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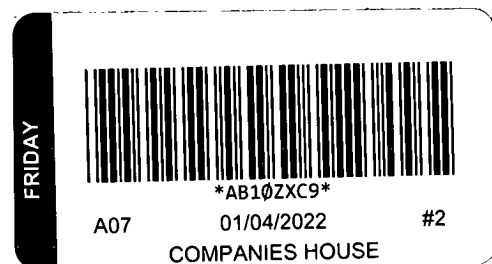
Chulmleigh Academy Trust

(A company limited by guarantee)

Annual Report and Consolidated Financial Statements

for the Year Ended 31 August 2021

Thompson Jenner LLP
Statutory Auditors
28 Alexandra Terrace
Exmouth,
Devon
EX8 1BD



Chulmleigh Academy Trust

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Chulmleigh Academy Trust

Reference and Administrative Details

Members	S Baber K Greenwood (resigned 1 September 2021) S Phillips S Croft Revd. T Rockery (appointed 19 November 2021)
Trustees (Directors)	S C Baber, (Chair of Trustees) S Bellworthy (appointed 4 May 2021) M Bond (resigned 23 September 2020) K A Greenwood M E Johnson T J C Newman P K Osborne N N Philips (resigned 21 July 2021) N Sedgwick A Wade (resigned 19 October 2021) M J White P K Winter D J Worden
Company Secretary	C A Harrison
Senior Management Team	M E Johnson, Executive Headteacher N Payne, Deputy Executive Headteacher L Newman, Head of School (CPS) and Early Years Leader T Pullen, Estates Manager C A Harrison, Academy Business Manager S Pinn, Head of School (EWS) C Wilmott, Head of School (LPS) L Mackie, Academy SENCO J Button, Raising Standards Leader Z Sterland, Raising Standards Leader
Principal and Registered Office	Chulmleigh Community College Chulmleigh Devon EX18 7AA
Company Registration Number	07697698

Chulmleigh Academy Trust

Reference and Administrative Details (continued)

Auditors	Thompson Jenner LLP Statutory Auditors 28 Alexandra Terrace Exmouth Devon EX8 1BD
Bankers	Lloyds Bank plc
Solicitors	Michelmores LLP

Chulmleigh Academy Trust

Trustees Report for the Year Ended 31 August 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period for the year ended 31 August 2021. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

In 2020/21, the Trust operated an Academy for pupils aged 4 to 16 in Chulmleigh and surrounding areas. The Trust comprises of three primary schools and one secondary school. It has a pupil capacity of 1041 and had a roll of 1013 in the school census on 7 October 2021.

From September 2021, the Trust has lowered the age range of the three primary schools: Chulmleigh Primary, East Worlington Primary and Lapford Community Primary to 2-11 years.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Chulmleigh Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Chulmleigh Academy Trust.

Details of the Trustees who served during the year, and the date to which 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

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £5,000,000.

Method of Recruitment and Appointment or Election of Trustees

On incorporation, the first Trustees of the newly formed Academy were appointed for a term of four years from the date of incorporation.

The Academy's Board of Trustees comprises the Executive Headteacher (who is the Chief Executive Officer), two Foundation Trustees, and up to nine other Trustees. In addition, the Secretary of State has the right under certain circumstances to appoint further Trustees as provided for in the Articles of Association.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 9 Trustees who are appointed by the members. (including up to 2 staff Directors)
 - 2 Foundation Directors
 - The Chief Executive Officer

Chulmleigh Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

- where the Directors have not established advisory bodies in respect of the Academies as required by the Relevant Funding Agreements there shall be a up to 2 parent Trustees who are elected by parents of registered pupils at the schools within the Academy.
- up to 3 Co-Opted Trustees who are appointed by the Trustee (excluding any Trustees who were themselves co-opted).

Trustees are appointed for a four-year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Academy has an Induction and Development of Directors policy available from the Company Secretary.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of those policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Induction tends to be done informally (but in accordance with the Induction and Development of Directors policy) and is tailored specifically to the individual. New Trustees are also encouraged to attend Babcock LDP's training course for new governors.

There is a Trustees' Away Day organised each year which includes training sessions to keep the Trustees updated on relevant developments impacting on their roles and responsibilities.

Organisational Structure

The Board of Trustees meets at least four times a year. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

In this period there were four main committees as follows;

•**Business & Finance Committee** - this met at least once a term and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, receiving reports from the internal auditors and drafting the annual budget including setting staffing levels. The committee also deals with personnel matters, and will monitor, evaluate and review Academy policy, practice and performance in relation to Personnel and staffing issues. The committee also deals with premises and facilities issues, including Health and Safety matters and ICT.

•**Standards Committees** – one for the Secondary Phase, and one for the Primary Phase. These meet at least once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.

•**Audit Committee** – this committee was formed to deal with any necessary audit. It has met twice during the year on 25th November 2020 and 8th July 2021, to receive and review the internal audit reports. The annual financial statements were discussed and recommended to the Board of Directors for approval at the meeting 25th November 2020.

In addition, committees are formed on an ad hoc basis where required to cover other matters such as Exclusions.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or

Chulmleigh Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

Vice Chairman, to appoint the Executive Headteacher.

The Trustees are responsible for setting general policy, approving the Academy Improvement Plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The members and Board of Trustees have devolved responsibility for day to day management of the Academy to the Executive Headteacher and Senior Leadership Team (SLT). In 2020/21 the SLT comprised the Executive Headteacher, 1 Deputy Executive Headteacher, 1 SENDCO, 1 Estates Manager, 1 Business Manager and 3 Heads of Primary Schools.

The SLT controls the Academy at an executive operational level, implementing the policies laid down by the Trustees and reporting back to them.

Some spending control is devolved to Budget Holders, who are authorised in line with the Scheme of Delegation. The Executive Headteacher is responsible for the appointment of staff.

The Academy Trust comprised OF three primary schools and one secondary school during this period. Each school is an Academy in its own right forming part of the chain of academies within the Academy Trust, with a single Board of Directors overseeing the whole academy chain.

The Executive Headteacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trustees set the pay and remuneration of key management personnel considering benchmarking data.

Trade union facility time

There were two employees (2.0 FTE) who were a relevant union official during the period. There was no time spent on facility time during this period.

Related Parties and other Connected Charities and Organisations

Chulmleigh Recreational Association, a registered charity, has use of the Academy's leisure facilities and there is a shared use agreement between them and the Academy.

In addition to the three primary schools within the Academy, the Academy has strong collaborative links with five further feeder primary schools. Links have also been formed with primary schools outside the transport area to facilitate transition.

Set up in 2015, Chulmleigh Academy Trust Preschools Ltd is a Director run company, incorporating East Worlington Preschool, Chulmleigh Preschool and Lapford Preschool. From September 2021, the primary schools have extended the age range to 2-11 years and therefore incorporate the three preschools.

There are no related parties which either control or significantly influence the decisions and operations of Chulmleigh Academy Trust. The Academy encourages strong communication links between the various parent and community forum groups which are linked to individual schools. The Parents' Advisory Group meets every term.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a chain of schools offering a broad range of curriculum for pupils of different abilities.

Chulmleigh Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

The Trust's designated catchment area covers 210 square miles, which includes Witheridge, Morchard Bishop, High Bickington, Winkleigh and Kings Nympton. However, Chulmleigh College also attracts pupils from outside its designated catchment area, due to parental choice. Therefore, pupils are admitted from areas such as Crediton, North Tawton, Okehampton, Great Torrington, Beaford, Dolton, Barnstaple, Tiverton and South Molton. The Trust complies with the School Admissions Code and the oversubscription criteria can be found on the Trust's website.

