Grant (GAG) and other DfE/ESFA grants	-	23,246	(23,492)	246	-
MAT Central funding	147	-	-	-	147
Teaching School	103	91	(36)	-	158
Pension reserve	(11,525)	(3,147)	(1,813)	(1,655)	(18,140)
	(11,275)	20,190	(25,341)	(1,409)	(17,835)
Restricted fixed asset funds					
DfE/ESFA capital grants	923	2,275	(2,158)	-	1,040
Transfer on conversion	54,975	7,844	(1,802)	-	61,017
Transfer on existing academy joining academy trust	3,180	26,278	(346)	-	29,112
	59,078	36,397	(4,306)	-	91,169
Total restricted funds	**47,803**	**56,587**	**(29,647)**	**(1,409)**	**73,334**
Unrestricted funds					
General fund	981	5,668	(6,464)	36	221
Transfer on existing academy joining trust	-	596	-	(596)	-
Rate of Return	-	-	-	314	314
Fixed asset fund	62	-	(29)	-	33
Total unrestricted funds	**1,043**	**6,264**	**(6,493)**	**-**	**568**
Total funds	**48,846**	**62,851**	**(36,140)**	**(1,655)**	**73,902**

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

GAG & other DfE/ESFA grants: the restricted income fund is for the purpose of specific expenditure within the Trust's declared objectives. DfE/ESFA grants relate to government funding for the provision of education by the Trust. Funding is repayable if the Trust does not meet all funding requirements.
Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

MAT funding: this relates to the Sponsor Capacity, Conversion and Teaching and Learning funding from the ESFA.

Pension reserve: this relates to the deficit on the local government pension fund. Any increase in pension contributions suggested by the Scheme Actuary should be able to be met from the Trust's budgeted annual income.

DfE/ESFA capital grants: provided by the government for specific capital projects.

Fixed asset fund: the value of fixed assets acquired from unrestricted funds since conversion.

15. FUNDS (continued)

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

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Gains losses and transfers £000	Balance at 31 August 2019 £000
Restricted general funds					
General Annual Grant (GAG) and other DfE/ESFA grants	-	18,085	(20,788)	2,703	-
MAT Central funding	148	518	(1)	(518)	147
Teaching school	46	137	(80)	-	103
Rate or Return Provision					
Pension reserve	(5,725)	(505)	(1,086)	(4,209)	(11,525)
	(5,531)	18,235	(21,955)	(2,024)	(11,275)
Restricted fixed asset funds					
DfE/ESFA capital grants	2,926	787	(2,790)	-	923
Transfer on conversion	51,933	4,649	(1,607)	-	54,975
Transfer on existing academy joining trust	3,227	-	(47)	-	3,180
	58,086	5,436	(4,444)	-	59,078
Total restricted funds	**52,555**	**23,671**	**(26,399)**	**(2,024)**	**47,803**
Unrestricted funds					
General fund	1,321	7,690	(5,799)	(2,231)	981
Transfer on conversion	-	(46)	-	46	-
Fixed asset fund	96	-	(34)	-	62
Total unrestricted funds	**1,417**	**7,644**	**(5,833)**	**(2,185)**	**1,043**
Total funds	**53,972**	**31,315**	**(32,232)**	**161**	**48,846**

15. FUNDS (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £000	2019 £000
Wymondham College	-	619
Old Buckenham Primary School	-	189
Seething & Mundham Primary School	-	(20)
Burston Primary School	-	64
Tivetshall Primary School	-	64
Rockland St Mary Primary School	-	87
Surlingham Primary School	-	98
Great Hockham Primary and Nursery School	-	40
Stradbroke High School	-	50
Ghost Hill Infant and Nursery School	-	67
Framingham Earl High School	-	(206)
Old Buckenham High School	-	82
White House Farm Primary School	-	-
Attleborough Academy	-	-
Fakenham Academy	-	-
Wymondham College Prep School	-	-
Central Services	873	159
Total before fixed assets and pension reserve	873	1,293
Restricted fixed asset fund	91,169	59,078
Pension reserve	(18,140)	(11,525)
	73,902	**48,846**

