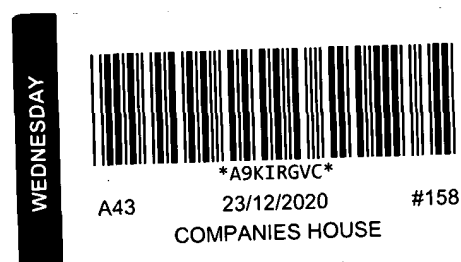


(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2020



**Company Registration Number:
07977368 (England and Wales)**

Period of account: 1 September 2019 – 31 August 2020

Faringdon Learning Trust

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Faringdon Learning Trust
Reference and Administrative Details

Members

Bob Wintringham
Liz Holmes as Chair of Trustees
Oxford Diocese Board of Education
David Wilson

Trustees

Duncan Millard* (CEO)
Liz Holmes (Chairperson)
Christine Price-Smith
Rachel Kenyon (resigned 14th January 2020)
Jeremy Twynam (resigned 21st July 2020)
Ian Wright*
Paul Turner
Anthony Cook*
Paul Walker
Helen Turner (co-opted Director, resigned 20th November 2020)
Mark Greenwood*
Louise Warren (resigned 20th October 2019)
Sarah Church (appointed 18th November 2020)

* members of the Trust Resources Committee as of 28th November 2020

Company Secretary

Siobhan Vinall (resigned 7th September 2020)
Sandra Green

Faringdon Learning Trust
Reference and Administrative Details (continued)

Senior Management Team

Chief Executive Officer	Duncan Millard
Chief Operational Officer	Anne Lynn
Director of Education	Louise Warren
Head of Buckland CoE Primary	Louise Warren
Head of Faringdon Community College	Colin Proffitt (resigned 31 st August 2020) Phil Bevan (from 1 st September 2020)
Head of Faringdon Infant School	Sally Robins
Head of Faringdon Junior School	Sharon Farrell
Head of John Blandy Primary	Sarah Thompson (0.5 FTE) Suzanne Elliot (0.5FTE)
Head of Longcot & Fernham CoE Primary	Clare Mellor
Head of Shrivenham CoE Primary	Judith Scutt
Head of Watchfield Primary	Georgina Wintle
Company Name	Faringdon Learning Trust (from 24 th September 2020) Faringdon Academy of Schools
Principal and Registered Office	Fernham Road Faringdon Oxon SN7 7LB
Company Registration Number	07977368 (England and Wales)
Independent Auditor	Critchleys Audit LLP Beaver House 23-38 Hythe Bridge Street Oxford OX1 2EP
Bankers	Lloyds Bank Plc The Brunel Centre, 82 Regent Street Swindon SN1 1JZ
Solicitors	Stone King LLP 13 Queen Square Bath, BA 2HJ

Faringdon Learning Trust

Trustees' Report

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

The academy trust operates 8 primary/secondary academies in Oxfordshire.

Academy School	Capacity as listed in Funding Agreement	Pupils on Roll (Oct 19 census)
Faringdon Community College	1550 (including 200 6 th form)	1310 (1155 Y7-Y11 + 155 6 th form)
Faringdon Infant School	242 (216 3-7yrs and 26 nursery)	239 + 21 nursery
Faringdon Junior School	250	336
Buckland VC Church of England Primary School	115 (105 4-11yrs and 10 nursery)	101 + 11 nursery
John Blandy Primary School	315	216
Longcot & Fernham VC Church of England Primary School	119	136
Shrivenham VC Church of England Primary School	210	183
Watchfield Primary School	446 (420 3-11yrs and 26 nursery)	357 + 29 nursery
Total	3247	2878 + 61 (FTE) nursery

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 Faringdon Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Faringdon Learning Trust.

The Trust was previously known as Faringdon Academy of Schools until 31st August when it changed its name to Faringdon Learning Trust.

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

Members' Liability

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

Faringdon Learning Trust

Trustees' Report (continued)

Trustees' Indemnities

There were no provisions required for third party indemnity. In accordance with normal commercial practice, the academy trust purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business.

Method of Recruitment and Appointment or Election of Trustees

During this reporting period, the board of trustees retained a structure of 12 appointments comprising:

- 3 – Trustees appointed by the Oxfordshire Diocese Board of Education.
- 8 – Trustees appointed by Members.
- 1 – CEO; ex-officio
- an option of 2 - Co-opted Directors.

Members may appoint up to 8 trustees, but the total number of trustees who are employees of the academy trust (including the Chief Executive Officer) must not exceed one third of the total number of trustees.

The trustees may appoint up to two co-opted Directors. A 'co-opted Director' means a person who is appointed to be a trustee by being co-opted by trustees who have not themselves been so appointed. The trustees may not co-opt an employee of the company as a co-opted trustee if the number of trustees who are employed by the company (including the CEO) would thereby exceed one third of the total number of trustees.

Trustees are appointed in accordance with the revised Articles of Association¹ which became applicable on conversion. When a new trustee is required the following process is followed:

- Diocese appointed trustee – the Trust will liaise with the Oxfordshire Diocese Board of Education to seek suitable nominations. Whilst it remains a Diocese responsibility to appoint, in practice, this process will be collaborative to ensure that the new appointee has the appropriate skills and experience to discharge his/her responsibilities.
- Member appointed trustee – in the first instance, the Trust will advertise via the news letters of all 8 schools and through the 8 Trusts local governing bodies. Additionally, the Trust will approach Academy Ambassadors if we require a replacement trustee with specific professional skills that we are unable to recruit from the local communities.

As a vacancy becomes available, the trustees review existing experience and thereafter seek to recruit a new appointee with the appropriate competency for the role.

Policies and Procedures Adopted for the Induction and Training of Trustees

Faringdon Learning Trust continues to develop its in house Governor Services offer which has been developed to meet the needs of our multi academy trust. Recognition of the expertise and experience within the trust's executive leadership and across our governance structure has enabled us to strengthen our governance support and development offer. To ensure we retain an outward looking perspective the trust has continued to embrace and signpost external training opportunities which underpin or strengthen our internal offer. We have continued to invest in the development of good governance across the trust through an induction programme for trustees, chairs of local boards and school governors. The role of the Trust Secretary has continued to evolve to reflect changing needs across the trust. To ensure that the Trust remains current, we continue to procure membership of the National Governance Association which enables all trustees access to independent advice on all aspects of multi-academy trust governance. All Chairs and

¹ <https://faringdonlearningtrust.org/wp-content/uploads/2020/06/articles-of-association.pdf>

Faringdon Learning Trust

Trustees' Report (continued)

Clerks have access to The Key for School Governors which we continue to subscribe to.

In June we started to use GovernorHub for all governance activity which will continue to strengthen and grow understanding of governance.

The provision of an in-house clerking service for all of the Local Governing Bodies and Trust committees has provided the trust with the means to deliver a more consistent level of provision. All clerks are line-managed by the Trust Secretary and this helps ensure that we can deliver a coherent approach to governance, thereby ensuring effective discharging of delegated functions as well as an improved means of standardising and aligning policies and procedures where appropriate.

New Trustee Resources and Checklist is used for all new Trustees joining the board, and is completed in conjunction with the Chair of Trustees.

The Trust Secretary holds the master record of Company policies, acts as Clerk to the Trustees and maintains the Trust Scheme of Delegation. Our approach to governance continues to be recognised as initiative.

Organisational Structure

The trust has defined the responsibilities of each person involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for governors and staff. The financial reporting structure is illustrated below:

The Board of Trustees

The Board of Trustees has overall responsibility for the administration of the trust's finances. The main responsibilities of the Board of Trustees are prescribed in the Master Funding Agreement and respective Supplemental Funding Agreements between the Trust and the DfE and in the Trust's Scheme of Delegation. The main responsibilities include:

- Ensuring that the grant from the DfE is used only for the purposes intended.
- Approval of the annual budget for each school.
- Appointment of the Accounting Officer.
- Appointment of the Chief Financial Officer, in conjunction with the Accounting Officer.

The Board of Trustees has wide discretion over its use of the academy's funds, and is ultimately responsible for the proper stewardship of those funds and for ensuring **economy, efficiency and effectiveness** in their use – the three key elements of value for money. It must also ensure that it uses its discretion reasonably, and takes into account any and all relevant guidance on accountability or propriety.

The Faringdon Learning Trusts Resources Committee

The Trust Resources Committee is a committee of the Board of Trustees. The Committee meets at least once per term, but more frequent meetings are arranged as necessary. The main responsibilities of the Resources Committee are detailed in written terms of reference which have been authorised by the Board of Trustees and they include:

- Providing guidance and direction for the annual budget process.
- Agreeing a mechanism for accounting for central trust services and setting the annual contribution from each school.
- The review and authorisation of the annual budget of each school and any subsequent revised budgets submitted in January of each school year.
- The regular monitoring of actual expenditure and income against budget.

Faringdon Learning Trust

Trustees' Report (continued)

- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies.
- Authorising the award of contracts and leases over £25,000 per year.
- Authorising changes to the central academy personnel establishment.
- Reviewing the reports of the Audit Committee on the effectiveness of the financial procedures and controls. These reports must also be reported to the full Board of Trustees meeting.

During this reporting period, the Resources Committee evaluated the mechanisms established last year to monitor application of Pay Policy across the Trust to provide pay committees with additional guidance around reporting expectations. The Committee is directly supported by the finance lead from each local governing body. Local Governing Bodies are responsible for their delegated budgets and, supported by the trust central finance team, they conduct regular monitoring of actual expenditure and income against school budgets. Due to the recent Covid situation the Chair of the Resources Committee was unable to hold the annual meeting of the Finance Leads and Headteacher's to set out clear expectations around the annual budget setting process.

The Chief Executive Office – Accounting Officer

Faringdon Learning Trusts Chief Executive Office is the appointed Trust Accounting Officer and has overall personal responsibility for:

- Probity and regularity compliance.
- Prudent and economical academy administration.
- Keeping of proper academy accounts.
- Ensuring value for money and avoiding waste and extravagance across the whole academy.
- Efficient and effective use of available academy resources.

Much of the responsibility is delegated to the Trust Chief Operational Officer to manage on a day-to-day basis.

To secure effective reflection and evaluation of the trust and to enable the appropriate development of the trusts school improvement offer the CEO has worked on the development of a trust-based self-evaluation. With the Trust's Director of Education, the school improvement offer available to our schools has also been revised to respond to the evolving and changing needs of the schools within the trust.

To preserve an outward view of the ever-changing educational picture and secure benchmarking and learning opportunities our Chief Executive Officer, a qualified Ofsted Inspector, continues to provide school improvement support to schools in the region as does our Director of Education who is a National Leader in Education.