The aims of the Academy during the year ended 31 August 2021 are summarised below:

- to provide an outstanding education for each child in the Academy Trust.
- to provide a broad and balanced curriculum, including extra-curricular activities.
- to develop pupils as more effective learners.
- to enhance the tertiary provision and outcomes.
- to develop the Academy sites so that they enable students to achieve their full potential.
- to ensure that every child enjoys fair access to a high-quality education in terms of resourcing, tuition and care.
- to improve the effectiveness and sustainability of the Academy by keeping the curriculum and organisational structure under continual review.
- to maximise the number of students who achieve 5 GCSE grades (9-5) including English and Maths.
- to provide value for money for the funds expended.
- to develop greater coherence, clarity, and effectiveness in school systems.
- to comply with all appropriate statutory and curriculum requirements.
- to develop the Academy's capacity to manage change, and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity, and openness.

At Chulmleigh Academy Trust, we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative, and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents are part of an environment where high aspiration and standards are achieved as the result of the exemplary practice from the professionals in each of the schools.

Objectives, Strategies and Activities

Key priorities for the year are contained in our Academy Improvement Plan, which is available from the Company Secretary at the College.

Next year the priorities will be based around:

- Continuing to make the quality of teaching and learning our number one priority and remaining agile in order to give pupils the very best learning opportunities.
- Ensuring safe working environment for staff and pupils, during the COVID-19 pandemic.
- Closing the gap, for pupils, due to the loss in teaching during 2019/20 and 2020/21.
- Ensuring that our guiding principles of Social Justice, Leadership, Pupil Achievement, High Standards, Provision of a Variety of Activities and Financial Resilience inform our planning.
- Continuing to improve levels of attainment and progress.
- Making up ground lost by pupils during the pandemic, with a particular focus on the most disadvantaged.
- Taking opportunities to use our resources flexibly, in the best interests of the children and in a way that makes best use of our freedoms as a group of academy schools.
- Spreading the outstanding practice within the schools.
- Increasing pupil numbers in all the schools.
- Balancing expansion with the maintenance of high standard.
- Preparing for Ofsted.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

Chulmleigh Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

The Academy aims to advance for the public benefit education in Chulmleigh and the surrounding areas. In particular, but without prejudice to the generality of the foregoing, by estimating, maintaining, managing, and developing schools, offering a broad curriculum for all.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

STRATEGIC REPORT

Achievements and Performance

The Academy is in its 9th year of operation.

Schools were open to vulnerable groups throughout lockdowns and complied with the requirements for being partially open to certain year groups during the period of the pandemic.

Rigorous home learning was put into place and the schools started preparations for this well in advance of Lockdown. Older children were given more to do. In the College, the number of children who engaged well was in the region of 80%, with about 10% who had a poor level of engagement, which we followed up.

The departments followed the instructions of the exam boards to the letter and the process of setting up 'Centre Assessed grades' was rigorous and fair. Results are not being calibrated this year against other schools, but our results were in line with expectations at the College. This would have represented a sixth year of outstanding results. Results were lower than we have been used to for the small group of SEN children in Y11 and for our Pupil Premium children. We think this is a result of the fact that they lost most without the teacher input.

SATs did not take place for the second year running. The College has internally benchmarked children on entry for 2020 and 2021.

New procedures are in place to protect children against Covid-19 and are being followed rigorously. At the same time, schools have not reduced their expectations around standards in the classroom and behaviour.

These include

- a. A new, more thorough cleaning regime
- b. New wash points
- c. Bubbles of children in year groups that are not mixed with other year groups
- d. No assemblies in the secondary school
- e. Use of video conferencing for Directors meetings
- f. A no visitors' policy

The total number of pupils in the Academy at October 2020 Census date was 983. This shows an increase when compared to October 2019 when the Academy Trust had 950 pupils on roll. An increasing number of pupils come to the College from outside the designated transport area. This is facilitated by the provision of transport organised by the College.

Chulmleigh Academy Trust had 183 Pupil Premium children at the census date in October 2020. This represents 18.6% of the total pupil population across the Trust. Most of the pupil premium funding has been used to provide specialist staffing support: other benefits have included support for music tuition, trips and travel.

Chulmleigh Community College 2020/21

GCSE Results 2021

The Department for Education suspended all accountability measures for secondary schools in England again in 2021 in light of the pandemic.

Chulmleigh Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

Schools again were asked to formulate the final GCSE grades for pupils reaching the end of Year 11. This replaced external examinations and other assessments, this process was known as Teacher Assessed Grades (TAGs). The headline summary is as follows:

Ebacc Entry – 83.33%

Ebacc Average Point Score (APS) 5.09

Good Pass in Basics (Grade 5+) 51%

Standard Pass in Basics (Grade 4+) 70%

Attainment 8 – 53.61

Progress 8 - +0.66 (projected)

Nationally each school took its own approach to the formulation of grades and therefore comparisons are problematic. However, the headline summary is consistent with the College's consistently strong academic pupil outcomes that have been either above or well above average since 2015.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the period under review, the restricted fund balance of £425,785 was carried forward representing 9% of GAG.

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2021, the schools in the Trust were affected by COVID-19, including the government announcement to close all schools in January 2021. In March 2021, the pupils in the secondary school attended on a phased return, in order for Lateral Flow Testing to be conducted. The Trust received government funding to support the organisation and staffing to conduct the Lateral Flow Testing.

Pupils returned to school in 'bubbles', meaning additional staffing was required to cover lunch periods. Furthermore, in order to instil staff confidence additional cleaners were appointed to clean key areas of the schools during the school day. This also included additional cleaning materials, which equated to approximately 2.5 times more cost than usual.

The return to school in September 2021, included further Lateral Flow Testing for all secondary aged pupils. In October 2021, the secondary school had in the region of 25% of pupils absent due to COVID-19 related reasons. This resulted in further Lateral Flow Testing. Furthermore, the additional cleaning regime has continued in the Autumn term.

Chulmleigh Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

The levels of the Reserves in the Trust, are such, that we were able to cover these additional costs.

During the year ended 31 August 2021, the Trust received extra COVID-19 funding as detailed in Note 3. The Trust received COVID-19 catch up funding which was used to support small groups of pupils, from disadvantaged backgrounds. One school in the Trust used tutors from the National Tutoring programme, whereas other schools used experienced teachers to provide the support.

During the year ended 31 August 2021, total expenditure (excluding restricted fixed assets funds and pensions reserves) of £5,740,768 was covered by recurrent grant funding from the DfE, together with other incoming resources totalling £5,933,653. The excess of income over expenditure for the year excluding restricted fixed asset funds, pensions reserves and transfers to Restricted Fixed Asset funds was £192,885.

At 31 August 2021 the net book value of fixed assets was £13,248,398 and movements in tangible fixed assets are shown in the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The balance of the former school's budget shares was transferred across on conversion and is shown as Unrestricted Funds.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 25 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Executive Headteacher, managers, budget holders and other staff, as well as delegated authority for spending. Other key policies such as, GDPR, ICT and Charging & Remissions policies were reviewed and updated.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review, including 3-year budgets, projecting funding income and expenditure.

The Trustees have determined that the appropriate level of free cash reserves should be £300,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of reserves (total funds less restricted fixed asset funds and pension reserve) is £920,840, of which £495,055 is free reserves.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the academy Trust.

Investment Policy

All funds surplus to immediate requirements may be invested in accordance with the Academy's Investment Policy Statement.

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short-term requirements. The Trustees have authorised the opening of additional short term bank investment accounts or invested in individual fixed income securities such as Certificates of Deposit, UK Treasury Bonds, and other similar instruments with an average duration of less than one year to take advantage of higher interest rates. No other form of investment is authorised.

Chulmleigh Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any investment shall therefore be with providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Executive Headteacher and Business Manager in accordance with the Academy's Investment Policy Statement.

Principal Risks and Uncertainties

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year virtually all of the Academy's incoming resources were ultimately Government funded. More than 85% of funding is based on pupil numbers, and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. The National Funding Formula has been delayed until at least 2023. However, the Local Authority expect to meet the NFF levels.