15. FUNDS (continued)

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
Wymondham College	7,356	2,353	305	2,944	12,958	14,304
Old Buckenham Primary School	692	63	14	170	939	922
Seething & Mundham Primary	315	83	17	86	501	444
Burston Primary	183	17	19	69	288	282
Tivetshall Primary	128	39	13	66	246	234
Rockland St Mary Primary School	243	55	10	78	386	345
Surlingham Primary	251	25	14	108	398	331
Great Hockham Primary and Nursery School	328	44	12	75	459	459
Stradbroke High	1,462	201	50	487	2,200	2,178
Ghost Hill Infant and Nursery School	660	50	31	159	900	896
Framingham Earl High School	2,905	274	149	584	3,912	3,840
Old Buckenham High School	2,179	398	144	524	3,245	2,998
White House Farm Primary School	192	46	17	161	416	-
Attleborough Academy	783	74	4	78	939	-
Fakenham Academy	786	62	14	94	956	-
Wymondham College Prep School	-	-	-	297	297	-
Central Services	-	1,878	21	1,209	3,108	2,225
Total expenditure	18,463	5,662	834	7,189	32,148	29,458

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets	33	-	90,561	90,594
Net current assets	535	305	608	1,448
Pension scheme liability	-	(18,140)	-	(18,140)
Total net assets	**568**	**(17,835)**	**91,169**	**73,902**

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

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

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total Funds £000
Tangible fixed assets	35	-	58,616	58,651
Net current assets	1,008	250	462	1,720
Pension scheme liability	-	(11,525)	-	(11,525)
Total net assets	**1,043**	**(11,275)**	**59,078**	**48,846**

17. COMMITMENTS UNDER OPERATING LEASES

Operating leases

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

	2020 £000	2019 £000
Amounts due within one year	62	91
Amounts due between one and five years	101	141
Amounts due after five years	323	345
	486	**577**

18. RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £000	2019 £000
Net income / (expenditure) for the reporting period (as per the SOFA)	26,711	(917)
Adjusted for:		
Depreciation (note 12)	2,179	1,688
Capital grants from DfE/ESFA and other capital income	(2,275)	(787)
Transfer of fixed assets on conversion	(7,844)	(4,621)
Transfer of fixed assets on academy joining trust	(26,278)	-
Interest receivable (notes 3 and 5)	(17)	(16)
Defined benefit pension scheme obligation transferred on conversion	3,147	505
Defined benefit pension scheme cost less contribution payable(note 23)	3,408	2,462
Defined benefit pension scheme finance cost (note 23)	(1,595)	(1,376)
(Increase) / decrease in debtors	(1,130)	(348)
Increase / (decrease) in creditors	2,118	326
Net cash provided by Operating Activities	**(1,576)**	**(3,084)**

19. CASH FLOWS FROM INVESTING ACTIVITIES

	2020 £000	2019 £000
Dividends, interest and rents received from investments	17	16
Purchase of tangible fixed assets	-	(10)
Capital grants from DfE/ESFA	2,275	787
Net cash provided by / (used in) investing activities	**2,292**	**793**

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31 August 2020 £000	At 31 August 2019 £000
Cash in hand and at bank	4,954	4,238
Total cash and cash equivalents	**4,954**	**4,238**

21. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019 £000	Cash Flows £000	Acquisition/ disposal of subsidiaries £000	New finance leases £000	Other non-cash changes £000	At 31 August 2020 £000
Cash	4,238	716	-	-	-	4,954
Cash equivalents	-	-	-	-	-	-
Overdraft facility repayable on demand	-	-	-	-	-	-
Loans falling due within one year	-	-	-	-	-	-
Loans falling due after more than one year	-	-	-	-	-	-
Finance lease obligations	-	-	-	-	-	-
Total	4,238	716	-	-	-	4,954

22. MEMBERS LIABILITY

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

23. PENSION AND SIMILAR OBLIGATIONS

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

23. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

The employer's pension costs paid to the TPS in the period amounted to £2,184,659 (2019: £1,381,342).

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

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

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 £1,983,000 (2019: £1,734,000) of which employer's contributions totalled £1,595,000 (2019: £1,376,000) and employees' contributions totalled £388,000 (2019: £358,000). The agreed contribution rates for future years range from 5.5% - 12.5% for employees, and 18.8% - 20.3% for employers.