The Chief Executive Officer with the Chair of the Board spearheaded a full review of the strategic vision for the trust to determine the key areas of development for our multi academy trust over the next 5 years.

Additionally, within a framework that comprises the academy vision, strategic objectives and academy school improvement plan, approved by the Board of Trustees, each Head Teacher has responsibility for their individual School Development Plans including the setting of their school's individual budget and financial activities. Individual school budgets are approved by their respective Local Governing Body and submitted to the Board of Trustees, via the Trust Resources Committee for approval annually or as required.

The Chief Operational Officer (COO)

The COO works in close collaboration with the Accounting Officer through whom they are responsible to the Board of Trustees. The COO also has direct access to the Board of Trustees, the Trust Resources Committee and the Trust Independent Audit and Risk Committee. The main responsibilities of the COO are:

- The day to day management of financial issues including the establishment and operation of a suitable accounting system.

Faringdon Learning Trust

Trustees' Report (continued)

- The management of the academy financial position at a strategic and operational level within the framework for financial control determined by the Board of Trustees.
- The maintenance of effective systems of internal control.
- Ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the academy.
- The preparation of monthly management accounts.
- Ensuring forms and returns are sent to the DfE in line with the timetable in the DfE guidance.

Other Staff

Other members of staff, primarily, the Trust Finance Manager, Finance Officers, Finance Assistants and budget holders at each school, will have some financial responsibilities and these are detailed in the Faringdon Learning Trusts Financial Regulations Manual (reviewed annually). All staff are responsible for the security of Trust property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the academy's financial procedures.

Arrangements for setting pay and remuneration of key management personnel

Faringdon Learning Trust agreed under TUPE to continue to operate within the School Teachers Terms and Conditions of Employment document and the terms and conditions of employment as set out in the National Joint Council for Local Government Services. Accordingly, all positions within trust are set within the groups relevant to the size of an individual establishment, the size of the trust as a whole or in the case of non-teaching posts to reflect the level and range of responsibilities a post holder is expected to discharge.

When a post is established the grade and relevant salary ranges which will be applied is determined in accordance with those documents and as and when required are referred for evaluation to the Oxfordshire Multi Academy Trust Job Evaluation Moderation Panel.

The appointment process for the Chief Executive Officer, Director of Education and Chief Operations Officer all adhered to the principles the trust has established. To enable a comprehensive review of Executive Leadership of the trust initially all appointments to these roles were made on an interim basis. A wide range of trust leadership structures were looked alongside a salary benchmarking exercise of similar posts within the education sector prior to approval of the new structure being given by the board.

The trust continues to utilise a review period to validate the continued requirements for a post and re set the salary range for the post before post are advertised. Responsibility for this is split between the trust board and local governing bodies

The Trust Resources Committee hold the delegated responsibility for reviewing and authorising the salary range which can be offered for most senior appointments across the trust and recommend salary ranges for the approval by the board in the case of all executive leadership positions and Headteacher and Deputy Headteacher positions within our schools. It is through this committee's oversight that the Trust ensures consistency of practice and prevention of salary creep.

As per the trust's pay policy all staff are subject to an annual performance management review based on the trusts appraisal policies, for teachers this links salary progression to performance.

The Trust's board through its directors and the Chief Executive Officer take an active role in the recruitment of all senior posts and the annual appraisal of all senior post holders. The outcome of all senior appointments and the annual appraisal process is reported to the Trust Resources Committee and when appropriate to the board.

Faringdon Learning Trust
Trustees' Report (continued)

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	0
Provide the total pay bill	0
Provide the percentage of the total pay bill spent on facility time	0

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0
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Related Parties and other Connected Charities and Organisations

The Trust is not part of a wider network such as a soft federation. For further details of related parties and transactions during the year, see notes 11 and 28 of the financial statements.

Engagement with employees (including disabled persons)

The trust takes pride in representing and reflecting the aspirations of the local community. FLT prides itself on being an equal opportunities employer and is committed to providing equality and social inclusion for all. The trust is pleased to receive applications for employment from disabled people and ensures that such applications receive a positive consideration. The trust operates a policy whose aim is to ensure that unlawful or otherwise unjustifiable discrimination does not take place in any aspect of our operations, especially in the recruitment, training, career development and promotion opportunities for all staff. The Trust is sensitive to the considerable investment of time and energy that staff make into the education of pupils and the need for staff to manage this along with a work life balance for themselves and their families, it continues to look at ways to support all staff in addressing any strain including availability of an employee assist programme of support for all staff.

The trust engages through various mediums with all its staff throughout the year through regular bulletins, briefings, workshops and training. On a more formal basis, the Trust has not diverged from the core

Faringdon Learning Trust

Trustees' Report (continued)

employment terms or conditions agreed with recognised unions for all schools in Oxfordshire and continues to engage with employees through those union channels wherever needed and appropriate as part of the wider Oxfordshire schools' community which includes other academy and local authority maintained schools in the county.

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

Faringdon Learning Trust aims to foster strong working relationships with all companies that we engage with. By ensuring that any suppliers and customers understand the Trust's ethos and the individual nature of all of our schools, we hope by working in partnership with them, that all parties will benefit from the relationship that is forged. The Trust follows due process with regard to tendering for contracts, looking where possible to contract for between 3 and 5 years to ensure that any relationship has time to develop.

Objectives and Activities

Objects and Aims - taken from the Objects as described in the Articles of Association:

- (a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:
 - i. Academies other than those designated Church of England, whether with or without a designated religious character; and
 - ii. Church of England Academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and in having regard to any advice and following any reasonable directives issued by the Diocesan Board of Education,

but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England; and

- (b) as ancillary to (a), and with the written agreement of the Trustees in respect of Academies falling under (a)(ii), to promote for the benefit of the inhabitants of the areas served by the Academies the provision of services for other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Faringdon Learning Trust Vision statement approved by the Board of Trustees:

Our Trust will create a seamless experience for our pupils across all key stages to develop responsible, capable and confident young people who are active citizens of the 21st century. We will achieve outstanding progression and maximise pupil achievement through a focus on teaching and learning and the provision of a balanced and motivating curriculum enriched by a wide range of extra-curricular opportunities. We will enable the Trust to develop and grow in such a way as to ensure the sustainability of the Trust as a whole and by adding value to each partner school so that the sum is always greater than the individual parts. Our ambition is for our Trust to be recognised by our staff, parents and local communities as a provider of educational excellence within a safe, creative and ethical environment reinforced through a vibrant community dimension.

Faringdon Learning Trust
Trustees' Report (continued)

Objectives, Strategies and Activities

The Trust's Strategic plan for 2019-20 was:

Learners first	Nurture and develop our people	Strengthen and grow
Pupil Premium – Trust pupil premium strategy in place, and thereby improving achievement and enabling all schools to move towards a positive progress score.	Leadership - To create a programme of Headteacher meetings with the Executive team to discuss risk and priorities, mitigation and progress towards them.	ICT Strategy - To implement the Trusts "Core Infrastructure" ICT strategy.
SEND - Trust SEND lead to have an overview of provision, progress and standards of SEND pupils in all schools.	Governor Engagement - Provide three events a year to enable Governing Bodies to meet each other and Trustees in order to discuss Trust and school wide strategic issues.	Financial planning - Develop more robust financial planning at LGB level to ensure financial solvency across the Trust. Develop the use of fund raising to generate additional income.
Maths – An upward trend in the percentage of students achieving higher levels through application of reasoning at end of KS2 and KS4.	Training Centre - To continue to develop the Trust training centre and provide relevant courses, for all staff including governors. To create a Subject Leaders training programme across all phases so that they are able to share ideas and lead, support and monitor their subject.	Branding - Review and update the Trust's brand image including name, logo and website.
Reading – Teacher assessments will evidence that at least 75% of students in Y6 and Y7 show fluency and have highly positive attitudes to reading for purpose and pleasure.	Staff survey - To review staff surveys that take place in each school, in order to develop a Trust wide staff survey.	Communications - Improve communications and perceptions of the Trust by providing staff and governors with regular news feeds and an external stakeholder news communication.
Foundation subjects – There is a clear intent and implementation plan for the effective delivery of knowledge and skills across the curriculum in each school.	Staff wellbeing - to create and implement a Trust well-being strategy and staff Charter	Growth Plan - Develop a Trust school's growth plan for Swindon and surrounding areas. To continue to work with the Regional Schools Commissioner in the South East and South West to aid growth.
Sixth Form – to develop the quality of sixth form education, to include increased pupil numbers, an enhanced curriculum offer, effective teaching and learning, which leads to above average progress scores.	Recruitment and induction – highlight Trust benefits through recruitment (including apprenticeships) and induction process	Premises - Continue to work with Oxfordshire County Council to review Trust wide estate and pupil number needs. Continue to annually review the school condition improvement surveys in order to mitigate any future estate risks.
Curriculum – Enrichment experiences are broad, high quality and on offer to all ages ranges with at least a 75% participation rate across the MAT.	Headteacher development – to ensure that on each ALT meeting there is a CPD focus.	Risk register – creation of a school's risk register which determines the Trusts register.
Well-being - A Trust Mental Health Hub exists to pioneer and share excellent practise across the schools.	Trust governance –review Trust committees and Terms of Reference ensuring a direct link to the strategic aims.	

Faringdon Learning Trust

Trustees' Report (continued)

Public Benefit

The trustees of Faringdon Learning Trust confirm that they have complied with their duty in Section 17(5) of the 2011 Charities Act to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Faringdon Learning Trust comprises a mixed comprehensive secondary school with a successful 6th Form, a Junior School and an Infant School, 3 Church of England Primary Schools and 2 Primary Schools. Together they offer an excellent educational environment for over 2600 pupils. Our successes are built upon the efforts of a highly qualified, hard-working and enthusiastic staff, well-motivated pupils, very supportive parents and a highly committed Trust Board with a strong connection with the local community. All of our schools have high quality pastoral care systems.

Faringdon Learning Trust has excellent links with other Oxfordshire Academies, the Defence Academy, and so many more groups in our community. This ensures that we continue to generate better educational programmes for all young people, as well as improving our transitional activities for students who will be coming to Faringdon Community College.

We value highly all contact with parents since we see a successful education being a partnership between parents, students and the school. By working together, we are able to meet our aim of ensuring that all who attend our Academy Schools will find it challenging, stimulating, caring and a happy place to be.

Enabled by our close partnership and community connections, all pupils within member schools are able to participate in a wide variety of sports, clubs, trips and activities.