Local Government Pension Scheme – the Board of Trustees recognises that the defined benefit pension scheme deficit represents a significant potential liability. However, as the Trustees consider that the Academy trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Pupil Numbers - Funding where over 85% is dependent on pupil numbers with limited protection for small schools is a risk for the Trust. The College remains very popular but sparsity results in an insufficient number of students from the designated transport area. This risk has been reviewed and the Trust has taken the decision to invest in the provision of transport option for families outside the designated transport area.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependent on continuing to attract pupils in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees, ensure that pupil success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed an internal auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

School closure due to COVID-19 – The use of online platforms will reduce the impact to education for all pupils. Pupils from disadvantaged backgrounds will be offered a loan of a laptop. Government advice will be followed and communicated to staff and parents.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

Chulmleigh Academy Trust

Trustees Report for the Year Ended 31 August 2021 (continued)

FUNDRAISING

The fundraising at the Trust has been under the auspices of the Parent and Teacher Associations at each of the schools. However, with the closure of schools from March 2020, this has impacted on the usual fundraising activities undertaken in each of the schools.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy will continue to work with primary schools from the designated transport area, as well as those outside it, to improve the educational opportunities for students in the wider community.

Full details of our plans for the future are given in our Academy Improvement Plan, which is available from the Company Secretary.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other charity.

AUDITORS

Insofar as the Trustees are aware:

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

The trustees' report, incorporating a Strategic Report, approved by order of the members of the Board of Trustees, as company directors on 9/12/2021 and signed on its behalf by:



S C Baber
Trustee

Chulmleigh Academy Trust

Governance Statement

Scope of Responsibility

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

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

The board of Trustees has delegated the day-to-day responsibility to the Executive Headteacher 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 Chulmleigh Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

All meeting of the board of Trustees and the sub-committees met virtually during 2020-21, due to COVID-19. The impact of this was greater attendance by Directors and therefore ensured they met their responsibilities. Furthermore, an online platform was formed which provided the Directors with all the key documents in order for them to fulfil their duties. This has been a positive solution, following the COVID-19 pandemic.

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 met 4 times during the year. Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Stephen Baber (Chair of Trustees)	4	4
Keith Greenwood	3	4
Michael Johnson	4	4
Tim Newman	4	4
Paul Osborne	2	4
Nina Philips	3	4
Martin White	3	4
Adrian Wade	3	4
Paul Winter	4	4
David Worden	4	4
Nigel Sedgewick	3	4
Stuart Bellworthy (joined 4.5.21)	1	1

Chulmleigh Academy Trust

Governance Statement (continued)

Governance review

The Board of Trustees carried out a self-evaluation review of governance in the Autumn term of 2020. Seven areas of effectiveness were scored for each director: Strategic Leadership, Accountability, People, Structures, Compliance, Evaluation, Positive Contribution. Results showed that in the majority of areas, directors were extremely skilled. A few areas, such as experience of HR Policy, experience of financial planning, and working with parents and stakeholders were particular areas that scored lower than most. The Trust will address this by restructuring the Academy Advisory Groups, to allow directors to engage with parents at AAG meetings, and evaluate committee membership, to ensure directors can become cross-skilled across the committees. Training courses will also be sought.

The **Business & Finance Committee** is a sub-committee of the main Board of Trustees. The committee met regularly to consider the matters within its remit, including budgetary and financial matters.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Steve Baber	5	5
Paul Winter (Chair of Committee)	5	5
Michael Johnson	5	5
Nina Philips	4	5
Nigel Sedgwick	5	5
Adrian Wade (joined committee 7.6.21)	1	1

The **Audit Committee** is also a sub-committee of the main board of Trustees. The committee met twice in the period 1 September 2020 to 31 August 2021 to receive and review the internal audit reports, and to recommend the annual financial statements to the Board of Directors. There was no requirement to convene any subsequent meetings.

The **Secondary Standards** is a sub-committee of the main Board of Trustees. The committee met termly to consider the matters within its remit, namely standards across the secondary phase.

Trustee	Meetings attended	Out of a possible
Steve Baber	3	3
Tim Newman (Chair of Committee)	3	3
Martin White	3	3
Michael Johnson	3	3
David Worden (joined committee 7.6.21)	0	1

The **Primary Standards** is a sub-committee of the main Board of Trustees. The committee met termly to consider the matters within its remit, namely standards across the primary phase.

Trustee	Meetings attended	Out of a possible
Steve Baber	3	3
Paul Osborne (Chair of Committee)	1	3
Keith Greenwood	3	3
Stuart Bellworthy (joined 4.5.21)	1	1

Chulmleigh Academy Trust

Governance Statement (continued)

Review of Value for Money

The Accounting Officer is responsible 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 Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy trust has delivered improved value for money during the year. The following are key examples:

Opportunities to make savings have been considered whenever possible, and the reserves at the end of 2020/21 showed an increase of £135k. Making a total reserves between the unrestricted and restricted general funds of £921k.

Increasing the number of pupils on roll has been a key issue to build sustainability. Following a best value exercise, the Trust was able to provide a subsidised transport service to families who wish to attend our school, but who live out of catchment area. This service enables over 180 pupils (who live out of catchment) to attend the college.

Achieving best value from the funds available continues to be a constant focus. A best value exercise was conducted to provide a larger vehicle to run one of the school transport routes.

The Trust secured a number of smaller grants to enhance the curriculum, including a £3,500 from the Devon Education Fund to purchase laptops.

The funds deficit at Lapford Primary School has been agreed because the Trustees are assured that the school has the capacity to grow. There continues to be a deficit at the end of 2020/21. However, there was a £11k reduction in the deficit in 2020/21 and a £22k reduction in the deficit in 2019/20.

The financial pressures facing the Trust have been reported and considered. The Trustees will explore strategic opportunities to work with other schools and Trusts, both to share expertise and to strengthen the financial viability of the Trust.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Chulmleigh Academy Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The Risk and Control Framework

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

Chulmleigh Academy Trust

Governance Statement (continued)

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint Griffin Chartered Accountants as the internal auditor.

The Trust's internal scrutiny arrangements are separate to the external auditors requirements and therefore meet the requirements of the newly revised FRC Ethical Standard for auditors.

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

- *Regularity*
- *Governance*
- *Risk Management*
- *Financial budgeting and monitoring*
- *Covid-19 impact*
- *Payroll*
- *Purchases and cash payments*

Twice a year the internal auditor reports to the board of Trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities and 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.

The Trustees confirm that the internal auditor has delivered their schedule of work as planned.

There have been no material control issues identified as a result of the internal auditor's work.

Review of Effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the school resource management self-assessment tool
- 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 Committee and a plan to ensure continuous improvement of the system is in place.

Chulmleigh Academy Trust
Governance Statement (continued)

Approved by order of the members of the Board of Trustees on 9/12/2021 and signed on its behalf by:

S.C. Baber

S C Baber
Trustee

M E Johnson

M E Johnson
Accounting officer
Trustee

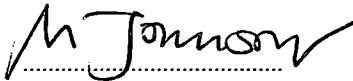
Chulmleigh Academy Trust

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Chulmleigh Academy 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 2020.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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



M E Johnson
Accounting officer

Date: 9/12/21

Chulmleigh Academy Trust

Statement of Trustees' Responsibilities

The Trustees (who act as the governors of Chulmleigh Academy Trust Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction 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 apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board on 9/12/2021 and signed on its behalf by:



S C Baber
Trustee

Chulmleigh Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Chulmleigh Academy Trust

Opinion

We have audited the financial statements of Chulmleigh Academy Trust (the 'Academy') and its subsidiaries (the 'Group') for the year ended 31 August 2021, which comprise the Consolidated Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account), Consolidated Balance Sheet as at 31 August 2021, Balance Sheet as at 31 August 2021, Consolidated Statement of Cash Flows for the year ended 31 August 2021 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and parent Academy trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