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

Principal Actuarial Assumptions

Norfolk County Council

	At 31 August 2020 %	At 31 August 2019 %
Rate of increase in salaries	2.9	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9
Commutation of pensions to lump sums	50% & 75%	50% & 75%

Suffolk County Council

	At 31 August 2020 %	At 31 August 2019 %
Rate of increase in salaries	3.0	2.6
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.7	1.8
Commutation of pensions to lump sums	25% & 63%	25% & 63%

23. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

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

Norfolk County Council

	At 31 August 2020	At 31 August 2019
Retiring today		
Males	21.7	21.1
Females (average of schemes with Norfolk County Council)	23.9	23.5
Retiring in 20 years		
Males (average of schemes with Norfolk County Council)	22.8	22.4
Females (average of schemes with Norfolk County Council)	25.5	25.0

Suffolk County Council

	At 31 August 2020	At 31 August 2019
Retiring today		
Males	21.9	21.3
Females	24.1	23.5
Retiring in 20 years		
Males	22.7	22.3
Females	25.6	24.9

Sensitivity analysis

	31 August 2020 £000	31 August 2019 £000
Real discount rate -0.5%	5,117	4,003
Salary increase rate +0.5%	495	589
Pension increase rate +0.5%	4,533	3,337

23. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

The Trust's share of the assets in the scheme were:

	Fair value at 31 August 2020 £000	Fair value at 31 August 2019 £000
Equity instruments	12,578	9,426
Debt instruments	8,682	6,801
Property	2,937	2,433
Cash	960	551
Total market value of assets	25,157	19,211

The actual return on scheme assets was (£183,000) (2019: £939,000).

Amounts recognised in the Statement of Financial Activities	**2020 £000**	**2019 £000**
Current service cost	(1,578)	(796)
Past service cost	-	(106)
Interest income	380	490
Interest cost	(615)	(674)
Total amount recognised in the SOFA	(1,813)	(1,086)

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

	2020 £000	**2019 £000**
At 1 September	30,736	21,836
Conversion of academy trusts	-	1,148
Transferred in on existing academies joining the Academy Trust	7,626	-
Current service cost	3,173	2,172
Past service cost	-	106
Interest cost	615	674
Employee contributions	388	358
Actuarial (gain)/loss	1,092	4,658
Benefits paid	(333)	(216)
At 31 August	43,297	30,736

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

	2020 £000	**2019 £000**
At 1 September	19,211	16,111
Conversion of academy trusts	-	643
Transferred in on existing academies joining the Academy Trust	4,479	-
Interest income	380	490
Actuarial gain/(loss)	(563)	449
Employer contributions	1,595	1,376
Employee contributions	388	358
Estimated benefits paid	(333)	(216)
At 31 August	25,157	19,211

24. RELATED PARTY TRANSACTIONS

Owing to the nature of the multi-academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest or individuals to whom trustees are related. All such transactions are conducted in accordance with the requirements of the Academies Financial Handbook and the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place during the period:

Expenditure Related Party Transaction

Julie Taylor associates – wife of the CEO and Trustee Jonathan Taylor

- The approval of a Free School at Wymondham College is accompanied with funding from the Department of Education to appoint a Project Officer to oversee the project from a Trust perspective.
- Trustees interviewed three prospective candidates for the role of Project Officer for the Wymondham College Free School project and after appropriate evaluation they appointed Julie Taylor Associates to carry out this role.
- In entering into this related party transaction, the Trustees ensured that they complied with the requirements of the Academies Finance Handbook and secured assurance from Mrs Taylor that her services have been provided at 'no more than cost'.
- Mr Taylor played no part in the interviews of prospective candidates or in the decision to appoint Mrs Taylor.
- In January 2019, the Trust was appointed by the Department of Education to run White House Primary School that was due to open in September 2019. Due to the short timescales involved in this project, the Trust appointed Julie Taylor Associates to the role of Project Officer.
- In March 2019, the Education and Skills Funding Agency verified the appointment process and concluded that the Trustees had followed all appropriate procedures in appointing Julie Taylor Associates to both projects.
- Total expenditure for the period was £58,410 (2019: £59,730) covering both projects in 2018/19, and the Wymondham College Prep Free School project in 2019/20.

Wymondham College Enterprises Limited is a fully owned subsidiary company of Sapientia Education Trust. The company's principal activity is the running of the breakfast and after-school clubs at the Primary Schools within the Academy Trust. For the year ended 31 August 2020 the subsidiary company returned a net loss before taxation of £4,316.