Strategic Report

Achievements and Performance

Performance and Key Performance Indicators relate to specific Strategic Priorities which are detailed in the Objectives, Strategies and Activities section.

Faringdon Learning Trust primary output is the delivery of outstanding education to all pupils in our Academy schools. The following information and data summarises the achievement and performance for each academy school from an educational perspective. All data is the result of teacher assessment due to Covid-19 related school closure and external examinations not taking place.

Faringdon Community College

Ofsted rating: Good Feb 2019

- **Key Stage 4: GCSE Results 2020 (Best of Centre Assessed Grades and Algorithm)**
- Progress 8: +0.26 (slight improvement from last year).
- Progress 8 pupil premium: - 0.1 (fall from last year).
- Attainment 8: 52.03 (slight improvement from last year).
- Percentage achieving English and Maths (grade 4+) 75% (70% 2019)
- Percentage achieving English and Maths (grade 5+) 55% (51% 2019)
- Percentage of entries achieving grade 9-7 33.23% (27% 2019).
- Percentage of entries achieving 5 grade 9-5 57.64%
- Percentage of entries achieving 5 grade 9-4 73.89%
- Ebacc: 30.54% standard pass (26% 2019).

Faringdon Learning Trust

Trustees' Report (continued)

Summary: An unusual but good year for the school who performed well above national standards and increased their progress score again. The challenge for the school continues to be to improve the progress made by disadvantaged pupils, prior lower attaining and SEND pupils.

A Level 2020

- Percentage passes at A*/A 32.84% (27% 2019).
- Percentage passes at A*/B 63.68% (51% 2019).
- Percentage passes at A*/E 100% (99.6%).
- % of students who went to further education 76%

An increase in results with an overall progress score of 0.24 and the vast majority of subjects showing positive scores. Geography was an area of concern.

Primary School Summary

End of Key Stage Performance 2019-20 – Only Y6 KS2 teacher assessment data available due to Covid based school closure and no national tests.

Key Performance Indicators

School & Ofsted rating		Attainment (% reaching the expected standard or above)									
		Reading	Writing	Maths							
FJS	KS2	84%	81%	89%							
(Good March 2018)	Commentary: Pleasing improvements following changes to teaching and organisation of reading and maths. New deputy in post for Sept 2020. Building issues resolving.										
Buckland	KS2	100%	100%	100%							
(Outstanding Nov 2016)	Commentary: High % of greater depth in R, W, M. Head is Director of Education for the FAoS 2 days a week.										
Shrivenham	KS2	71%	75%	75%							
(Good Jan 2017)	Commentary: Teacher assessments were below target. Pupils not yet ready to take SATs. Interventions were in place but stalled due to school closure. A strong teaching team is in place across the school.										
John Blandy	KS2	73%	80%	70%							
(Good Nov 2016)	Commentary: New teacher part-time in Y6 and assessments were reserved. Below target but as other schools based on March assessments before children had the opportunity to revise / prepare for SATs. Job share Headship. New classroom built and rising pupil numbers. Changing demographic.										
Longcot & Fernham	KS2	100%	100%	100%							
(Outstanding 2009)	Commentary: Small number SEND pupils. High achievement of all. Focus on meeting expected standard for all. Greater depth % down on last year but in line with FFT targets.										
Watchfield	KS2	67%	73%	77%							
(Good Oct 2016)	Commentary: Rapid improvement plan using a visiting consultant had a positive impact on KS2 writing. Phonics using Read Write Inc had a positive impact which will be tested in November 2020. New Head in post and advertising for Deputy in Oct 2020.										

Faringdon Learning Trust
Trustees' Report (continued)

School & Ofsted rating	Attainment (% reaching the expected standard or above)								
	Reading	Writing	Maths						
FIS									
(Good Feb 2018)	Commentary: Staffing strong and leadership capacity high. Head seconded to Executive team and supporting peer Head at Watchfield School through coaching. March data showed % on track for GLD, Y1 phonic standard and KS1 results were all in line with FFT targets. Good achievement from disadvantaged pupils.								

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.

Promoting the success of the company

As previously mentioned the Trusts objectives are to advance for the public benefit education in the United Kingdom, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum. Over the course of the academic year schools within the Trust were required to adapt teaching and learning to take account of the Covid-19 restrictions that were put in place in March 2020. Schools rose to this challenge ensuring that all pupils continued to access education through the use of various online platforms as well as production of home working packs.

All schools remained open to ensure that pupils of key workers as well as those in most need continued to be able to attend in person, home visits were also conducted to support the most vulnerable pupils. Schools also provided food for foodbanks and continued to ensure that pupils entitled to free school meals could either access a meal or families were provided with food vouchers.

The safety of staff remained a key priority during this period, with staff shielding, working from home but also detailed risk assessments were put in place to allow staff to work on site to support pupils who attended.

During the summer, in line with DfE guidance the Trusts schools continued to plan and updated risk assessments to ensure that they could open fully in the autumn term.

Financial Review

The Trust's financial position remains a key concern for trustees and it is still articulated as the trusts top risk. Whilst costs continue to grow, in particular both support and teaching staff costs, the funding per pupil did not keep pace with inflation, some relief has been received in the form of grants to cover increases in teachers' pay and pension costs the long term funding of these specific costs remains uncertain. High needs budgets have also been under significant pressure with many schools within the Trust experiencing an increase in high special needs ratios. As a Trust experiencing continued growth in pupil numbers, the time lag in funding for these pupils when combined with current funding levels presents challenges to schools trying to maintain balanced budgets.

The Trust's reserves as at 31st August 2020 stand at £2.412M (includes unrestricted general funds of £845K, restricted capital funds of £822K and restricted general funds of £745K). The majority of the Trust's income, £14.080M comes from ESFA or Local Government funding.

Faringdon Learning Trust

Trustees' Report (continued)

Covid-19 and the 'lockdown' period, which occurred at the end of the spring term and into the summer term and saw the partial closure of all schools across the country and within the Trust, had a direct impact on Trust school's finances. Whilst Trust schools maintained distance learning for all its pupils via a mixture of online software packages and paper based resources and all schools remained open for pupils of key worker's and vulnerable pupils the impact of additional PPE, health and safety, cleaning and caretaking requirements along with the loss of letting income had an impact on some of the school's ability to remain within budget. Whilst we were successful in obtaining some relief, £4.4K, from the Governments Coronavirus support fund the Trust is still awaiting confirmation of further funding that was applied for.

The outcome of two successful Condition Improvement Fund bids for Faringdon Community College and John Blandy Primary School to repair and replace roofs will see much needed capital works amounting to £724K being completed during 2020-2021. The Trust will continue to submit bids for the replacement of temporary classrooms at Faringdon Community College and windows for Buckland as well as other capital projects for our schools. In addition, the Trust continues to work with Oxfordshire County Council to remedy the issues surrounding the 4-classroom block at Faringdon Junior School, works to rectify the issues should be completed during 2020-2021.

Reserves Policy

Despite growing financial pressure on revenue funding, the Trust has retained a credible reserve position made up of individual school reserves and an element of central reserve that has accrued since expansion in November 2013.

The Trust Resources Committee completed an in depth review of Trust reserves in 2015 in order to develop a Reserves Policy which is designed to assist in the Trusts strategic planning by considering how new projects or activities will be funded, it is also used to inform budget planning and risk management by identifying uncertainty around income streams. This work was further informed by guidance from the ESFA regarding multi-academy trust reserves and clear indication that there is an expectation that Trustees are expected to pool reserves to use them where required. As a minimum, the Trusts seeks to maintain a revenue reserve balance equivalent to at least one-month's salary for the entire trust.

This leads to the conclusion that an individual academy school surplus reserve may not be wholly available to that school at a given time. To ensure that the academy has an accurate understanding of reserves, the Chief Operations Officer maintains a detailed 5-year plan which shows the position for each school and the overall position for the academy. We have developed some assumptions, approved by the Academy Resources Committee, to ensure that the academy trust retains a sufficient reserve to support its outputs. The plan enables individual academy schools to propose expenditure against their surplus balances to deliver school improvement plans, however it acknowledges that Trustees may be required to prioritise expenditure to ensure the academy always retains a sufficient reserve.

Over the next 3-years, our planning identifies that due to rising staff costs and funding levels not keeping in line with inflation, the Trust reserves are due to drop from £1.370M (AY1819) to £1.200M by AY2223.

On 31 August 2020 the Academy held the following Reserves (excluding Fixed Asset Fund which represents Net Book Value and Pension Deficit):

	£
Unrestricted General Funds	845,000
Restricted Capital Funds	822,000
Restricted General Funds	<u>745,000</u>
Reserves at 31 August 2020	<u>2,412,000</u>

Hymans Robertson were instructed by Oxfordshire County Council, the Administering Authority to the Oxfordshire County Council Pension Fund, to undertake pension expense calculations in respect of pension benefits provided by the Local Government Pension Scheme (LGPS) to employees of Faringdon Learning Trust

Faringdon Learning Trust

Trustees' Report (continued)

Hymans Robertson were instructed by Oxfordshire County Council, the Administering Authority to the Oxfordshire County Council Pension Fund, to undertake pension expense calculations in respect of pension benefits provided by the Local Government Pension Scheme (LGPS) to employees of Faringdon Learning Trust as at 31st August 2020. The LGPS is a defined benefit statutory scheme administered in accordance with LGPS Regulations. As in previous reports, we have stated that the LGPS deficit is likely to be met in the longer term from any combination of increased employer or employee contributions, increased government funding or change to scheme benefits.

Following a revaluation of the fund in early 2020 the deficit has again risen to £7.065M in August 2020. The deficit is likely to be met in the longer term from any combination of increased employee or employer contributions, increased government funding or change to scheme benefits. Trustees continue to monitor the impact of any changes to the scheme that might have a direct impact on the Trust.

The restricted funds will be spent in accordance with the terms of the particular funds.

The LGPS Pension Deficit is likely to be met in the longer term from any combination of increased employer contributions, increased government funding or change to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds.

Investment Policy

Investments will be made only in accordance with written Investment Policy approved by the Board of Trustees. During 2019-2020 the Resources Committee took the decision to move £1M of the Trusts reserves into an investment account with Lloyds Banking Group. Whilst the interest rate is in line with national interest rates it has allowed the Committee to debate longer term options to invest money. This position will continue to be reviewed by Trustees again during AY2021.

Principal Risks and Uncertainties

The trustees conducted a full review of the strategic risk management policy and the risk register during the year. The revised plan, which includes the development of risk management by individual Trust school, is due to be approved in the Autumn of 2020. The risk register is a standing agenda item on the Academy Resources Committee meeting and all major risks are discussed at Board meetings. At an operational level, the internal control systems and the exposure to risks are considered on a regular basis by the CEO and the Trust Leadership Team.