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 Group 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information (covers the Reference and Administrative Details, the Trustees' Report and the Governance Statement)

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

Chulmleigh Academy Trust

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the parent Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report and the Financial Statements.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 18], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Chulmleigh Academy Trust

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

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the academy through discussions with trustees and other management, and from our commercial knowledge and experience of the academy sector;
we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including the Companies Act 2006, Charities Act 2019, The Academies Accounts Direction, the Academies Financial Handbook, The Equality Act, The Data Protection Act in addition to various employment, environmental, fire safety, health and safety and safeguarding legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, reviewing licenses, certificates and relevant correspondence including the inspection of legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

Chulmleigh Academy Trust

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

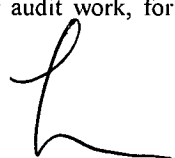
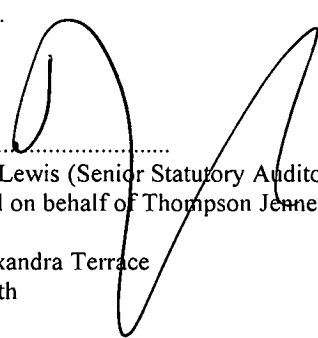
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available 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 charitable parent company's Trustees, 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 Group's trustees 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 charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Simon Lewis (Senior Statutory Auditor)
For and on behalf of Thompson Jenner LLP, Statutory Auditor

28 Alexandra Terrace
Exmouth
Devon
EX8 1BD

Date: 14/12/21

Chulmleigh Academy Trust

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

In accordance with the terms of our engagement letter dated 6 January 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Chulmleigh Academy Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Board of Trustees's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies Financial Handbook extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion have been designed to comply with the requirements set out in The Accounts Direction 2020 to 2021 and includes:

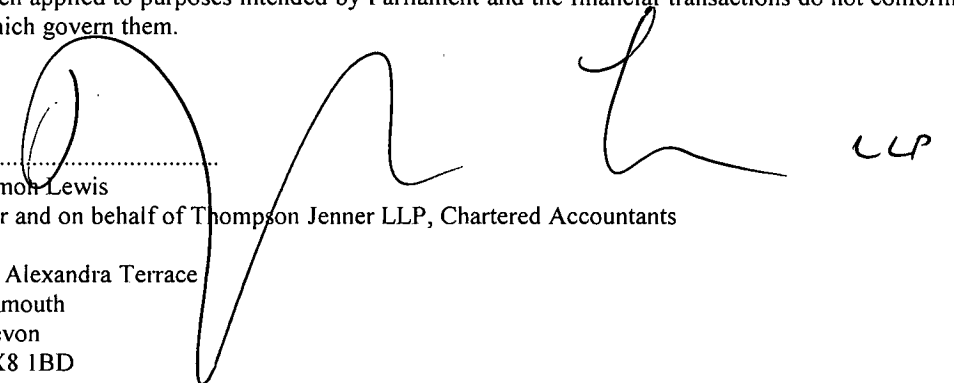
- Inspection and review of documentation providing evidence of governance procedures
- Evaluation of the systems of internal controls for authorisation and approval
- Performing substantive tests on relevant transactions

Chulmleigh Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Chulmleigh Academy Trust and the Education and Skills Funding Agency (continued)

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 year from 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



.....
Simon Lewis

For and on behalf of Thompson Jenner LLP, Chartered Accountants

28 Alexandra Terrace
Exmouth
Devon
EX8 1BD

Date: 14/12/21

Chulmleigh Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
Income and endowments from:					
Donations and capital grants	2	17	34,090	53,725	87,832
Other trading activities	4	15,965	-	-	15,965
Investments	5	3,162	-	-	3,162
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	220,979	5,659,440	-	5,880,419
Income from preschools	6	107,875	-	-	107,875
Total		<u>347,998</u>	<u>5,693,530</u>	<u>53,725</u>	<u>6,095,253</u>
Expenditure on:					
Raising funds	7	38,818	-	-	38,818
<i>Charitable activities:</i>					
Academy trust educational operations		196,558	5,913,392	368,447	6,478,397
Preschools expenditure		<u>93,384</u>	<u>-</u>	<u>-</u>	<u>93,384</u>
Total		<u>328,760</u>	<u>5,913,392</u>	<u>368,447</u>	<u>6,610,599</u>
Net income/(expenditure)		19,238	(219,862)	(314,722)	(515,346)
Transfers between funds		-	(57,761)	57,761	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	27	<u>-</u>	<u>(140,000)</u>	<u>-</u>	<u>(140,000)</u>
Net movement in funds/(deficit)		19,238	(417,623)	(256,961)	(655,346)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		<u>540,052</u>	<u>(4,144,592)</u>	<u>13,514,679</u>	<u>9,910,139</u>
Total funds/(deficit) carried forward at 31 August 2021		<u>559,290</u>	<u>(4,562,215)</u>	<u>13,257,718</u>	<u>9,254,793</u>

Chulmleigh Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Donations and capital grants	2	-	14,378	52,896	67,274
Other trading activities	4	34,734	-	-	34,734
Investments	5	481	-	-	481
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	226,443	5,117,815	-	5,344,258
Income from preschools	6	80,666	-	-	80,666
Total		342,324	5,132,193	52,896	5,527,413
Expenditure on:					
Raising funds	7	44,190	-	-	44,190
<i>Charitable activities:</i>					
Academy trust educational operations		211,284	5,331,388	377,135	5,919,807
Preschools expenditure		80,783	-	-	80,783
Total		336,257	5,331,388	377,135	6,044,780
Net income/(expenditure)		6,067	(199,195)	(324,239)	(517,367)
Transfers between funds		-	(31,060)	31,060	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	27	-	(485,000)	-	(485,000)
Net movement in funds/(deficit)		6,067	(715,255)	(293,179)	(1,002,367)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		533,985	(3,429,337)	13,807,858	10,912,506
Total funds/(deficit) carried forward at 31 August 2020		540,052	(4,144,592)	13,514,679	9,910,139

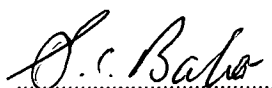
Chulmleigh Academy Trust

(Registration number: 07697698)

Consolidated Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	13,248,398	13,510,054
Current assets			
Stocks	15	21,355	21,355
Debtors	16	191,779	183,885
Cash at bank and in hand		<u>1,203,082</u>	<u>1,053,648</u>
		1,416,216	1,258,888
Creditors: Amounts falling due within one year	17	<u>(421,821)</u>	<u>(418,803)</u>
Net current assets		<u>994,395</u>	<u>840,085</u>
Total assets less current liabilities		<u>14,242,793</u>	<u>14,350,139</u>
Net assets excluding pension liability		14,242,793	14,350,139
Pension scheme liability	27	<u>(4,988,000)</u>	<u>(4,440,000)</u>
Net assets including pension liability		<u>9,254,793</u>	<u>9,910,139</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund	18	425,785	295,408
Restricted fixed asset fund	18	13,257,718	13,514,679
Restricted pension fund	18	<u>(4,988,000)</u>	<u>(4,440,000)</u>
		<u>8,695,503</u>	<u>9,370,087</u>
Unrestricted funds			
Unrestricted general fund		495,055	490,308
Other unrestricted fund		<u>64,235</u>	<u>49,744</u>
		<u>559,290</u>	<u>540,052</u>
Total funds		<u>9,254,793</u>	<u>9,910,139</u>

The financial statements on pages 24 to 58 were approved by the Trustees, and authorised for issue on 9.12.2021 and signed on their behalf by:



S C Baber
Trustee

Chulmleigh Academy Trust
(Registration number: 07697698)
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	13,248,398	13,510,054
Current assets			
Stocks	15	21,355	21,355
Debtors	16	191,779	180,859
Cash at bank and in hand		<u>1,134,931</u>	<u>1,003,244</u>
		1,348,065	1,205,458
Creditors: Amounts falling due within one year	17	<u>(417,905)</u>	<u>(415,117)</u>
Net current assets		<u>930,160</u>	<u>790,341</u>
Total assets less current liabilities		<u>14,178,558</u>	<u>14,300,395</u>
Net assets excluding pension liability		14,178,558	14,300,395
Pension scheme liability	27	<u>(4,988,000)</u>	<u>(4,440,000)</u>
Net assets including pension liability		<u><u>9,190,558</u></u>	<u><u>9,860,395</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		425,785	295,408
Restricted fixed asset fund		13,257,718	13,514,679
Restricted pension fund		<u>(4,988,000)</u>	<u>(4,440,000)</u>
		8,695,503	9,370,087
Unrestricted funds			
Unrestricted general fund		<u>495,055</u>	<u>490,308</u>
Total funds		<u><u>9,190,558</u></u>	<u><u>9,860,395</u></u>

The financial statements were approved by the Trustees, and authorised for issue on 9/12/2021 and signed on their behalf by:


S C Baber
Trustee

Chulmleigh Academy Trust

Consolidated Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	21	216,570	50,707
Cash flows from investing activities	22	(49,904)	(32,954)
Cash flows from financing activities	23	<u>(17,232)</u>	<u>(17,233)</u>
Change in cash and cash equivalents in the year		149,434	520
Cash and cash equivalents at 1 September		<u>1,053,648</u>	<u>1,053,128</u>
Cash and cash equivalents at 31 August	24	<u><u>1,203,082</u></u>	<u><u>1,053,648</u></u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

1 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.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The trustees have considered the impact of COVID-19 and do not consider it to have a material impact on the balances included within the financial statements.

The trustees have taken both reactive and proactive measures in order to mitigate any risks associated with COVID-19 and there is a robust system of procedures and internal controls in place in order to deal with any associated risks.

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.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its sole subsidiary undertaking. These are adjusted, where appropriate, to conform to group accounting policies. As a consolidated group profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Income

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

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

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 grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

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

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

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

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

Tangible fixed assets

Assets costing £250 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line/reducing balance basis over its expected useful lives, per the table below.

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.

Asset class

Long term leasehold property

Motor vehicles

Furniture and equipment

Computer equipment

Depreciation method and rate

2% straight line

25% reducing balance

20% straight line

33% straight line

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

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.

Provisions

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

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

Leased assets

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

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 16. 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 17. 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.

Stock

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

Taxation

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

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

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated 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 based on of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy 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 net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy 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 Department for Education Group.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Subsidiary undertaking

The financial statements include the results of CAT Preschools Limited, a wholly owned subsidiary. Further details of the subsidiary and its results are set out in note 14.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Capital grants	-	-	53,725	53,725	45,896
Other donations	17	34,090	-	34,107	21,378
	<u>17</u>	<u>34,090</u>	<u>53,725</u>	<u>87,832</u>	<u>67,274</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE/ESFA revenue grants				
General annual grant	-	4,750,511	4,750,511	4,343,904
Pupil premium grant	-	200,477	200,477	197,930
Teachers pension grant	-	181,895	181,895	172,702
Other DfE/EFA grants	-	102,254	102,254	101,257
	<u>-</u>	<u>5,235,137</u>	<u>5,235,137</u>	<u>4,815,793</u>
Other government grants				
High needs	-	130,680	130,680	148,969
Other government grants non capital	-	89,998	89,998	77,216
	<u>-</u>	<u>220,678</u>	<u>220,678</u>	<u>226,185</u>
Non-government grants and other income				
Internal catering income	195,974	-	195,974	211,246
Sales to students	24,785	60,012	84,797	53,201
Other	220	-	220	6,068
Educational trips and visits	-	1,083	1,083	31,765
	<u>220,979</u>	<u>61,095</u>	<u>282,074</u>	<u>302,280</u>
Covid-19 additional funding (DfE/ESFA)				
Catch-up premium	-	78,640	78,640	-
Other DfE/ESFA COVID-19 funding	-	63,890	63,890	-
	<u>-</u>	<u>142,530</u>	<u>142,530</u>	<u>-</u>
Total grants	<u>220,979</u>	<u>5,659,440</u>	<u>5,880,419</u>	<u>5,344,258</u>

The academy received £78,640 of funding for catch-up premium and costs incurred in respect of this funding total £55,339, with the remaining £23,301 to be spent in 2021/22.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	6,165	-	6,165	21,362
Other sales	9,800	-	9,800	13,372
	<u>15,965</u>	<u>-</u>	<u>15,965</u>	<u>34,734</u>

5 Investment income

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Short term deposits	<u>3,162</u>	<u>-</u>	<u>3,162</u>	<u>481</u>

6 Other charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income from preschools	<u>107,875</u>	<u>-</u>	<u>107,875</u>	<u>80,666</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

7 Expenditure

	Non Pay Expenditure			2020/21	2019/20
	Staff costs	Premises	Other costs	Total	Total
	£	£	£	£	£
Expenditure on raising funds					
Direct costs	-	-	38,818	38,818	44,190
Academy's educational operations					
Direct costs	3,903,220	298,442	347,960	4,549,622	4,069,409
Allocated support costs	1,062,107	260,522	606,146	1,928,775	1,850,398
Preschools expenditure					
Direct costs	83,127	-	4,190	87,317	75,393
Allocated support costs	-	743	5,324	6,067	5,390
	<u>5,048,454</u>	<u>559,707</u>	<u>1,002,438</u>	<u>6,610,599</u>	<u>6,044,780</u>

Net income/(expenditure) for the year includes:

	2020/21	2019/20
	£	£
Operating lease rentals	27,728	27,728
Depreciation	368,447	364,485
Fees payable to auditor - audit	6,000	6,000
- other audit services	3,450	3,450
(Gain)/loss on disposal of fixed assets	-	12,650

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Charitable activities

			2020/21 £	2019/20 £
Direct costs - educational operations			4,549,622	4,069,409
Direct costs - preschools			87,317	75,393
Support costs - educational operations			1,928,775	1,850,398
Support costs - preschools			6,067	5,390
			<u>6,571,781</u>	<u>6,000,590</u>
	Educational operations	Preschools	Total 2021	Total 2020
	£	£	£	£
Analysis of support costs				
Support staff costs	1,062,107	-	1,062,107	1,000,736
Depreciation	70,005	-	70,005	71,656
Technology costs	139,480	-	139,480	129,558
Premises costs	190,517	743	191,260	208,554
Other support costs	440,220	5,324	445,544	415,216
Governance costs	26,446	-	26,446	30,068
Total support costs	<u>1,928,775</u>	<u>6,067</u>	<u>1,934,842</u>	<u>1,855,788</u>

9 Staff

Staff costs

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	3,621,749	3,270,418
Social security costs	316,276	287,249
Pension costs	1,082,508	920,000
	<u>5,020,533</u>	<u>4,477,667</u>
Agency staff costs	27,921	41,694
	<u>5,048,454</u>	<u>4,519,361</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

9 Staff (continued)

Staff numbers

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

	2020/21 No	2019/20 No
Teachers	57	55
Administration and support	89	88
Management	8	8
	<u>154</u>	<u>151</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2021 No	2020 No
£60,001 - £70,000	1	-
£80,001 - £90,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £727,372 (2020: £700,958).

10 Central services

The academy trust charges for these services on the following basis:

Central costs are split between academies on a percentage based on pupil numbers and High Needs distribution:

- Chulmleigh Community College - 70%
- Chulmleigh Primary School - 16%
- East Worlington Primary School - 6%
- Lapford Primary School - 8%

Catering costs are split on the following percentages based on pupil numbers:

- Chulmleigh Community College - 65%
- Chulmleigh Primary School - 22%
- East Worlington Primary School - 5%
- Lapford Primary School - 8%

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

11 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 principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

M E Johnson (Headteacher):

Remuneration: £85,000 - £90,000 (2020 - £80,000 - £85,000)

Employer's pension contributions: £15,000 - £20,000 (2020 - £15,000 - £20,000)

Other related party transactions involving the trustees are set out in note 28.