Results for the period:

Turnover	£26,947
Expenditure	£31,262
Loss	£4,316
Capital & reserves	£11,787
Aggregate assets & liabilities	£11,787

The subsidiary company is not consolidated within these accounts on the grounds of materiality. Therefore, the accounts present information about the Academy Trust as an individual undertaking and not as a group.

A Governor, Mr Margand, had family members attending Wymondham College and Framingham Earl High School during the Year. A Governor and Member, Mr Rout, had a family member attending Wymondham College during the year. Full fees were paid and no concessions received.

24. RELATED PARTY TRANSACTIONS (CONTINUED)

The CEO and two members received out of pocket expenses during the period totalling £4,212 (2019: CEO and three members £3,618).

No other related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 10.

25. EVENTS AFTER THE END OF THE REPORTING PERIOD

Wymondham College Prep School (Free School) joined the Academy Trust on 1 September 2020.

26. ACADEMY BOARDING TRADING ACCOUNT

	£000	2020 £000	£000	2019 £000
Income				
Fee income	5,039		6,663	
Rents received	36		41	
Catering income	4		59	
Other income	19		13	
		5,098		6,776
Expenditure				
Direct costs				
Boarding salaries	3,533		3,448	
Rate of return expenditure	418		46	
Educational consultancy	-		-	
Other direct costs	387		167	
Total direct costs		**4,338**		3,661
Allocated support costs				
Catering salaries	934		816	
Maintenance of premises and equipment	185		154	
Cleaning	19		21	
Security	-		2	
Rent and rates	77		98	
Energy costs	206		132	
Provisions	506		710	
Transport	(4)		5	
Bank charges	10		10	
Advertising, marketing and recruitment	26		48	
Technology costs	-		-	
Other support costs	107		78	
Total support costs		**2,066**		2,074
Total operating costs		**6,404**		5,735
(Deficit)/Surplus on Boarding and Catering		**(1,306)**		1,041
Surplus brought forward at 1 September 2019		2,750		1,709
Surplus carried forward at 31 August 2020		**1,444**		2,750

27. TEACHING SCHOOL TRADING ACCOUNT

	£000	2020 £000	£000	2019 £000
Income				
Direct Income				
Other income	91		137	
Other Income				
Fundraising and other trading activities	-		-	
		91		137
Expenditure				
Direct costs				
Direct staff costs	17		56	
Total direct costs		**17**		56
Other costs				
Other support costs	19		24	
Total other costs		**19**		24
Total expenditure		**(36)**		(80)
Surplus from all sources		**55**		57
Teaching school balances at 1 September 2019		**103**		46
Teaching school balances at 31 August 2020		**158**		103

28. EXISTING ACADEMIES JOINING THE MAT

On 1 June 2020 Attleborough Academy, an academy in a multi-academy trust, moved to Sapientia Education Trust. All operations and assets and liabilities were transferred to Sapientia Education Trust for £13,828k consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer of existing academies joining the Academy Trust.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Value reported by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
Tangible fixed assets			
Leasehold land and buildings	14,646	-	14,646
Current assets			
Cash at bank and in hand	434	-	434
Pensions			
Pensions – pension scheme assets	1,886	-	1,886
Pensions – pension scheme liabilities	(3,138)	-	(3,138)
Net assets	**13,828**	**-**	**13,828**

28. EXISTING ACADEMIES JOINING THE MAT (continued)

On 1 June 2020 Fakenham Academy, an academy in a multi-academy trust, moved to Sapientia Education Trust. All operations and assets and liabilities were transferred to Sapientia Education Trust for £9,899k consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer of existing academies joining the Academy Trust.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Value reported by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
Tangible fixed assets			
Leasehold land and buildings	11,632	-	11,632
Current assets			
Cash at bank and in hand	162	-	162
Pensions			
Pensions – pension scheme assets	2,593	-	2,593
Pensions – pension scheme liabilities	(4,488)	-	(4,488)
Net assets	**9,899**	**-**	**9,899**

29. CONVERSION TO AN ACADEMY TRUST

On 1 September 2019 White House Farm Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Sapientia Education Trust from the Norfolk County Council Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
Leasehold land and buildings	-	-	7,844	7,844
Net assets	**-**	**-**	**7,844**	**7,844**

30. 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 Academy Trust received £2,016k and disbursed £1,969k from the fund. An amount of £47k is in included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2019 are £1,670k received, £1,670k disbursed and £Nil included in other creditors.