The Trust's Strategic Plan outlines the academies operating procedures together with our means of identifying, analysing, managing, implementing strategies and reviewing risks. The Board of Trustees has made a considered choice about its desired risk profile, taking account of its legal obligations, its strategic objectives and public expectations of what it should deliver.

The Board of Trustees define risk as:

The probability and implications of an activity or event of potentially positive or negative consequences taking place.

This definition of risk enables an approach that allows for the possibility of identifying and exploiting opportunities as well as identifying and mitigating threats. The Faringdon Academy of Schools Risk Management strategy comprises 4 steps:

- **Step 1 – Risk Identification** - In simple terms, risk identification aims to recognise what could go wrong, and how. It begins with the annual review of strategic objectives and the subsequent work conducted by the 3 Trust sub-committees (Resources, Quality of Education and Audit). However, all Trustees, Head Teachers and members of Trust Leadership Teams are responsible for highlighting

any key risks that they identify. Strategic risks should be passed to the COO to collate in the Trust Risk Register for further analysis.

- **Step 2 – Risk Analysis** – Risk analysis seeks to understand the likelihood of the activity or event occurring, the potential severity of the outcome, and to ascertain who owns each risk. The Trust has developed a risk matrix, showing likelihood versus impact, to determine the risk of any single event occurring.
- **Step 3 – Risk Management** - Having identified and assessed the likely risks, the Board of Trustees, Trust sub-committees and/or Trust Leadership Team develop measures to reduce their likelihood and impact, mitigate unfavourable outcomes, and exploit opportunities that may arise. Risks are prioritised, so that attention can be focused on mitigating the most severe first.
- **Step 4 – Review** – This process is an iterative process. The Risk Register is maintained by the Trust Central Office, owned by the COO; it is reviewed regularly by the Trust Leadership Team and CEO who is responsible for raising strategic risks to the Board of Trustees. The Risk Management Strategy and the Risk Register must be reviewed annually by the Board of Trustees. Both the Risk Strategy and Risk Register are available on the Trust website to enable all Trustees to be familiar with strategic risks.

From 1st September 2019 to 31st August 2020, the Academy's top 3 risks, were:

(Strategic Risk) - Potential failure of Academy Board to secure sufficient funds to deliver strategic objectives. Forecast funding levels continue to present the highest risk to the future of the Trust. Previous reports have highlighted our concerns associated with our ability to keep pace with rising staff costs and reductions in real term income. The base level funding does not provide the necessary uplift to meet all our rising staff costs, with very little staff movement over the trust, the trust has an experienced and more costly workforce. In addition, as a Trust experiencing continued growth in pupil numbers, the time lag in funding for these pupils when combined with current funding levels impacts on the ability for our schools to remain within planned budgets. The Trust Resources Committee receives this matter as a standing agenda item at every meeting and we are working with head teachers and local governing bodies to ensure that we manage in-year budgets as effectively as possible. The Chief Operations Officer is working with local Academy Trusts on a benchmarking exercise so that we can compare our key lines of income and expenditure against local schools. We anticipate that this will remain our highest risk for the foreseeable future.

(Strategic Risk) – Failure to respond to increasing or decreasing pupil capacity needs within the community. Oxfordshire County Council are still tasked with ensuring that children within the community are allocated a place at a school. The expansion of FCC to nine form entry will help to relieve the pressure at secondary level, however the delay to the expansion at John Blandy which is now due for completion in November 2020 and delay to the relocation of FIS to a new primary school site is impacting on the ability to meet these needs. The Trusts COO continues to work closely with OCC to try and resolve anticipated issues.

(Operational risk) Potential failure of Academy Schools to recruit and retain sufficient, capable and motivated staff. Recruiting and retaining high quality teaching staff is continuing to be difficult in some key subject areas. The reputation of all of our schools is dependent of high quality staff delivering outstanding education. The Trust 5-year financial plan highlights significant pressure from September 2020 as the percentage of total staff expenditure against total income continues to rise.

Fundraising

Faringdon Learning Trust does not actively enter into fundraising by means of actively pursuing individuals. We do not work with or oversee any commercial/professional fundraisers to fundraise on our behalf and therefore the standards of fundraising do not apply.

No monitoring of activities was undertaken, for the year ending 31st August 2020 we are unaware of any complaints that have been received and should anyone have any complaints they should follow the school complaints procedure clearly displayed on our website.

Each of our schools may, as part of social public benefit organise small fundraising events this is done by voluntary donations through families and staff associated with the school for example non-uniform days or sponsored walks.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	
Energy consumption used to calculate emissions (kWh)	2,760,540
Energy consumption break down (kWh) <ul style="list-style-type: none"> • Gas • Electricity • Transport fuel 	2,053,495 692,380 14,655
<u>Scope 1 emissions in metric tonnes CO2e</u>	
Gas consumption	378
Owned transport – mini-busses	2
<u>Total scope 1</u>	380
<u>Scope 2 emissions in metric tonnes CO2e</u>	
Purchased electricity	161
<u>Scope 3 emissions in metric tonnes CO2e</u>	
Business travel in employee owned vehicles	2
Total gross emissions in metric tonnes CO2e	543
<u>Intensity ratio</u>	
Tonnes CO2e per pupil (Actual Occupancy)	0.185
Tonnes CO2e per pupil (Full Occupancy)	0.160
Quantification and Reporting Methodology We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting. Intensity measurement The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.	

Measures taken to improve energy efficiency

All new builds recently completed or planned for have been fitted with energy efficient heating and lighting. Plans have been made to replace the heating control system at FCC and two of the boiler systems at the Junior school.

Plans for Future Periods

Despite the extremely challenging financial climate, Trustees are determined to press ahead with our approach to school support and improvement and our commitment to delivering on our strategic objectives. An initial focus for school support in AY2021 will be to support leadership teams as children and staff return to school following the pandemic lockdown. Ensuring that schools have an effective recovery curriculum in place in order for gaps in pupils' skills and knowledge to be secured, as well as supporting their emotional wellbeing, to enable children to make good progress.

Additional school improvement will also focus on improving outcomes for pupil premium and SEN students. Schools will also be supported to review and develop their curriculums so that they are sequenced effectively in order for children to know and remember more, so that knowledge builds over time. An enhanced peer review system will be implemented during the year to support self-evaluation and school improvement planning.

The Trust is currently working on 4 buildings projects, the project to expand John Blandy Primary School from 1-form entry to 1.5-form is nearing completion. The Trust was managed to secure two out of the five projects that they submitted for Condition Improvement Funding. Successful bids included refurbishment of a roof in one of the buildings at Faringdon Community College, as well as as roof at John Blandy School. Unfortunately, three projects were unsuccessful which included the need to do some urgent repairs to a building at Faringdon Junior School. Trustees have taken the decision to use reserves to pay for the repair. It is anticipated that the work should be completed by December 2020 when 4 additional classrooms can come back into operation.

The Trust is also actively engaged with the local authority regarding an expanded primary provision and relocation to a new site at Shrivenham, the relocation of Faringdon Infant School to a new site to enable transition to a 2-form entry primary school. Once the essential repairs have taken place at Faringdon Junior School, plans can then be developed to enable the school to transition to a 2-form entry primary school. Planning for these projects will be a key focus for the Trust as plans for this start to be created.

However, our 2 major priorities for the short and medium term remain:

Financial Stability – the Trust will continue to develop it's 5-year budget planning process to enable schools and local governing bodies to plan ahead to meet the financial challenges that we will face over the next few years. We aim to start the budget process within the autumn term and to develop the detail through the spring term so that staffing challenges can be considered as early as possible in the process. We will seek to work collaboratively so that we can solve problems as a group and seek to share best practice across our schools. We will continue to reach beyond our boundaries to identify best practice from other Trusts within our region and nationally.

Expansion – we will continue to seek out opportunities to expand our Trust in order to seek financial stability and to provide a peer challenge for Faringdon Community College. The Trust is currently working with 7 schools, which includes both primary and secondary with a view that they would hopefully join the Trust in the near future.

Funds Held as Custodian Trustee on Behalf of Others

The trust holds no Assets and Funds as Custodian Trustee on behalf of others.

Auditor

Insofar as the trustees are aware:

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

Following a robust tender exercise Trustees agreed to reappoint Critchley's as the external auditors for the next reporting period.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 17th December 2020 and signed on the board's behalf by:



Liz Holmes
Chairperson of the Board of Trustees
17th December 2020

Faringdon Learning Trust

Governance Statement

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the CEO, 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 Faringdon Learning 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

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 5 times during the year, with one meeting cancelled on March 26th 2020 due to Covid-19. Attendance during the year at meetings of the board of trustees was as follows:

Trustee Meetings	attended Out	of a possible
Liz Holmes	5	5
Christine Price-Smith	3	5
Ian Wright	5	5
Jeremy Twynam	3	5
Paul Turner	5	5
Rachel Kenyon	2	2
Louise Warren	1	1
Anthony Cook	4	5
Paul Walker	5	5
Helen Turner (Co-opted)	4	5
Duncan Millard	5	5

Resignations and Appointments during the year:

- **Louise Warren resigned 20th October 2019**
- **Rachel Kenyon resigned 14th January 2020**
- **Jeremy Twynam resigned 21st August 2020**

Further to the strategic risks outlined in the sections above, this year has brought many unexpected challenges requiring new ways of working and the implementation of agile processes which could support evolving and sometimes rapidly changing operational circumstances.

The year has demanded significant variation of priorities to focus on providing on site learning for the children of key worker families, establishing effective means of delivering education remotely and supporting vulnerable pupils and staff. Whilst still undertaking and completing regular ongoing tasks such as recruitment and building maintenance and repair to enable trust schools to full reopen in September 2020.

Faringdon Learning Trust

Governance Statement (continued)

A new organic strategy to grow the trust through affiliate schools was launched with most of the trust's partnership schools becoming more actively involved and engaged with the Academy Leadership team and central services offered by the trust.

Although progress in this area was limited, where closer connections were made this provided a life line to some of the schools as they developed strategies and risk plans to enable them to partially and then to open up to all pupils in new academic year.

Ongoing oversight of the educational performance of all schools in the Trust was truncated and varied and a new focus formed around ensuring consistency of teacher assessments to ensure assessments accurately reflected expected outcomes, could be robustly defended and would not create any enduring issues as a consequence of inflated outcomes.

Governance Reviews

Our programme of governance reviews continued and as lock down came into effect only one review was outstanding and a full programme or interim progress reviews had been put in place.

The trust continues to delegate significant areas of responsibility to local governing bodies due to as a robust governance system continuing to be in place. The alignment of Strategic Plan and Risk Registers which was initiated in 2019/20 will now become fully imbedded in 2020/21.

To ensure trustees and local governors were fully appraised of changing guidance and legal duties they were regularly directed to links to government and NGA web sites and provided with briefing notes distilled from information published by the Government and NGA as relevant to Trust actions and required activities.

Financial performance continues to be monitored at every school through regular meetings between the head teacher and the lead local governor for finance together with the Chief Operations Officer and the appropriate finance officer. These meetings continue to provide a means of ensuring high quality financial information is shared and used to inform financial planning.

The trust through a remote meeting platform continued the valuable practice of an annual budget planning meeting with headteachers Chairs and leading finance governors,

Trustees conducted their annual skills audit at the start of the Autumn term which confirmed that the Board had trustees with the appropriate knowledge and experience necessary to effectively discharge its responsibilities.

Committees

Trust Resources Committee – During a restructure of the Board Committees in 2019 – 2020 the Trusts Safety and Facilities Committee was subsumed into the Trust Resources Committee. The main roles and responsibilities of this committee are outlined on page 5 of this report.

During this reporting period, the key issues for the academy resources committee were -

- Oversight of the financial performance of the trust and in particular scrutiny of individual schools that cause concerns. Specifically, the committee have maintained oversight of activity to reduce the planned in-year deficit at Faringdon Community College, Shrivenham Primary School and Faringdon Infant School and ongoing deficit at John Blandy Primary school.
- Implementation of recommendations raised by the internal and external audit processes.
- Approval of Academy budget for AY2021 and the revised 5-year financial plan.

Faringdon Learning Trust

Governance Statement (continued)

Attendance at meetings in the year was as follows:

Trustee/Local Governor	Meetings attended	Out of a possible
Anthony Cook	5	5
Jeremy Twynam	3	5
Mark Greenwood	4	5
Duncan Millard	3	5
Ian Wright	4	5
David Hancox (local governor)	5	5
Tim Clark	5	5
Alex Bond (local governor)	4	5
Duncan Jenkins (local governor)	5	5

Appointments and Resignations during the year:

- Jeremy Twynam/ Mark Greenwood/ Ian Wright/ Tim Clark/ Alex Bond joined the committee September 2019
- Jeremy Twynam resigned 21st August 2020

The Independent Audit and Risk Committee

The Faringdon Learning Trust's Audit Committee has now completed its 7th year; its role is to review the effectiveness of the operation of the Trust's Process Owners systems, through scrutiny of its control of risk and delivery of statutory and legal obligations and the assessment of its internal controls. An Internal Auditor (appointed from Cooper Parry Group Ltd) is in place to undertake visits to Trust Schools to provide the Audit Committee with independent insight into the operation of the financial management arrangements it has established and that are operated by officers working for the trust.

Over the past year the Internal Auditor has undertaken the following:

- Business Continuity,
- Payroll

Additionally, within its meetings the audit committee has also debated and reviewed:

- IT Security
- Risk Register

Attendance at meetings in the year was as follows:

Committee Member	Meetings attended	Out of a possible
Alex Peal (Chair)	3	3
Karen Brusch	3	3
Richard Morin	1	3
Andy Robinson	3	3
David Farquhar	1	3
Andrew Row	1	2

Appointments and Resignations during the year:

- Sarah Hubbard resigned 4th September 2019
- Andrew Row resigned 17th March 2020

Review of Value for Money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- **Improving Educational Outcomes** – In AY19/20 all schools were affected the Covid-19 pandemic which meant all schools had to close in March 2020 except for vulnerable children and children of key workers. Consequently, the vast majority of children were taught remotely. Primary schools' national tests and GCSE and A Level examinations were cancelled. Despite this value-added data for GCSE students remained strong at +0.24 and +0.26 for A level. All schools within the Trust are either rated Good or Outstanding by Ofsted.
- **Continued Collaborative Procurement** – The Trust continues to strive for improved ways of procuring as contracts come up for renewal and through the plethora of services consumed by our 8 academy schools. Through the Oxfordshire Academies Business Managers Group, we seek to identify group projects where we can share the cost of major projects across a number of participating trusts. The group meet every 6-8 weeks to progress a range of procurement projects. The Trust Resources Committee receives reports on larger procurement opportunities that have been realised.
- **Improved Structures** – During 19/20 a review of the central team took place to ensure it continues to meet the requirements of the Trust and its schools.
- **Shared pupil events** – The Trust continues to offer pupil's wider opportunities including, sports, STEM and arts.
- **Innovative Staff Events** – Through the trust 'Training School' we have arranged internal staff training and CPD for teaching and support staff, additionally shared inset days and working parties to look at specific elements of the curriculum across all key stages, give staff opportunities for further development whilst ensuring development of key subject areas.

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

Capacity to Handle Risk

The 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

Faringdon Learning Trust

Governance Statement (continued)

academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the Resources 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 specific internal audit function and has decided to maintain the requirement for an audit committee. The composition and function of the audit committee is highlighted on page 22 of this report. The academy trust provides funding for an Internal Auditor for several days each year (the Peer Reviewer is employed by Chartered Accountants Cooper Parry Ltd). The work of the Internal Auditor is determined by the priorities of the audit committee to ensure full independence.

The Internal Auditor provides a report following each targeted visit which is subsequently copied to the audit committee, the Trust Resources Committee and the COO. The report highlights observations together with recommendations and requires a response from the COO. At the end of each year, the Internal Audit reports are made available to the External Auditors and an annual report is provided to the Board of Trustees. The Chairperson of the Audit Committee attends the Board meeting in person to present their annual report and to agree the forward programme of inspection. The annual audit report for AY1920 was presented to the Board on 5th December 2019. The key recommendations from the report were:

- A service level agreement for central services so that schools know what they are meant to be getting and know what to expect.
- Schools are provided with a breakdown of costs to promote understanding of what the central services recharge covers.
- In respect of educational performance, performance indicators are established to define what "good" looks like from the central team and ensure that the MAT is getting good value from the education central team.
- The finance team continue to follow good practice and undertake regular training to minimise the risk of fraud.

A programme of work has been developed for the next year to include reviews of:

- Review of Cyber and IT Security,
- Review of Income Generation
- Review of Academies Financial Handbook compliance

The academy trust can confirm that the internal audit committee has delivered their schedule of work as planned and that there have been no material control issues arising requiring remedial action.

Review of Effectiveness

As accounting officer the CEO 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 audit committee and the reports from the Peer Reviewer
- the work of the external auditor
- the financial management and governance self-assessment process
- 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 internal audit committee and a plan to observations and recommendations that have been highlighted and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 17th December 2020 and signed on its behalf by:



Liz Holmes
Chairperson of the Board of Trustees



Duncan Millard
Accounting Officer

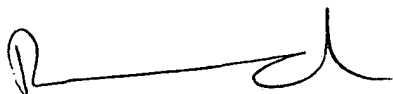
Faringdon Learning Trust

Statement on Regularity, Propriety and Compliance

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

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

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



Duncan Millard
Accounting Officer

17th December 2020

Faringdon Learning Trust

Statement of Trustees' Responsibilities

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

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

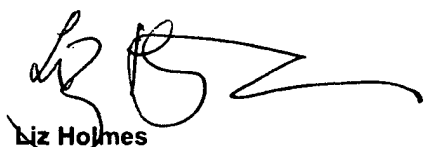
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards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

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

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

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

Approved by order of the members of the board of trustees on 17th December 2020 and signed on its behalf by:



Liz Holmes
Chairperson of the Board of Trustees

Opinion on financial statements

We have audited the financial statements of Faringdon Learning Trust ('the academy trust') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2019 to 2020 issued by the ESFA.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Faringdon Learning Trust

Independent Auditor's Report to the members of Faringdon Learning Trust (continued)

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 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 the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures 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 28), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Faringdon Learning Trust

Independent Auditor's Report to the members of Faringdon Learning Trust (continued)

Use of our report

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



Andrew Rodzynski (Senior statutory auditor)
For and on behalf of Critchleys Audit LLP
Statutory Auditor
Oxford

Date: 18 December 2020

Critchleys Audit LLP is eligible to act as an auditor in terms of sections 1212 of the Companies Act 2006.

Faringdon Learning Trust

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

In accordance with the terms of our engagement letter dated 31 October 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Faringdon Learning Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament, and the financial transactions conform to the authorities which govern them.

Respective responsibilities of Faringdon Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Faringdon Learning Trust's funding agreement with the Secretary of State for Education dated 1 September 2014 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

1. Reviewing the minutes of meetings of the Board of Trustees and obtaining representations concerning access to information, disclosure and provision of information.
2. Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity.
3. Assessment and testing of a sample of the specific control activities over regularity of a particular activity.
4. Carrying out substantive testing to cover authorisation of expenditure within internal delegated authorities and externally imposed limits.
5. Consideration of whether activities carried out are within the charitable objects.

Faringdon Learning Trust

Independent Reporting Accountant's Assurance Report on Regularity to Faringdon Learning 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 period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Use of our report

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



Critchleys Audit LLP
Reporting Accountant
Oxford

Date: 18 December 2020

Faringdon Learning Trust
Statement of Financial Activities
For the year ended 31 August 2020
(including Income and Expenditure Account)

	Note	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2019/20 £'000	Total 2018/19 £'000
Income and endowments from:						
Donations and capital grants	2	22	37	827	886	273
Charitable activities:						
Funding for the academy trust's educational operations	3	-	14,013	-	14,013	13,189
Other income for educational operations	4	781	-	-	781	932
Other trading activities	5	43	-	-	43	66
Investments	6	3	-	-	3	1
Total		849	14,050	827	15,726	14,461
Expenditure on:						
Charitable activities:						
Grants						
Academy trust educational operations	7,8	846	14,558	1,477	16,881	16,138
Total		846	14,558	1,477	16,881	16,138
Net income / (expenditure) before transfers		3	(508)	(650)	(1,155)	(1,677)
Transfers between funds	17	-	(106)	106	-	-
Net income / (expenditure) for the period		3	(614)	(544)	(1,155)	(1,677)
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	17,27	-	(57)	-	(57)	(1,571)
Net movement in funds		3	(671)	(544)	(1,212)	(3,248)
Reconciliation of Funds						
Funds brought forward at 1 September		842	(5,649)	23,582	18,775	22,023
Funds carried forward at 31 August		845	(6,320)	23,038	17,563	18,775

All of the Academy Trust's activities derive from continuing operations.

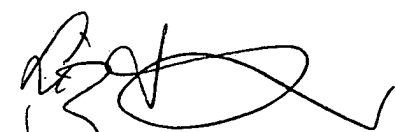
A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Faringdon Learning Trust
Balance Sheet
As at 31 August 2020

Company number:
07977368

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Fixed assets					
Intangible assets	13		27		2
Tangible assets	14		22,189		23,449
Current assets					
Debtors	15	1,047		402	
Cash at bank and in hand		<u>2,550</u>		<u>2,232</u>	
		3,597		2,634	
Liabilities					
Creditors: Amounts falling due within one year	16	<u>(1,185)</u>		<u>(1,099)</u>	
Net current assets			<u>2,412</u>		<u>1,535</u>
Total assets less current liabilities			<u>24,628</u>		<u>24,986</u>
Net assets excluding pension liability			<u>24,628</u>		<u>24,986</u>
Defined benefit pension scheme liability	27		(7,065)		(6,211)
Total net assets			<u><u>17,563</u></u>		<u><u>18,775</u></u>
Funds of the academy trust:					
Restricted fixed asset funds	17		23,038		23,582
Restricted income fund	17	745		562	
Pension reserve	17	<u>(7,065)</u>		<u>(6,211)</u>	
			(6,320)		(5,649)
Total restricted funds			<u>16,718</u>		<u>17,933</u>
Unrestricted income funds	17		845		842
Total funds			<u><u>17,563</u></u>		<u><u>18,775</u></u>

The financial statements on pages 34 to 61 were approved by the trustees and authorised for issue on 17th December 2020 and are signed on their behalf by



Liz Holmes
Chair of the Board of Trustees

Faringdon Learning Trust
Statement of Cash Flows
For the year ended 31 August 2020

	Notes	2020 £'000	2019 £'000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	21	(270)	405
Cash flows from investing activities	23	588	(239)
Cash flows from financing activities	22	-	-
Change in cash and cash equivalents in the reporting period		<u>318</u>	<u>166</u>
Reconciliation of net cash flow to movement in net funds			
Cash and cash equivalents at 1 September		2,232	2,066
Cash and cash equivalents at 31 August	24	<u>2,550</u>	<u>2,232</u>

All of the Academy Trust's activities derive from continuing operations.

1 Statement of Accounting Policies

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

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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Faringdon Learning Trust meets the definition of a public benefit entity under FRS 102.

Going Concern

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

Income

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

Grants

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

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

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

Donations

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

Other income

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

1 Statement of Accounting Policies (continued)

Income (continued)

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'.

Donated fixed assets (excluding transfers on conversion/into academy trust)

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

Expenditure

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

Expenditure on Raising Funds

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

Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

Intangible Fixed Assets

Intangible assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

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

Purchased computer software	10 years
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1 Statement of Accounting Policies (continued)

Tangible Fixed Assets

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

The property transferred on conversion has been valued on a depreciated replacement cost basis which is not representative of market value (see note 14 for further details).

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 and assets under construction, at rates calculated to write off the cost of each asset on a straight-line/reducing balance basis over its expected useful life, as follows:

Leasehold buildings	10-45 years from conversion
Leasehold improvements	10-30 years
Fixtures, fittings and equipment	5 years
ICT equipment	3 years
Motor vehicles	5 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in 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.

1 Statement of Accounting Policies (continued)

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 costs as detailed in note 15. Prepayments are not financial instruments.

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 16. 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.

Taxation

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

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

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 27, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the 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 gains and losses.

1 Statement of Accounting Policies (continued)

Fund Accounting

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

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

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

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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The academy trust participates in the Teacher's Pension Scheme (TPS) for qualifying employees. Under the definitions set out in FRS 102, this is a multi-employer pension scheme. There is insufficient information about the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets in the financial statements and therefore the plan is accounted for as a defined contribution scheme (see note 27).

Agency Arrangements

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

2 Donations and capital grants

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2019/20 £'000	Total 2018/19 £'000
DfE/ESFA capital grants				
Devolved formula capital grant	-	72	72	203
Condition Improvement Fund	-	724	724	-
Other Government grants				
Local authority capital funding	-	30	30	-
	<u>-</u>	<u>826</u>	<u>826</u>	<u>203</u>
Capital donations	-	1	1	-
Other donations	22	37	59	70
	<u>22</u>	<u>864</u>	<u>886</u>	<u>273</u>

The income from donations and capital grants was £886k (2018/19: £273k) of which £22k was unrestricted (2018/19: £34k), £37k restricted (2018/19: £36k) and £827k restricted fixed assets (2018/19: £203k).

3 Funding for Academy's educational operations

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2019/20 £'000	Total 2018/19 £'000
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	11,846	11,846	11,559
Teachers' Pay Grants	-	163	163	105
Other DfE Group grants	-	1,033	1,033	976
National College grants	-	4	4	4
	<u>-</u>	<u>13,046</u>	<u>13,046</u>	<u>12,644</u>
Other Government grants				
Early Years funding	-	208	208	186
Local authority revenue funding	-	291	291	174
Local authority funding for Block B (revenue)	-	-	-	185
Other grants	-	464	464	-
	<u>-</u>	<u>963</u>	<u>963</u>	<u>545</u>
Exceptional government funding				
Coronavirus exceptional support	-	4	4	-
	<u>-</u>	<u>4</u>	<u>4</u>	<u>-</u>
	<u>-</u>	<u>14,013</u>	<u>14,013</u>	<u>13,189</u>

The funding for the academy's educational operations was £14,013k (2018/19: £13,189k) of which £Nil was unrestricted (2018/19: £Nil), £14,013k restricted (2018/19: £13,189k) and £Nil restricted fixed assets (2018/19: £Nil).

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding."

- The funding received for coronavirus exceptional support covers £4k of additional cleaning and premises costs. These costs are included in notes 7 and 8 below.

4 Other income for educational operations

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2019/20 £'000	Total 2018/19 £'000
Trip and activity income	415	-	415	418
Catering income	281	-	281	406
Other income	85	-	85	108
	<u>781</u>	<u>-</u>	<u>781</u>	<u>932</u>

The other income for educational operations was £781k (2018/19: £932k) of which £781k was unrestricted (2018/19: £932k), £Nil restricted (2018/19: £Nil) and £Nil restricted fixed assets (2018/19: £Nil).

5 Other trading activities

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2019/20 £'000	Total 2018/19 £'000
Hire of facilities	43	-	43	66
	<u>43</u>	<u>-</u>	<u>43</u>	<u>66</u>

The other trading activities income was £43k (2018/19: £66k) of which £43k was unrestricted (2018/19: £66k), £Nil restricted (2018/19: £Nil) and £Nil restricted fixed assets (2018/19: £Nil).

6 Investment Income

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2019/20 £'000	Total 2018/19 £'000
Short term deposits	3	-	3	1
	<u>3</u>	<u>-</u>	<u>3</u>	<u>1</u>

The investment income was £3k (2018/19: £1k) of which £3k was unrestricted (2018/19: £1k), £Nil restricted (2018/19: £Nil) and £Nil restricted fixed assets (2018/19: £Nil).

7 Expenditure

	Staff Costs £'000	Non Pay Premises Costs £'000	Expenditure Other Costs £'000	Total 2019/20 £'000	Total 2018/19 £'000
Academy's educational operations					
Direct costs (note 8)	10,478	-	874	11,352	10,362
Allocated support costs (note 8)	2,398	605	2,526	5,529	5,776
	<u>12,876</u>	<u>605</u>	<u>3,400</u>	<u>16,881</u>	<u>16,138</u>

The expenditure on raising funds was £Nil (2018/19: £Nil) of which £Nil was unrestricted (2018/19: £Nil), £Nil restricted (2018/19: £Nil) and £Nil restricted fixed assets (2018/19: £Nil).

The expenditure on academy's educational operations was £16,881k (2018/19: £16,138k) of which £846k was unrestricted (2018/19: £1,032k), £14,558k restricted (2018/19: £13,620k) and £1,477k restricted fixed assets (2018/19: £1,486k).

Net income/(expenditure) for the period includes:

	2019/20 £'000	2018/19 £'000
Operating lease rentals	37	39
Depreciation	1,475	1,485
Amortisation of intangible fixed assets (included within Charitable Activities - Academy trust educational operations)	2	1
Fees payable to auditor for:		
Audit	16	14
Other services	10	13

8 Charitable activities

	Total 2019/20 £'000	Total 2018/19 £'000
Direct costs - educational operations	11,352	10,362
Support costs - educational operations	5,529	5,776
	<u>16,881</u>	<u>16,138</u>

Analysis of support costs

	Educational operations £'000	Total 2019/20 £'000	Total 2018/19 £'000
Support staff costs	1,601	1,601	1,604
Depreciation and amortisation	1,477	1,477	1,486
Technology costs	229	229	215
Premises costs	605	605	697
Other support costs	791	791	955
Governance costs	29	29	32
Other pension costs - current service costs	679	679	465
Other pension costs - past service costs	-	-	208
Other finance costs (FRS102 pension)	118	118	114
	<u>5,529</u>	<u>5,529</u>	<u>5,776</u>

9 Staff

a. Staff costs

Staff costs for the period were:

	2019/20 £'000	2018/19 £'000
Wages and salaries	9,223	8,719
Social security costs	770	746
Operating costs of defined benefit pension schemes		
Employer contributions to pension schemes	1,956	1,416
FRS102 Other pension and finance costs	797	787
Apprenticeship levy	33	29
	<u>12,779</u>	<u>11,697</u>
Agency supply teacher costs	97	100
Staff restructuring costs	-	2
	<u>12,876</u>	<u>11,799</u>
Staff restructuring costs comprise:		
Severance payments	-	2
	<u>-</u>	<u>2</u>

b. Non statutory/non-contractual staff severance payments

There are no non-statutory/non-contractual severance payments included in staff restructuring costs for 2019/20 (2018/19: £2k).

This consisted of one single payment of £2k.

c. Staff numbers

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

	2019/20 No.	2018/19 No.
Teachers	159	154
Leadership	36	20
Administration and support	241	255
	<u>436</u>	<u>429</u>

The average number of persons (including senior leadership team) employed by the academy trust during the period expressed as full time equivalents was as follows:

	No.	No.
Teachers	127	126
Leadership	20	20
Administration and support	132	146
	<u>279</u>	<u>291</u>

d. Higher paid staff

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

	2019/20 No.	2018/19 No.
£60,001 - £70,000	5	4
£80,001 - £90,000	-	1
£90,001 - £95,000	1	1
£95,001 - £100,000	1	-

9 Staff (continued)

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on pages 1 & 2. 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 £325k (2018/19: £328k).

10 Central services

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

School improvement support	Central ICT staff support
Central finance team	Central governance support
Central HR support	Central administration costs
Central facilities management staff support	Primary school staff absence pool

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

Central costs are shared out amongst the Trust's schools based on Average Weighted Pupil Unit (AWPU) funding allocated to each school by the ESFA. AWPU is based on the number of pupils in school, further specific costs are allocated based on usage (e.g. caretaker costs shared by three schools and IT costs shared on numbers of devices).

The actual amounts charged during the period were as follows:

	2019/20 £'000	2018/19 £'000
Buckland CofE Primary School	49	44
Faringdon Community College	429	401
Faringdon Junior School	84	81
Faringdon Infant School	116	105
John Blandy Primary School	75	69
Longcot and Fernham CofE Primary School	55	51
Shrivenham CofE Controlled School	67	62
Watchfield Primary School	117	111
	<u>992</u>	<u>924</u>

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 head teacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of head teacher and staff members under their contracts or employment.

	2019/20 £	2018/19 £
D Millard, CEO and Trustee		
Remuneration	£95k-£100k	£90k-£95k
Employer's pension contributions	£20k-£25k	£15k-£20k
R Kenyon, FCC Teacher and Trustee (resigned as trustee 14th January 2020)		
Remuneration	£15k-£20k	£40k-£45k
Employer's pension contributions	£0k-£5k	£5k-£10k
L Warren, Buckland Headteacher and Trustee (resigned as trustee 20th October 2019)		
Remuneration	£10k-£15k	£60k-£65k
Employer's pension contributions	£0k-£5k	£10k-£15k

During the period ended 31 August 2020, no expenses were reimbursed to trustees for travel and subsistence expenditure incurred in their roles as trustees (2018/19: £Nil).

12 Trustees and officers insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5m (2018/19: £5m).

The cost of this insurance is included in the total insurance cost but has not been separately identified.

13 Intangible fixed assets

	Computer Software £'000	2019/20 Total £'000
Cost		
As at 1 September 2019	5	5
Additions	27	27
As at 31 August 2020	<u>32</u>	<u>32</u>
Amortisation		
As at 1 September 2019	3	3
Charged in year	2	2
As at 31 August 2020	<u>5</u>	<u>5</u>
Carrying amount		
As at 31 August 2020	<u>27</u>	<u>27</u>
As at 1 September 2019	<u>2</u>	<u>2</u>

14 Tangible fixed assets

	Leasehold Buildings £'000	Asset under Construction £'000	Furniture and Equipment £'000	Computer Equipment £'000	2019/20 Total £'000
Cost					
As at 1 September 2019	31,031	-	611	680	32,322
Additions	98	16	-	101	215
As at 31 August 2020	<u>31,129</u>	<u>16</u>	<u>611</u>	<u>781</u>	<u>32,537</u>
Depreciation					
As at 1 September 2019	8,120	-	264	489	8,873
Charged in year	1,297	-	91	87	1,475
As at 31 August 2020	<u>9,417</u>	<u>-</u>	<u>355</u>	<u>576</u>	<u>10,348</u>
Net book values					
As at 31 August 2020	<u>21,712</u>	<u>16</u>	<u>256</u>	<u>205</u>	<u>22,189</u>
As at 1 September 2019	<u>22,911</u>	<u>-</u>	<u>347</u>	<u>191</u>	<u>23,449</u>

Leasehold land and buildings

The Academy took out 125 year leases over the land and buildings at the date of conversion of each school. In determining valuations for the leasehold property, the Trustees have referred to the valuations arranged by the EFA which were carried out on a desktop depreciated replacement cost basis. The freehold of these land and buildings is owned by the respective Local Authorities. These are recognised in the accounts as the academy trust has the right to use the property.

Additions to land and buildings

Additions in the year represent capital works to existing buildings.

15 Debtors

	2020 £'000	2019 £'000
Trade debtors	3	7
VAT recoverable	74	82
Prepayments and accrued income	970	313
	<u>1,047</u>	<u>402</u>

16 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	225	258
Other taxation and social security	189	180
Other creditors	239	177
Accruals and deferred income	532	484
	<u>1,185</u>	<u>1,099</u>

Deferred income

	2020 £'000	2019 £'000
Deferred income at 1 September	422	365
Released from previous years	(422)	(365)
Resources deferred in the period	412	422
Deferred income at 31 August	<u>412</u>	<u>422</u>

At the balance sheet date the academy trust was holding funding received specifically for the next financial year totalling £258k, together with lettings, trips, activities and other income received in advance totalling £154k.

17 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfer £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	528	11,846	(11,547)	(106)	721
Pupil Premium funding	-	568	(568)	-	-
Other ESFA funding	-	632	(632)	-	-
Local authority revenue funding	-	291	(276)	-	15
Early Years funding	-	208	(208)	-	-
Other restricted funds	34	505	(530)	-	9
Pension reserve (note 27)	(6,211)	-	(797)	(57)	(7,065)
	<u>(5,649)</u>	<u>14,050</u>	<u>(14,558)</u>	<u>(163)</u>	<u>(6,320)</u>
Restricted fixed asset funds					
Devolved Formula Capital Funding	131	72	-	(118)	85
Condition Improvement Fund	-	724	-	(16)	708
Capital donations	-	1	-	-	1
LA capital funding	-	30	-	(2)	28
Intangible fixed asset fund (note 13)	2	-	(2)	27	27
Fixed asset fund (note 14)	23,449	-	(1,475)	215	22,189
	<u>23,582</u>	<u>827</u>	<u>(1,477)</u>	<u>106</u>	<u>23,038</u>
Total restricted funds	<u>17,933</u>	<u>14,877</u>	<u>(16,035)</u>	<u>(57)</u>	<u>16,718</u>
Unrestricted funds					
Unrestricted funds	842	849	(846)	-	845
Total unrestricted funds	<u>842</u>	<u>849</u>	<u>(846)</u>	<u>-</u>	<u>845</u>
Total funds	<u>18,775</u>	<u>15,726</u>	<u>(16,881)</u>	<u>(57)</u>	<u>17,563</u>

The General Annual Grant represents funding received from the Education and Skills Funding Agency during the period in order to fund the continuing activities of the school. Under the funding agreement with the Secretary of State, the academy trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2020.

Pupil Premium Funding represents funding received from the Department for Education (DfE) to raise the attainment of disadvantaged pupils of all abilities. The eligibility of the pupils and rates of grant per pupil are set-out by the DfE. This funding is to be used for the provision of education.

Early Years Funding is provided by a local authority to facilitate provision of placements for 3 and 4 year olds.

Other ESFA funding represents other forms of funding received from the Department for Education.

Local Authority Revenue funding represents various grant funding provided by Local Authorities.

Restricted general funds, Other grants represent amounts given to the academy trust for specific revenue purposes.

The pension reserve fund separately identifies the pension deficit on the Local Government Pension Scheme, and through which all the movements on the pension scheme are recognised.

Devolved Formula Capital represents funding provided by the Department for Education to be used for capital projects. This funding may be used for specific capital projects which are not considered to be fixed asset additions.

Local Authority Capital Funding includes various grant funding provided by Local Authorities.

Capital funds transferred on conversion constitute balances remaining on funds held by the academy trust for capital purposes from the point of conversion.

The Condition Improvement Fund represents funding provided by the Department for Education to be used for specific capital projects.

17 Funds (continued)

Restricted Fixed Asset Funds, Other grants and donations represent amounts given to the academy trust for specific capital purposes.

The Intangible Asset fund recognises the net book value of computer software additions purchased by the academy trust since conversion.

The Fixed Asset fund recognises the net book value of tangible and fixed assets transferred to the trust on conversion and additions since conversion.

Unrestricted funds represent other income to the academy trust which is not received as funding or with a specific purpose.

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £'000	2019 £'000
Revenue reserves		
Buckland CofE Primary School	182	187
Faringdon Community College	589	551
Faringdon Infant School	220	149
Faringdon Junior School	229	189
John Blandy Primary School	(79)	(126)
Longcot and Fernham CofE Primary School	152	135
Shrivenham CofE Controlled School	1	19
Watchfield Primary School	172	183
Central services	124	117
Total before fixed assets, capital reserves and pension reserve	1,590	1,404
Capital reserves - general	114	131
Capital reserves - projects	708	-
Intangible fixed asset fund (representing net book value of intangible assets - note 13)	27	2
Fixed asset fund (representing net book value of fixed assets - note 14)	22,189	23,449
Pension reserve	(7,065)	(6,211)
Total funds	17,563	18,775

John Blandy Primary School has been in a deficit position for the last few years and this has been managed and overseen by the Trust Resources Committee.

The position occurred because the school fell into RI prior to joining the Trust and subsequent restructuring activity created a deficit position. This has gradually been reducing until AY1819 when the pressure of unfunded pay rises started to make an impact. The school is starting to grow from a 1FE to a 1.5FE and will therefore start to see a reduction in its deficit.

17 Funds (continued)

Total cost analysis by academy

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

					2019/20	2018/19
	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies (including all non staff direct costs) £'000	Other costs (excluding depreciation) £'000	Total £'000	Total £'000
Buckland CofE Primary School	382	83	30	58	553	519
Faringdon Community College	4,671	534	604	649	6,458	5,914
Faringdon Infant School	884	147	26	114	1,171	1,193
Faringdon Junior School	1,092	156	63	150	1,461	1,396
John Blandy Primary School	713	59	48	105	925	832
Longcot and Fernham CofE Primary School	413	57	29	75	574	579
Shrivenham CofE Controlled School	636	73	53	81	843	826
Watchfield Primary School	1,327	99	30	160	1,616	1,578
Faringdon Junior School - Block E	-	-	-	-	-	56
Central services	360	393	7	246	1,006	972
	10,478	1,601	890	1,638	14,607	13,865
Depreciation and Amortisation					1,477	1,486
Other finance costs and pension costs					797	787
Note 7					16,881	16,138

17 Funds (continued)

Comparative Funds

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfer £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	299	11,559	(11,201)	(129)	528
Pupil Premium funding	-	531	(531)	-	-
Other ESFA funding	-	554	(554)	-	-
Local authority revenue funding	-	174	(174)	-	-
Local authority funding for Block B (revenue)	-	185	(185)	-	-
Early Years funding	-	186	(186)	-	-
Other restricted funds	-	36	(2)	-	34
Pension reserve (note 27)	(3,853)	-	(787)	(1,571)	(6,211)
	<u>(3,554)</u>	<u>13,225</u>	<u>(13,620)</u>	<u>(1,700)</u>	<u>(5,649)</u>
Restricted fixed asset funds					
Devolved Formula Capital Funding	10	203	-	(82)	131
Condition Improvement Fund	232	-	-	(232)	-
Intangible fixed asset fund (note 13)	3	-	(1)	-	2
Fixed asset fund (note 14)	24,491	-	(1,485)	443	23,449
	<u>24,736</u>	<u>203</u>	<u>(1,486)</u>	<u>129</u>	<u>23,582</u>
Total restricted funds	<u>21,182</u>	<u>13,428</u>	<u>(15,106)</u>	<u>(1,571)</u>	<u>17,933</u>
Unrestricted funds					
Unrestricted funds	841	1,033	(1,032)	-	842
Total unrestricted funds	<u>841</u>	<u>1,033</u>	<u>(1,032)</u>	<u>-</u>	<u>842</u>
Total funds	<u>22,023</u>	<u>14,461</u>	<u>(16,138)</u>	<u>(1,571)</u>	<u>18,775</u>

18 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total Funds £'000
Intangible fixed assets	-	-	27	27
Tangible fixed assets	-	-	22,189	22,189
Current assets	845	1,930	822	3,597
Current liabilities	-	(1,185)	-	(1,185)
Pension Scheme liability	-	(7,065)	-	(7,065)
Total net assets	845	(6,320)	23,038	17,563

Comparative analysis of net assets between funds

Fund balances at 31 August 2019 are represented by:

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total Funds £'000
Intangible fixed assets	-	-	2	2
Tangible fixed assets	-	-	23,449	23,449
Current assets	842	1,661	131	2,634
Current liabilities	-	(1,099)	-	(1,099)
Pension Scheme liability	-	(6,211)	-	(6,211)
Total net assets	842	(5,649)	23,582	18,775

19 Capital commitments

	2019/20 £'000	2018/19 £'000
Contracted for, but not provided in the financial statements	100	-

20 Commitments under operating leases

Operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating

	2019/20 £'000	2018/19 £'000
Amounts due within one year	24	28
Amounts due between one and five years	16	40
	40	68

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

	2019/20 £'000	2018/19 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(1,155)	(1,677)
Adjusted for:		
Amortisation (note 13)	2	1
Depreciation (note 14)	1,475	1,485
Capital grants from DfE and other capital income	(796)	(203)
Other capital income	(31)	-
Interest receivable (note 6)	(3)	(1)
Defined benefit pension scheme cost less contributions payable (note 27)	679	673
Defined benefit pension scheme finance cost (note 27)	118	114
(Increase)/decrease in debtors	(645)	(4)
Increase/(decrease) in creditors	86	17
Net cash (used in)/provided by operating activities	(270)	405

22 Cash flows from financing activities

	2019/20 £'000	2018/19 £'000
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Net cash used in financing activities	-	-

23 Cash flows from investing activities

	2019/20 £'000	2018/19 £'000
Dividends, interest and rents from investments	3	1
Purchase of intangible fixed assets	(27)	-
Purchase of tangible fixed assets	(215)	(443)
Capital grants from DfE Group	796	203
Capital funding received from sponsors and others	31	-
Net cash provided by/(used in) investing activities	588	(239)

24 Analysis of changes in net funds

	At 1 September 2019 £'000	Cash flows £'000	At 31 August 2020 £'000
Cash at bank and in hand	2,232	318	2,550
Notice deposits (less than 3 months)	-	-	-
Total cash and cash equivalents	2,232	318	2,550

25 Contingent liabilities

There are no contingent liabilities that require disclosure.

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 Oxfordshire County Council. Both are multi-employer defined-benefit schemes.

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

Contributions amounting to £226k were payable to the schemes at 31 August 2020 (2018/19: £168k) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in the regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

27 Pension and similar obligations (continued)

Teachers' Pension Scheme (continued)

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%

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

The pension costs paid to TPS in the period amounted to £1,425k (2018/19: £940k).

A copy of the latest valuation report is on the Teachers' Pension Scheme website at the following location:
<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case has now been referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

Under the definitions set out in FRS 102, the TPS is a 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.

27 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £677k (2018/19: £624k), of which employer's contributions totalled £525k (2018/19: £478k) and employees' contributions totalled £152k (2018/19: £146k). The contribution rates applicable until 31 March 2020 were 18.8% for employers and 5.5%-12.5% for employees. Agreed contribution rates in effect from 1 April 2020 are 21.3% for employers and an average of 6.5% for employees.

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

Principal actuarial assumptions

	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	2.20%	3.80%
Rate of increase for pensions in payment / inflation	2.20%	2.30%
Discount rate for scheme liabilities	1.70%	1.80%
Inflation assumption (CPI)	0.50%	1.70%
Commutation of pensions to lump sums	50.00%	50.00%

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

	At 31 August 2020	At 31 August 2019
<i>Retiring today</i>		
Males	22.2	22.7
Females	24.3	24.3
<i>Retiring in 20 years</i>		
Males	22.9	24.0
Females	25.6	25.7

Sensitivity Analysis - Effect on Scheme Liabilities

	At 31 August 2020 £'000	At 31 August 2019 £'000
Discount rate +0.1%	13,000	12,039
Discount rate -0.1%	14,000	12,649
Mortality assumption - 1 year increase	14,000	12,000
Mortality assumption - 1 year decrease	14,000	12,000
CPI rate +0.1%	13,000	12,000
CPI rate -0.1%	14,000	13,000

27 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Fair value at 31 August 2020 £'000	Fair value at 31 August 2019 £'000
Equities	4,669	4,232
Gilts	-	-
Corporate bonds	1,334	1,288
Property	400	368
Cash and other liquid assets	267	245
Total market value of assets	6,670	6,133
Present value of scheme liabilities		
- Funded	(13,735)	(12,344)
Surplus/(deficit) in the scheme	(7,065)	(6,211)

The actual return on scheme assets was £(133)k (2018/19: £196k).

Amounts recognised in the statement of financial activities

	2019/20 £'000	2018/19 £'000
Current service cost	1,204	943
Past service cost	-	208
Net interest on the defined liability (asset)	118	114
Total amount recognised in the SOFA	1,322	1,265

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

	2019/20 £'000	2018/19 £'000
At 1 September	12,344	9,113
Current service cost	1,204	943
Interest cost	234	269
Employee contributions	152	146
Actuarial (gain)/loss - changes in financial assumptions	(232)	2,544
Actuarial (gain)/loss - changes in demographic assumptions	(217)	(807)
Other actuarial gains/(losses)	355	-
Estimated benefits paid net of transfers in	(105)	(72)
Past service costs, including curtailments	-	208
At 31 August	13,735	12,344

27 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2019/20 £'000	2018/19 £'000
At 1 September	6,133	5,260
Interest income	116	155
Return on plan assets (excluding net interest on the net defined pension liability)	(151)	166
Employer contributions	525	478
Employee contributions	152	146
Estimated benefits paid plus unfunded net of transfers in	(105)	(72)
At 31 August	<u>6,670</u>	<u>6,133</u>

Reconciliation of opening and closing deficit

	2019/20		2018/19	
	£'000	£'000	£'000	£'000
Pension deficit at 1 September		(6,211)		(3,853)
Current service cost	(1,204)		(943)	
Past service cost	-		(208)	
Employer contributions	<u>525</u>		<u>478</u>	
Additional pension cost		(679)		(673)
Other finance costs		(118)		(114)
Actuarial gains/(losses)		<u>(57)</u>		<u>(1,571)</u>
Pension deficit at 31 August		<u>(7,065)</u>		<u>(6,211)</u>

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

The following related party transactions took place in the financial period.

Expenditure Related Party Transactions

C Stark ((spouse of D Wilson, Trustee/Director, Executive Headteacher and Accounting Officer to 31 August 2018) Member from July 2019) received remuneration during the year, for her work as a teacher, of £3,634 (2018/19: £1,415), expenses of £nil (2018/19: £nil) and employer pension contributions amounted to £nil (2018/19: £nil). The amount owed to C Stark at 31 August 2020 was £nil (2019: £nil).

C Stark's appointment was made in open competition and D Wilson was not involved in the decision-making process regarding appointment. C Stark was paid within the normal pay scale for her role and received no special treatment as a result of her relationship to a trustee.

J Kenyon (daughter of R Kenyon, Trustee/Director) received remuneration during the year, for her work as a teaching assistant, of £15,203 (2018/19: £10,552), expenses of £nil (2018/19: £nil) and employer pension contributions amounted to £2,722 (2018/19: £1,615). The amount owed to J Kenyon at 31 August 2020 was £184 (2019: £nil).

J Kenyon's appointment was made in open competition and R Kenyon was not involved in the decision-making process regarding appointment. J Kenyon is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

D Kenyon (husband of R Kenyon, Trustee/Director) received remuneration during the year, for his work as a teacher, of £40,490 (2018/19: £39,406), expenses of £nil (2018/19: £nil) and employer pension contributions amounted to £9,588 (2018/19: £6,494). The amount owed to D Kenyon at 31 August 2020 was £nil (2019: £nil).

D Kenyon's appointment was made in open competition and R Kenyon was not involved in the decision-making process regarding appointment. D Kenyon is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a trustee.

E Millard (daughter of D Millard, Chief Executive Officer from 1 September 2018)) received remuneration during the year, for her work as a teaching assistant, of £1,265 (2018/19: £652), expenses of £nil (2018/19: £nil) and employer pension contributions amounted to £nil (2018/19: £nil). The amount owed to E Millard at 31 August 2020 was £nil (2019: £nil).

E Millard's appointment was made in open competition and D Millard was not involved in the decision-making process regarding appointment. E Millard is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the Chief Executive Officer.

M Lynn (daughter of A Lynn, Chief Operational Officer) received remuneration during the year, for her work as a teaching assistant, of £11,556 (2018/19: £nil), expenses of £nil (2018/19: £nil) and employer pension contributions amounted to £nil (2018/19: £nil). The amount owed to M Lynn at 31 August 2020 was £133 (2019: £nil).

M Lynn's appointment was made in open competition and A Lynn was not involved in the decision-making process regarding appointment. M Lynn is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the Chief Operational Officer.

29 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ending 31 August 2020 the trust received £8k (2018/19: £8k) and disbursed £6k (2018/19: £7k) from the fund. An amount of £11k (2019: £9k) (including brought forward from prior years) is included in other creditors relating to undistributed funds that are repayable to ESFA.