12 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was £358 (2020 - £351).

The cost of this insurance is included in the total insurance cost.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

13 Tangible fixed assets

Group and company

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 September 2020	15,444,058	626,080	411,414	25,470	16,507,022
Additions	20,475	26,521	59,795	-	106,791
At 31 August 2021	15,464,533	652,601	471,209	25,470	16,613,813
Depreciation					
At 1 September 2020	2,054,122	529,921	390,854	22,071	2,996,968
Charge for the year	277,168	52,949	37,480	850	368,447
At 31 August 2021	2,331,290	582,870	428,334	22,921	3,365,415
Net book value					
At 31 August 2021	13,133,243	69,731	42,875	2,549	13,248,398
At 31 August 2020	13,389,936	96,159	20,560	3,399	13,510,054

14 Investments

Group and company

CAT Preschools Limited, a company incorporated in England and Wales and limited by guarantee is a subsidiary of the Academy with the Academy being the sole member. The company was formed with the purpose of carrying out the business of preschool at some of the Academy's schools. Turnover for the year ended 31 August 2021 was £107,875, expenditure was £93,384 and the profit/(loss) for the year was £14,491. The assets of the company at 31 August 2021 were £68,151, liabilities were £3,916 and capital and reserves were £64,235.

15 Stock

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Books and stationery	17,900	17,900	17,900	17,900
Catering	3,455	3,455	3,455	3,455
	<u>21,355</u>	<u>21,355</u>	<u>21,355</u>	<u>21,355</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Debtors

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	6,001	8,536	6,001	5,510
VAT recoverable	9,906	9,544	9,906	9,544
Other debtors	-	12,989	-	12,989
Prepayments and accrued income	175,872	152,816	175,872	152,816
	<u>191,779</u>	<u>183,885</u>	<u>191,779</u>	<u>180,859</u>

17 Creditors: amounts falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	65,081	63,680	64,265	63,094
Other taxation and social security	75,949	65,163	75,949	65,163
Other creditors	2,826	24,688	2,826	24,688
Accruals	117,679	79,857	114,579	76,757
Deferred income	76,847	109,595	76,847	109,595
Pension scheme creditor	83,439	75,820	83,439	75,820
	<u>421,821</u>	<u>418,803</u>	<u>417,905</u>	<u>415,117</u>

Group and company

	2021	2020
	£	£
Deferred income		
Deferred income at 1 September 2020	109,595	127,977
Resources deferred in the period	76,847	109,595
Amounts released from previous periods	<u>(109,595)</u>	<u>(127,977)</u>
Deferred income at 31 August 2021	<u>76,847</u>	<u>109,595</u>

At the balance sheet date the Academy was holding funds received in advance in relation to grant income and trip income.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Funds

Group	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General annual grant (GAG)	441,271	4,364,591	(4,235,782)	(57,761)	512,319
General annual grant (GAG) - Lapford Primary School	(145,863)	385,920	(375,609)	-	(135,552)
Pupil premium grant	-	200,477	(200,477)	-	-
Teachers pension grant	-	181,895	(181,895)	-	-
Other DfE/EFA grants	-	102,254	(76,537)	-	25,717
Catch-up premium	-	78,640	(55,339)	-	23,301
Other DfE/ESFA COVID-19 funding	-	63,890	(63,890)	-	-
Other government grants	-	89,998	(89,998)	-	-
High needs	-	130,680	(130,680)	-	-
Donations	-	34,090	(34,090)	-	-
Other sales	-	60,012	(60,012)	-	-
Educational trips and visits	-	1,083	(1,083)	-	-
	<u>295,408</u>	<u>5,693,530</u>	<u>(5,505,392)</u>	<u>(57,761)</u>	<u>425,785</u>
Restricted fixed asset funds					
Fixed asset transferred on conversion	7,218,999	-	(137,801)	-	7,081,198
Fixed asset purchased from GAG	241,564	-	(30,832)	57,761	268,493
DfE/EFA capital grants	120,671	30,425	(41,778)	-	109,318
Maintenance fund grant	5,608,826	-	(140,459)	-	5,468,367
Other restricted asset fund	60,619	23,300	(12,077)	-	71,842
Local authority asset transfer	264,000	-	(5,500)	-	258,500
	<u>13,514,679</u>	<u>53,725</u>	<u>(368,447)</u>	<u>57,761</u>	<u>13,257,718</u>
Restricted pension funds					
Pension reserve	<u>(4,440,000)</u>	<u>-</u>	<u>(408,000)</u>	<u>(140,000)</u>	<u>(4,988,000)</u>
Total restricted funds	<u>9,370,087</u>	<u>5,747,255</u>	<u>(6,281,839)</u>	<u>(140,000)</u>	<u>8,695,503</u>
Unrestricted funds					
Unrestricted general funds	490,308	240,123	(235,376)	-	495,055
Other unrestricted funds	49,744	107,875	(93,384)	-	64,235
Total unrestricted funds	<u>540,052</u>	<u>347,998</u>	<u>(328,760)</u>	<u>-</u>	<u>559,290</u>
Total funds	<u>9,910,139</u>	<u>6,095,253</u>	<u>(6,610,599)</u>	<u>(140,000)</u>	<u>9,254,793</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Funds (continued)

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General annual grant (GAG)	387,251	3,990,571	(3,905,491)	(31,060)	441,271
General annual grant (GAG) - Lapford Primary School	(168,588)	353,333	(330,608)	-	(145,863)
Pupil premium grant	-	197,930	(197,930)	-	-
Teachers pension grant	-	172,702	(172,702)	-	-
Other DfE/EFA grants	-	101,257	(101,257)	-	-
Other government grants	-	77,216	(77,216)	-	-
High needs	-	148,969	(148,969)	-	-
Donations	-	14,378	(14,378)	-	-
Other sales	-	44,072	(44,072)	-	-
Educational trips and visits	-	31,765	(31,765)	-	-
	<u>218,663</u>	<u>5,132,193</u>	<u>(5,024,388)</u>	<u>(31,060)</u>	<u>295,408</u>
Restricted fixed asset funds					
Fixed asset transferred on conversion	7,356,799	-	(137,800)	-	7,218,999
Fixed asset purchased from GAG	235,552	-	(25,048)	31,060	241,564
DfE/EFA capital grants	150,853	29,624	(59,806)	-	120,671
Maintenance fund grant	5,750,752	-	(141,926)	-	5,608,826
Other restricted asset fund	44,402	23,272	(7,055)	-	60,619
Local authority asset transfer	269,500	-	(5,500)	-	264,000
	<u>13,807,858</u>	<u>52,896</u>	<u>(377,135)</u>	<u>31,060</u>	<u>13,514,679</u>
Restricted pension funds					
Pension reserve	<u>(3,648,000)</u>	<u>-</u>	<u>(307,000)</u>	<u>(485,000)</u>	<u>(4,440,000)</u>
Total restricted funds	<u>10,378,521</u>	<u>5,185,089</u>	<u>(5,708,523)</u>	<u>(485,000)</u>	<u>9,370,087</u>
Unrestricted funds					
Unrestricted general funds	484,122	261,658	(255,474)	-	490,306
Other unrestricted funds	49,863	80,666	(80,783)	-	49,746
Total unrestricted funds	<u>533,985</u>	<u>342,324</u>	<u>(336,257)</u>	<u>-</u>	<u>540,052</u>
Total funds	<u>10,912,506</u>	<u>5,527,413</u>	<u>(6,044,780)</u>	<u>(485,000)</u>	<u>9,910,139</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Funds (continued)

Company

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General annual grant (GAG)	441,271	4,364,591	(4,235,782)	(57,761)	512,319
General annual grant (GAG) - Lapford Primary School	(145,863)	385,920	(375,609)	-	(135,552)
Pupil premium grant	-	200,477	(200,477)	-	-
Teachers pension grant	-	181,895	(181,895)	-	-
Other DfE/EFA grants	-	102,254	(76,537)	-	25,717
Catch-up premium	-	78,640	(55,339)	-	23,301
Other DfE/ESFA COVID-19 funding	-	63,890	(63,890)	-	-
Other government grants	-	89,998	(89,998)	-	-
High needs	-	130,680	(130,680)	-	-
Donations	-	34,090	(34,090)	-	-
Other sales	-	60,012	(60,012)	-	-
Educational trips and visits	-	1,083	(1,083)	-	-
	<u>295,408</u>	<u>5,693,530</u>	<u>(5,505,392)</u>	<u>(57,761)</u>	<u>425,785</u>
Restricted fixed asset funds					
Fixed asset transferred on conversion	7,218,999	-	(137,801)	-	7,081,198
Fixed asset purchased from GAG	241,564	-	(30,832)	57,761	268,493
DfE/EFA capital grants	120,671	30,425	(41,778)	-	109,318
Maintenance fund grant	5,608,826	-	(140,459)	-	5,468,367
Other restricted asset fund	60,619	23,300	(12,077)	-	71,842
Local authority asset transfer	264,000	-	(5,500)	-	258,500
	<u>13,514,679</u>	<u>53,725</u>	<u>(368,447)</u>	<u>57,761</u>	<u>13,257,718</u>
Restricted pension funds					
Pension reserve	<u>(4,440,000)</u>	<u>-</u>	<u>(408,000)</u>	<u>(140,000)</u>	<u>(4,988,000)</u>
Total restricted funds	<u>9,370,087</u>	<u>5,747,255</u>	<u>(6,281,839)</u>	<u>(140,000)</u>	<u>8,695,503</u>
Unrestricted funds					
Unrestricted general funds	<u>490,308</u>	<u>240,123</u>	<u>(235,376)</u>	<u>-</u>	<u>495,055</u>
Total funds	<u><u>9,860,395</u></u>	<u><u>5,987,378</u></u>	<u><u>(6,517,215)</u></u>	<u><u>(140,000)</u></u>	<u><u>9,190,558</u></u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Funds (continued)

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General annual grant (GAG)	387,251	3,990,571	(3,905,491)	(31,060)	441,271
General annual grant (GAG) - Lapford Primary School	(168,588)	353,333	(330,608)	-	(145,863)
Pupil premium grant	-	197,930	(197,930)	-	-
Teachers pension grant	-	172,702	(172,702)	-	-
Other DfE/EFA grants	-	101,257	(101,257)	-	-
Other government grants	-	77,216	(77,216)	-	-
High needs	-	148,969	(148,969)	-	-
Donations	-	14,378	(14,378)	-	-
Other sales	-	44,072	(44,072)	-	-
Educational trips and visits	-	31,765	(31,765)	-	-
	<u>218,663</u>	<u>5,132,193</u>	<u>(5,024,388)</u>	<u>(31,060)</u>	<u>295,408</u>
Restricted fixed asset funds					
Fixed asset transferred on conversion	7,356,799	-	(137,800)	-	7,218,999
Fixed asset purchased from GAG	235,552	-	(25,048)	31,060	241,564
DfE/EFA capital grants	150,853	29,624	(59,806)	-	120,671
Maintenance fund grant	5,750,752	-	(141,926)	-	5,608,826
Other restricted asset fund	44,402	23,272	(7,055)	-	60,619
Local authority asset transfer	269,500	-	(5,500)	-	264,000
	<u>13,807,858</u>	<u>52,896</u>	<u>(377,135)</u>	<u>31,060</u>	<u>13,514,679</u>
Restricted pension funds					
Pension reserve	<u>(3,648,000)</u>	<u>-</u>	<u>(307,000)</u>	<u>(485,000)</u>	<u>(4,440,000)</u>
Total restricted funds	10,378,521	5,185,089	(5,708,523)	(485,000)	9,370,087
Unrestricted funds					
Unrestricted general funds	<u>484,123</u>	<u>261,657</u>	<u>(255,472)</u>	<u>-</u>	<u>490,308</u>
Total funds	<u><u>10,862,644</u></u>	<u><u>5,446,746</u></u>	<u><u>(5,963,995)</u></u>	<u><u>(485,000)</u></u>	<u><u>9,860,395</u></u>

The academy trust is not subject to GAG carried forward limits.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Funds (continued)

Restricted Fixed Asset Funds

Fixed Assets Transferred on Conversion - This represents the building and equipment donated to the school from the Local Authority on conversion to an Academy.

Fixed Asset Purchased from GAG - This represents funds transferred from the restricted GAG fund to purchase fixed assets.

DfE/ESFA Capital Grants - These funds were received for direct expenditure on fixed asset projects. The balance at the yearend represents the net book value of the fixed assets in addition to any unspent grant amounts.

Maintenance Fund Grant - This represents funds that were received for the construction and maintenance of school assets.

Other Restricted Asset Fund - This represents various other funds that were received for the specific purpose of purchasing and maintaining fixed assets.

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

Restricted Funds

General Annual Grant - Income from the EFA which is to be used for the normal running costs of the Academy, including education and support costs.

Other DfE/EFA Grants - This represents other various income received from the DfE/EFA with restrictions including Pupil Premium, Teachers Pension Grant, Teachers Pay Grant, Universal Infant Free School Meals and rate relief.

Other Government Grants - This represents other various income received with restrictions.

Other Restricted Donations - This represents general donations to be used for the normal running of the Academy, including education and support costs and educational trip income.

Pension Reserve - The represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Chulmleigh Community College	602,320	574,588
Chulmleigh Primary School	368,938	309,937
East Worlington Primary School	70,668	33,399
Lapford Primary School	(121,086)	(132,208)
Central services	-	-
Total before fixed assets and pension reserve	920,840	785,716
Fixed asset transferred on conversion	13,257,718	13,514,679
Pension reserve	(4,988,000)	(4,440,000)
Total	9,190,558	9,860,395

Lapford Primary School is carrying a net deficit of £121,086 on these funds because:

Lapford Primary School is carrying a deficit because when it joined the Academy Trust it was in a deficit position with standards that needed to be addressed.

The trust is taking the following action to return the academy to surplus:

Lapford Community Primary School joined the Trust in 2012 with a deficit reserves position and a pupil roll which had been falling because confidence in the school was low. Standards were poor, but following a restructure and a sustained programme of interventions, confidence has grown and the number on roll is steadily rising. Changing the perceptions of families can be a slow process and confidence in the school was not entirely evident until 2015.

The school is situated in a comparatively large village (for North Devon) where rurality and distance to any centres for support, results in a high level of social deprivation. The school is therefore a vital part of this community, fulfilling the needs that are not otherwise available.

The numbers on roll at Lapford preschool rose significantly due to the school's good reputation, consequently a third class was put in place from September 2016 to split the Year R and Year 1.

The Trust made the decision to invest its reserves to return Lapford Community Primary School to a surplus position and is seeing a year on year improvement.

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Funds (continued)

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2021 £
Chulmleigh Community College	2,774,177	480,010	91,085	749,724	4,094,996
Chulmleigh Primary School	614,702	129,391	10,974	115,890	870,957
East Worlington Primary School	208,647	50,723	6,044	53,203	318,617
Lapford Primary School	305,694	64,983	4,218	81,303	456,198
Central services	-	337,000	-	71,000	408,000
Academy Trust	<u>3,903,220</u>	<u>1,062,107</u>	<u>112,321</u>	<u>1,071,120</u>	<u>6,148,768</u>

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2020 £
Chulmleigh Community College	2,323,010	607,235	56,477	742,781	3,729,504
Chulmleigh Primary School	622,742	72,058	7,283	114,482	816,565
East Worlington Primary School	209,067	45,186	5,307	51,606	311,166
Lapford Primary School	290,858	36,257	2,641	92,870	422,626
Central services	-	240,000	-	67,000	307,000
Academy Trust	<u>3,445,677</u>	<u>1,000,736</u>	<u>71,708</u>	<u>1,068,739</u>	<u>5,586,861</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

19 Analysis of net assets between funds

Group

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	13,248,398	13,248,398
Current assets	563,206	843,690	9,320	1,416,216
Current liabilities	(3,916)	(417,905)	-	(421,821)
Pension scheme liability	-	(4,988,000)	-	(4,988,000)
Total net assets	<u>559,290</u>	<u>(4,562,215)</u>	<u>13,257,718</u>	<u>9,254,793</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	13,510,054	13,510,054
Current assets	540,052	697,545	21,291	1,258,888
Current liabilities	-	(402,137)	(16,666)	(418,803)
Pension scheme liability	-	(4,440,000)	-	(4,440,000)
Total net assets	<u>540,052</u>	<u>(4,144,592)</u>	<u>13,514,679</u>	<u>9,910,139</u>

Company

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	13,248,398	13,248,398
Current assets	495,055	843,690	9,320	1,348,065
Current liabilities	-	(417,905)	-	(417,905)
Pension scheme liability	-	(4,988,000)	-	(4,988,000)
Total net assets	<u>495,055</u>	<u>(4,562,215)</u>	<u>13,257,718</u>	<u>9,190,558</u>

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

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

19 Analysis of net assets between funds (continued)

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	13,510,054	13,510,054
Current assets	490,308	693,859	21,291	1,205,458
Current liabilities	-	(398,451)	(16,666)	(415,117)
Pension scheme liability	-	(4,440,000)	-	(4,440,000)
Total net assets	<u>490,308</u>	<u>(4,144,592)</u>	<u>13,514,679</u>	<u>9,860,395</u>

20 Long-term commitments, including operating leases

Group and company

Operating leases

At 31 August 2021 the Group had annual commitments under non-cancellable operating leases as follows:

	2021 £	2020 £
Amounts due within one year	26,196	26,196
Amounts due between one and five years	<u>13,427</u>	<u>39,623</u>
	<u>39,623</u>	<u>65,819</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

21 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2020/21	2019/20
	£	£
Net expenditure	(515,346)	(517,367)
Depreciation	368,447	364,485
Capital grants from DfE and other capital income	(53,725)	(45,896)
Interest receivable	(3,162)	(481)
Interest payable	566	567
Defined benefit pension scheme cost less contributions payable	337,000	240,000
Defined benefit pension scheme finance cost	71,000	67,000
Increase in debtors	(7,894)	(29,750)
Increase/(decrease) in creditors	19,684	(40,501)
Loss on disposal of tangible fixed assets	-	12,650
Net cash provided by Operating Activities	<u>216,570</u>	<u>50,707</u>

22 Cash flows from investing activities

	2020/21	2019/20
	£	£
Dividends, interest and rents from investments	3,162	481
Purchase of tangible fixed assets	(106,791)	(83,931)
Proceeds from sale of tangible fixed assets	-	4,600
Capital funding received from sponsors and others	53,725	45,896
Net cash used in investing activities	<u>(49,904)</u>	<u>(32,954)</u>

23 Cash flows from financing activities

	2020/21	2019/20
	£	£
Repayments of borrowing	(16,666)	(16,666)
Interest payable	(566)	(567)
Net cash used in financing activities	<u>(17,232)</u>	<u>(17,233)</u>

24 Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand and at bank	<u>1,203,082</u>	<u>1,053,648</u>
Total cash and cash equivalents	<u>1,203,082</u>	<u>1,053,648</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

25 Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash	1,053,648	149,434	1,203,082
Loans falling due within one year	(16,677)	16,677	-
Total	<u>1,036,971</u>	<u>166,111</u>	<u>1,203,082</u>

26 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.

27 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 Devon County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £83,439 (2020 - £75,820) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both 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:

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

27 Pension and similar obligations (continued)

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

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

The employer's pension costs paid to TPS in the period amounted to £517,431 (2020: £478,792).

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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £290,000 (2020 - £259,000), of which employer's contributions totalled £225,000 (2020 - £200,000) and employees' contributions totalled £65,000 (2020 - £59,000). The agreed contribution rates for future years are 17.6 per cent for employers and 5.5 to 9.9 per cent for employees.

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

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.90	3.30
Rate of increase for pensions in payment/inflation	2.90	2.30
Discount rate for scheme liabilities	1.70	1.60
Inflation assumptions (CPI)	2.90	2.30
RPI increases	<u>3.20</u>	<u>3.10</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

27 Pension and similar obligations (continued)

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

	2021	2020
Retiring today		
Males retiring today	22.70	22.90
Females retiring today	24.00	24.10
Retiring in 20 years		
Males retiring in 20 years	24.00	24.30
Females retiring in 20 years	<u>25.40</u>	<u>25.50</u>
Sensitivity analysis		
	At 31 August 2021	At 31 August 2020
	£	£
Discount rate +0.1%	9,231	7,727
Discount rate -0.1%	9,664	8,089
Mortality assumption – 1 year increase	9,823	8,200
Mortality assumption – 1 year decrease	9,082	7,623
CPI rate +0.1%	9,645	8,074
CPI rate -0.1%	<u>9,250</u>	<u>7,742</u>

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

	2021	2020
	£	£
Equities	2,789,000	2,069,000
Gilts	572,000	123,000
Corporate bonds	414,000	436,000
Other bonds	84,000	163,000
Property	356,000	275,000
Cash and other liquid assets	27,000	40,000
Other	<u>215,000</u>	<u>360,000</u>
Total market value of assets	<u>4,457,000</u>	<u>3,466,000</u>

The actual return on scheme assets was £723,000 (2020 - £14,000).

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

27 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2020/21	2019/20
	£	£
Current service cost	562,000	440,000
Interest cost	69,000	65,000
Admin expenses	2,000	2,000
Total amount recognized in the SOFA	<u>633,000</u>	<u>507,000</u>

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

	2020/21	2019/20
	£	£
At start of period	(7,906,000)	(6,902,000)
Current service cost	(562,000)	(441,000)
Interest cost	(127,000)	(127,000)
Employee contributions	(65,000)	(59,000)
Actuarial (gain)/loss	(805,000)	(459,000)
Benefits paid	20,000	78,000
Effect of non-routine settlements	-	4,000
At 31 August	<u>(9,445,000)</u>	<u>(7,906,000)</u>

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

	2020/21	2019/20
	£	£
At start of period	3,466,000	3,254,000
Interest income	56,000	60,000
Actuarial gain/(loss)	665,000	(26,000)
Employer contributions	225,000	200,000
Employee contributions	65,000	59,000
Benefits paid	(20,000)	(78,000)
Effect of non-routine settlements	-	(3,000)
At 31 August	<u>4,457,000</u>	<u>3,466,000</u>

Chulmleigh Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

28 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

Expenditure related party transactions

During the year the academy made the following related party transactions:

The Key Support Services Limited

(P K Osborne, a Trustee of the Trust, is a director of The Key Support Services Limited (resigned as a director on 30/10/2020))

The trust purchased services from The Key Support Services Limited during the year totalling £138 (2020 - £827) during the year.

In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook 2020.

At the balance sheet date the amount due to The Key Support Services Limited was £Nil (2020 - £Nil).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Other

L Johnson, spouse of M E Johnson, a trustee, is employed by the academy trust. L Johnson's appointment was made in open competition and M E Johnson was not involved in the decision making process regarding appointment. L Johnson is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee

L Newman, spouse of T J C Newman, a trustee, is employed by the academy trust. L Newman's appointment was made in open competition and T J C Newman was not involved in the decision making process regarding appointment. L Newman is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee