

Excalibur Academies Trust

(A Company Limited by Guarantee)

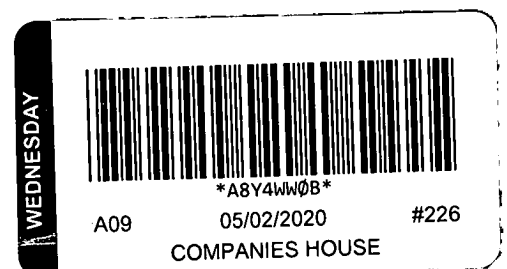
Annual Report and Financial Statements

Year ended 31 August 2019



**A family of schools
Achieving excellence
Empowering individuality**

**Company Registration Number:
08146633 (England & Wales)**



Excalibur Academies Trust

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Excalibur Academies Trust

Reference and Administrative Details

Members	S Clarke W Dufour SDBE Corporate Member – A Studdert-Kennedy (resigned 31/12/18) SDBE Corporate Member–Richard Curtis (appointed 23/4/19) D Wilson
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Directors	A Anthistle (appointed 18/10/2019) E Butler J Butler S Clarke *# N Edmondson * (CEO & Accounting Officer) A Gould *# K Kelly L Lee J Longhurst G Mortimer (resigned 18/10/2019) A Parry *# N Swan * C Waldon # N Watkins (resigned 14/12/18) T Watson * (Chair)
	* members of the finance committee # members of the audit committee

Senior Management Team: Chief Executive Officer Chief Finance Officer Head of Academy Improvement Principal of St John's, Marlborough Principal of Fairfield High School Principal of The Wren School Principal of John O'Gaunt School Principal of Great Bedwyn School Principal of Lambourn Primary School Principal of Burbage Primary School Principal of St Katharine's CofE Primary School Principal of Easton Royal Academy Principal of Oare CofE Primary School & Ogbourne CofE Primary School Principal of Ogbourne CofE Primary School	N Edmondson K Davis C Mangham I Tucker (from 1/1/2019) N Lewis J Broadhead (from 1/2/2019) A Henderson (until 31/8/2019) N Williams (until 28/9/2018) M Perrett (from 1/12/2018) R Duke R Barber-Stubbs N Jones R Barber-Stubbs A Normington (until 31/12/18) R Smith (from 1/1/2019)
Company Name	Excalibur Academies Trust
Principal and Registered Office	Granham Hill Marlborough SN8 4AX

Excalibur Academies Trust

Reference and Administrative Details (Continued)

Company Registration Number	8146633 (England and Wales)
Independent Auditor	Moore (South) LLP 33 The Clarendon Centre Salisbury Business Park Dairy Meadow Lane Salisbury SP1 2TJ
Bankers	Lloyds Bank 38 Market Place Devizes SN10 1JD
Solicitors	Veale Wasbrough Vizards Orchard Court Bristol BS1 5WS

Excalibur Academies Trust

Directors Report

The directors in their role as trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Excalibur Academies Trust operates 12 primary and secondary academies in clusters in Wiltshire, Bristol, West Berkshire and Reading. It has a pupil capacity of 6185 and had a roll of 5198 in the school census on October 2019.

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 Excalibur Academies Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Excalibur Academies Trust. In addition, each individual academy trades using its own name.

Details of the directors who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 3.

Members' Liability

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

Trustees' Indemnities

All schools within the Trust are members of the Government RPA scheme, which provides unlimited professional indemnity cover.

Method of Recruitment and Appointment or Election of Directors

The arrangements for appointing new directors are set out in the articles of association. The articles allow for 2 parent directors, 25% up to a maximum of 4 foundation directors, up to 5 community directors, the CEO, the Chair of the Chairs Forum and up to 3 co-opted directors.

Parent directors are elected by elected parent governors who are members of the academy local governing bodies. Community directors are appointed by the members. Foundation directors are appointed in conjunction with Salisbury Diocesan Board of Education and co-opted directors are appointed by the board.

With regard to the appointment of directors, the full board gives consideration to the skills mix of the directors to ensure that the Board has the necessary skills to contribute to the development of all the academies.

Policies and Procedures Adopted for the Induction and Training of Directors

The training and induction provided to new directors depends on their individual experience – often new directors are experienced governors. All new directors are trained in use of the Trust's governance website - this includes key documents, policies, minutes of meetings and other documents needed for directors and governors to discharge their duties. The CEO, CFO with the clerk to the directors undertake induction for new directors. Mentoring from existing directors is also available for new directors. In addition, there is the Annual Directors and Governors Conference which includes training. During 2018/19 the Trust subscribed to NGA Learning Link who provide a broad programme of training including training on

Excalibur Academies Trust

Directors Report (continued)

safeguarding. The Trust is a member of the National Governance Association. All governors and directors regularly receive guidance and information from the NGA and attend NGA Conferences

Organisational Structure

The Board of directors formally meets at least six times per academic year. Exceptional meetings can be called at any time if circumstances dictate. Quorum is one third of the membership, excluding vacancies.

The Annual General Meeting is held every year in December on the same date as the directors meeting.

There are a number of working committees: Local Governing Bodies at each academy; Education Scrutiny; Finance, Premises & ICT; Admissions; Staffing; Audit; plus the LGB Chairs Forum. The committees meet at least three times per year to review, evaluate and monitor the activities covered by their terms of reference. The local governing bodies meet at least six times per year and more often if priorities warrant additional time. The admissions committee meets as required.

Local Governing Bodies have delegated authority to ensure educational progression and compliance with Excalibur policies and procedures. Local Governing Bodies are specifically focused on the:

- standard and quality of education in the academy;
- welfare of the students at the academy;
- relationship between the academy and the local community.

The terms of reference for all committees were reviewed during the year. The scheme of delegation has been revised and the financial scheme of delegation is reviewed and approved each year. Details of delegated powers from the Trust board to committees, the CEO and principals are set out in the scheme of delegation. The Chief Executive Officer is the accounting officer. The financial scheme of delegation sets out the financial delegations and responsibilities of the directors and the academies' management teams. Decisions reserved for the Board are set out in the master funding agreement and articles.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel comprise the directors and executive leadership team listed in the Reference and Administrative details on page 3. No directors are remunerated for their service as a trustee. The Staffing Committee is responsible for approving trust pay and appraisal policies and keeping them under review. The Staffing Committee scrutinises and approves the organisational senior management structure, roles and responsibilities within that structure and the level of pay and remuneration for each role. The Staffing Committee consider and approve all pay recommendations related to performance of staff on the leadership scales. Salaries are determined using nationally recognised pay scales for both teaching and support staff. In addition, benchmarking data from similar schools and trusts is taken into account for determining salaries of senior staff.

The retirement of the Trust's first CEO in June 2018 gave the directors the opportunity to look critically at the role of the CEO, taking into account the significant shift in government policy away from requiring all schools to join MATs and also that the size and complexity of the Trust had increased. The CFO in consultation with the Chair of Staffing Committee undertook a benchmarking exercise to determine an appropriate salary range and secured Board approval. Objectives for the CEO are set through an annual appraisal meeting between the CEO, Chair and other members of the Board each year. Objectives are aligned to the strategic plan, with a clear focus on school improvement. Reviews take place during the year and at the annual appraisal meeting. Decisions on whether to increase the salary within the agreed range are based on performance outcomes.

It is the Trust's policy that appointment to and performance of key management personnel is the responsibility of the CEO. In the case of the principal of each academy the CEO is supported by the chair or representative of the local governing body.

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Directors 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
8	7.52

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	
1%-50%	8
51%-99%	
100%	

Percentage of pay bill spent on facility time

Total cost of facility time	£5,744
Total pay bill	£14,359,240
Percentage of the total pay bill spent on facility time,	0.04%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:	13%
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Related Parties and other Connected Charities and Organisations

Excalibur Academies Trust is an approved DfE sponsor. Burbage Primary School, John O'Gaunt School, Lambourn CofE Primary School and May Park Primary School are sponsored academies. As a sponsor Excalibur has responsibility for raising educational standards, improving the quality of leadership and ensuring that the curriculum meets the needs of all pupils.

St John's Foundation Trust, Marlborough

St John's Foundation Trust operates independently of St John's. Its purpose is to manage and provide funds for major developments & educational projects which are not normally provided by public funding. They own and manage land, investments and a charitable fund for St John's. The assets are derived from donations and endowments, some dating back hundreds of years. The Trust Fund exists for the exclusive benefit of St John's, its students and their education in the community of Marlborough. The Trust owns the buildings and the land on which the buildings stand, both of which are leased to the Academy. During 2018/19 St John's Foundation Trust did not make any financial donations to St John's.

Elmfield School for the Deaf, Bristol

Elmfield School is situated within Fairfield High School. Fairfield receives income for use of facilities from Elmfield. Some Elmfield students participate in lessons with students from Fairfield.

Colston's Girls' School (Ventures Trust)

Fairfield High School has a partnership to deliver Post 16 qualifications, with Fairfield staff delivering some lessons. A memorandum of understanding has been agreed between the two schools.

Excalibur Academies Trust

Directors Report (continued)

Lambourn Church of England School House Trust, Lambourn

The School House Trust operates independently of Lambourn. Its purpose is to enhance the education of children in the parish of Lambourn. The Trust makes donations to Lambourn school each year.

School Associations

The majority of our academies have independent parent & supporter organisations that raise money to support individual academies.

Objectives and Activities

Objects and Aims

The principal objects are:

- 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:
 - Academies other than those designated Church of England, whether with or without a designated religious character; and
 - 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 directives issued by the Diocesan Board of Education,
- in relation to each of the academies to recognise and support their individual ethos, whether or not designated Church of England; and
- to promote for the benefit of the inhabitants of the areas in which the academies are situated the provision of facilities for recreation or 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.

The vision of Excalibur Academies Trust is to provide an excellent education, empowering individuals to thrive and grow within a caring, aspirational and outward-looking culture.

Our aims are to:

- **Achieve educational excellence** so that every child receives high quality teaching and enrichment opportunities and fulfils their potential regardless of background or prior attainment.
- **Value and develop our people** ensuring every member of the Excalibur family is treated fairly and with respect and is empowered to develop and thrive as an individual and to make a positive difference in the world.
- **Ensure sustainability as we grow** with a relentless focus on improvement and providing the best education to as many children as possible within an organisation committed to environmental sustainability.

Objectives, Strategies and Activities

The overall strategic objective of the Trust is to provide an excellent education to as many children as possible within our hubs situated along the M4 corridor between Bristol and Reading.

Public Benefit

The directors have given consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

The Trust clearly states these public benefit credentials in its objects.

Excalibur Academies Trust

Directors Report (continued)

It provides education to children and young people that:

- is balanced and broadly based;
- promotes the spiritual, moral, cultural, mental and physical development of students at the school and of society;
- prepares students at the school for the opportunities, responsibilities and experiences of later life;
- promotes, sustains and increases individual and collective knowledge and understanding of specific areas of study, skills and expertise.

The admissions policy of each school within Excalibur Academies Trust is fair and equitable. All academies within the Trust welcome students from all backgrounds. An individual's economic status, gender, ethnicity, race, religion or disability does not form part of our assessment processes. Priority is given to students who live within the designated catchment areas or areas of priority. Details of the admissions criteria are published on the Trust and individual schools' websites.

Equal Opportunities

The Trust will endeavour to attract, recruit and retain staff of high calibre by ensuring that the best possible candidates are appointed. The Trust supports the principle of equal opportunities and opposes discrimination on the basis of protected characteristics including age, sex, marriage and civil partnership, gender reassignment, race, disability, sexual orientation, religion or belief, pregnancy and maternity and part-time or fixed-term employment. Being a committed equal opportunities employer, Excalibur Academies Trust will take every possible step to ensure that all employees are treated equally and fairly. All policies and practices will conform with the principle of equal opportunities in terms of recruitment, selection, training, promotion, career development, discipline, redundancy and dismissal. The Trust aims to ensure that no job applicant receives less favourable treatment because of a protected characteristic.

The Trust consults with employees on an individual or group basis on an employment matter which may affect them during their employment. This may be in consultation with senior management and union representatives if required. This will include return to work interviews; adjustments to working hours and responsibilities; or referrals to occupational health for professional advice and support.

Strategic Report

Achievements and Performance

Key Achievements in 2018/19

- Lambourn CofE Primary School joined on 1 September 2018 as a sponsored academy. The Wren School joined on 1 February 2019 and May Park Primary School joined on 1 September 2019 as a sponsored academy.
- John O'Gaunt School, Burbage Primary School and Oare Primary School were all judged to be Good by Ofsted. This was particularly pleasing at John O'Gaunt which has not had a Good judgement for many years.
- Outcomes across the Trust continued to improve. Of particular note:
 - Overall attainment at KS2 across Excalibur primary academies are above national average;
 - Significantly improved KS2 attainment in maths at Oare;
 - Fairfield and St John's achieved significantly above national average progress scores;
 - St John's attainment at KS4 was highest of non-selective Wiltshire schools;
 - Progress for disadvantaged pupils was above average in all Excalibur secondary schools, and significantly so at Fairfield;
 - KS5 achievement significantly improved at St John's and 54% of students progressed to a Russell Group University.

Excalibur Academies Trust

Directors Report (continued)

- The Trust's Wellbeing Strategy was launched through a successful training day and action plans are being progressed.
- The Trust is continuing to respond to the challenges of teacher recruitment through the School Direct programme. Fourteen students successfully completed their PGCE, and three were recruited to Excalibur schools.
- The Trust has strengthened and expanded its central school improvement team. Our programme of internal reviews and audits has continued, with the focus on Maths, Phonics & EYFS and the Trust has continued to provide effective support to schools outside of the Trust through the Excalibur Teaching School Alliance (ETSA).
- Collaborative working continues to deliver improved outcomes:
 - Peer to peer reviews within Excalibur and with other MATs has enabled the sharing of excellent practice and development of leadership skills;
 - Establishment of subject leader networks has facilitated the development of subject leadership, focused professional dialogue and the sharing of resources which have an impact;
 - Unified formative assessment statements for primary reading, writing and maths has improved and standardised school assessment and moderation;
 - Use of standardised summative tests and gaps analysis across all primary schools has ensured accurate, secure and validated assessment data.
- A new pupil progress tracking system has been introduced across all primary academies.

Key Performance Indicators

A Level Results

St John's	2019	2018	2017	2016	2015
Alps* Quality Indicator	4	6	5	4	5
Average Points per Entry (2016 scale)	35.6	32.5	32.3	33.3	n/a
A* - A grades	28%	22%	21%	26%	21%
A* - B grades	54%	49%	51%	53%	50%

*Alps measures the value added compared with targets based on GCSE results. A score of 4 is in the top 60th-74th percentile

GCSE Results

Academy	2019	National Average	2018	2017	2016
St John's Marlborough					
9-4 in English & Maths	80.3%	58.5%	76%	77%	72%
9-5 in English & Maths	60.2%	39.9%	51%	50%	
Progress 8*	0.43	-0.02	0.16	0.04	-0.09
Attainment 8	56.8	44.3	53.8	52.7	54.1
Fairfield High School					
9-4 in English & Maths	65.3%	58.5%	59%	66%	62%
9-5 in English & Maths	37.0%	39.9%	43%	50%	
Progress 8*	0.36	-0.02	0.12	0.27	-0.07
Attainment 8	46.7	44.3	45.7	49.7	48.9
John O'Gaunt					
9-4 in English & Maths	61.4%	58.5%	58%	59%	62%
9-5 in English & Maths	38.6%	39.9%	27%	39%	
Progress 8*	-0.29	-0.02	-0.07	-0.26	-0.07
Attainment 8	41.2	44.3	40.4	40.1	48.9

*From DfE provisional figures Oct 19 – final figures to be published January 2020

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Directors Report (continued)

Primary KS2 Results

	2019	National Average	Highest School	Lowest School	2018	2017
	% of children reaching expected standard					
Reading	74%	73%	91%	39%	87%	82%
Writing	80%	78%	93%	54%	87%	77%
Maths	78%	79%	93%	36%	84%	79%
Reading, Writing & Maths	64%	65%	87%	25%	74%	68%

A truly outstanding education is broader than examination success – students and staff at Excalibur Academies are encouraged to aspire to excellence in all that they do. Shining examples include:

- Fairfield won an award from the Children's Society for its support for young carers;
- Niamh O'Connell, age 14 from The Wren School, was the youngest speaker at a major political party conference. She attended the Liberal Democrats conference in Bournemouth and spoke in favour of revoking article 50;
- A team of Year 7s from St John's reached the national finals of Race for the Line. Their rocket car achieved 98.98mph placing them 2nd in the competition;
- Fairfield was a finalist in the National Happiness Awards;
- Ross Beasley from St John's was a national finalist in the Bebras Computational Thinking challenge;
- Deborah Omolegan-Obe from Fairfield won the national First Story creative writing competition for a hundred-word poem.

Needless to say that all Excalibur Schools encourage sporting excellence and many of our teams and students are competing at a national level. Notable achievements we particularly applaud and celebrate include:

- Tom Holmes (St John's) is England U17 champion at javelin;
- Nia Rushton (Fairfield) is the U14 national synchronised swimming champion;
- Phoebe Digweed (John O'Gaunt) won the U14 British Schools Judo Championship;
- Jedani Wright (Fairfield) qualified for the English Schools' Athletics national finals for triple jump;
- Niamh Murphy (St John's) is currently ranked 5th for cycling (road, track, and cyclocross);
- Sophie Bolland (St John's) is currently ranked 9th in England for Squash;
- Alex Piper (St John's) qualified for the national finals of the Janet Crams dance competition;
- St John's Equestrian team qualified for the National Championships in show jumping.

Excalibur Teaching School Alliance Initial Teacher Training

The Trust is prioritising teacher training to address recruitment challenges.

	2018/19	2017/18
Number of trainees starting programme	16	9
Number of trainees completing course		
- Primary	7	1
- Secondary	7	6
Number of trainees recruited to Excalibur Schools	3	2
Number of Trainees specialising in English, Maths or Science	4	3
Trainees confirmed as employed as teachers	11	7
Number of trainees recruited for next academic year		
- Primary	2	7
- Secondary	8	8

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Directors Report (continued)

Key Financial Performance Indicators

Admissions

Excalibur schools continue to be popular and over-subscribed in their communities.

Year of entry	Sept 2019		Sept 2018		Sept 2017		Sept 2016	
	Applications	Accepted	Applications	Accepted	Applications	Accepted	Applications	Accepted
St John's (PAN 263)	379	263	369	263	380	265	379	264
Fairfield (PAN 216)	554	216	538	222	504	231	474	217
Wren (PAN 168)	676	196*	n/a	n/a	n/a	n/a	n/a	n/a
John O'Gaunt (PAN 120)	104	92	68	68	78	78	n/a	n/a
Great Bedwyn (PAN 30)	50	30	51	30	n/a	n/a	n/a	n/a
Lambourn (PAN 30)	31	28	n/a	n/a	n/a	n/a	n/a	n/a
Burbage (PAN 29)	15	15	12	12	16	16	14	18
St Katharine's (PAN 15)	16	15	10	10	n/a	n/a	n/a	n/a
Ogbourne (PAN 15)	17	15	18	15	11	11	16	13
Oare (PAN 17)	5	5	10	10	4	4	10	9
Easton Royal (PAN 9)	7	7	33	9	26	9	15	8

*extra 28 pupils accepted on request of Reading Borough Council

Grant Income

The Trust continues to be faced with challenges due to levels of grant funding.

	GAG Income per pupil					
	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14
St John's	£4,510	£4,454	£4,474	£4,582	£4,479	£4,708
Fairfield	£5,426	£5,579	£5,724	£5,208	£5,885*	n/a
Wren	£5,267*	n/a	n/a	n/a	n/a	n/a
John O'Gaunt	£5,516	£5,550	£5,612*	n/a	n/a	n/a
Great Bedwyn	£3,537	£3,558*	n/a	n/a	n/a	n/a
Lambourn	£4,186	n/a	n/a	n/a	n/a	n/a
Burbage	£3,938	£3,839	£3,979	£3,774	£4,073	£4,062
St Katharine's	£4,165	£3,954	n/a	n/a	n/a	n/a
Ogbourne	£4,214	£4,198	£4,131	£4,016	£4,289*	n/a
Oare	£4,993	£4,458	£4,164	£3,881	£4,286*	n/a
Easton Royal	£4,974	£4,842	£5,055	£5,077	£4,834	£5,389

*Adjusted for full year

Excalibur Academies Trust

Directors Report (continued)

The Trust has embraced curriculum based financial planning, key metrics used to support this are below.

	Funded Numbers on Roll		Pupil Teacher Ratio		Teacher Utilisation		Average Class Size	
	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18
St John's	1683	1679	18.1	18.6	74%	74%	24.7	24.7
Fairfield	918	853	17.7	17.7	72%	70%	26.9	26.9
Wren	590	n/a	13.7	n/a	66%	n/a	23.0	n/a
John O'Gaunt	355	336	16.7	14.6	63%	69%	22.0	22.6
Great Bedwyn	210	210	21.4	23.6	77%	77%	30.0	29.8
Lambourn	184	n/a	23.7	n/a	74%	n/a	26.0	n/a
Burbage	138	139	16.7	21.1	80%	79%	18.6	29.0
St Katharine's	101	103	19.4	19.1	74%	75%	24.8	25.3
Ogbourne	96	86	24.8	18.1	88%	79%	24.8	24.5
Oare	58	69	17.7	14.8	75%	73%	21.3	19.7
Easton Royal	64	65	16.4	16.3	79%	70%	23.0	22.0

Going Concern

After making appropriate enquiries, the Board has a reasonable expectation that the 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. In making this assessment the Board has considered:

- pupil numbers, based on actual and forecast numbers;
- medium term planning cycle and budgets;
- the reliability of income streams from the ESFA and Local Authorities;
- the requirements from the ESFA for the repayment of St John's deficit;
- Growth of the Trust and the impact of new academies joining the Trust;
- Educational standards in the academies.

For this reason the Board 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.

Excalibur Academies Trust

Directors Report (continued)

Financial Review

The detailed accounts are contained in Page 31 onwards and include the following statements:

- Statement of Financial Activities including Income and Expenditure Account and Statement of Total Recognised Gains and Losses;
- Balance Sheet;
- Statement of Cash Flows.

Notes to the Financial Statements are contained from pages 35 to 65.

The highlights for the year ending 31 August 2019 are:

2018/19	£
Total Income for the year	58,602,870
Surplus / (deficit) for the year	31,225,238
Adjustments for	
Remove fixed assets on conversion	(33,840,102)
Remove Capital Grant Income	(770,168)
Add back FRS 102 Pension Costs	775,000
Add back FRS 102 Liability on Conversion	643,000
Add back depreciation	1,963,090
Contributions from capital to revenue	104,567
Revenue Surplus	100,625

In addition to devolved formula capital, the Trust received funds from a number of sources that have been used to improve the buildings and facilities at our schools. In 2018/19 the Trust became eligible for School Condition Allocation capital funds, and the focus for use of these funds is on keeping students 'safe, warm and dry.' The additional capital funds all schools received (known as 'little extras') was targeted at improving IT infrastructure and replacing servers and PCs across all our schools.

Specific individual projects that have had a positive impact on pupils, staff and the wider school community include:

- Improvements in security and fire safety at St John's, Burbage, Easton Royal and John O'Gaunt;
- The installation of LED lights at Fairfield funded through a Salix loan;
- New boilers and heating systems at St Katharine's, Easton Royal and Great Bedwyn;
- A catering pod and canopy to expand catering provision at Fairfield.

Projects to improve students' wellbeing and participation in sport have been funded through the Healthy Pupils Capital grant and PE grant. Projects of note include:

- All weather running track at Great Bedwyn;
- Outdoor gym at Fairfield;
- New canopy and outdoor play provision at Ogbourne;
- Improvements to the swimming pool at Lambourn.

Reserves Policy

The Academy Trust aims to carry forward a prudent level of funds to cover the costs of renewal and replacement of assets, for major unforeseen contingencies, to mitigate against falling grant income and to contribute to major developments of school facilities.

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Directors Report (continued)

At the end of the period under review, the component balances held across the restricted and unrestricted funds were as follows:

Restricted General Grant funds	£1,562,714
Restricted funds	£(682,232)
Unrestricted funds	£56,085
Total	£936,567

Revenue funds comprise:

GAG funding	£1,562,714
Teaching School	£53,037
West Berkshire Conversion Grant	£169,708
PE Grant	£64,835
Sponsorship Grants (May Park & Lambourn)	£106,722
Other restricted	£31,104
Pupil Premium	£11,569
St John's conversion deficit	£(1,119,207)
Unrestricted	£56,085

The reserves policy within the Trust is for an overall level of revenue reserves of 3.5% of GAG, and in addition it aims for the following level of unrestricted revenue reserves:

£15,000 for an academy of 0-120 pupils
£25,000 for an academy of 120-300 pupils
£50,000 for an academy of 300-500 pupils
£100,000 for an academy of 500-1000 pupils
£150,000 for an academy of greater than 1,000 pupils

At the end of 2018/19 the Trust met its overall reserves target, 6 of 7 primary schools were compliant with the reserves policy and 3 of 4 secondary schools were compliant.

Funds in Deficit

Prior to conversion to academy status St John's School & Community College had an agreed licensed deficit with Wiltshire Council of £1.4m. At conversion there was an agreed undertaking with the ESFA for this to continue.

The licensed deficit was entirely as a result of the school self-financing the construction of new premises which opened in December 2009. The old school was totally unfit for purpose, on a split site and over 40 classes were in temporary mobiles; but repeated applications to the DfE and Local Authority for capital funding were not successful. The new buildings have provided students and staff with an outstanding teaching and learning environment. The total cost of the project was £26.5m, including the provision of a new access road that cost over £1m. Of the total cost only £2m was granted from Wiltshire Council and Kennet District Council. The remaining funds were raised from DfE approved disposal of land, fundraising, and a loan from Wiltshire Council. The Wiltshire Council loan was re-negotiated and restructured during 2015/16, annual payments are due until 2025.

During the year the Trust has agreed a repayment plan with the ESFA regarding re-payment of the £863,115 debt. The Trust has agreed to a repayment period of 7 years, the repayments commenced May 2019.

The size and fluctuations of pension deficit is consistent with other academies and due to liabilities exceeding performance of assets and reducing mortality rates. The deficit is outside of the control of the Trust. The Trust is bound by its funding agreement to provide access to the Teacher Pension Scheme and the Local Government Scheme to staff.

Excalibur Academies Trust

Directors Report (continued)

2018/19 has seen the Trust maintain balanced budgets through tight fiscal management.

In 2019/20 the Trust will continue to tightly control and manage expenditure. The real-terms decline in funding, particularly at post-16, further expected increases in employer pension contributions for the LGPS, and premium rates for specialists who teach shortage subjects will continue to challenge our capacity to build an adequate surplus to re-pay the deficit without impacting on the quality of education delivered to our students.

Investment Policy

The FP&I Committee review on a regular basis the financial position of the individual academies. As part of this review they assess the short, medium and long term needs of the academies, balancing the need to reduce the deficit and continuing to invest. Decisions and statements relating to these regular reviews are contained in the minutes of the Finance Committee. The Trust has an approved Investment Policy. Investment is limited to use of a higher interest account provided by the Trust's bankers. Surplus funds may be held in a 32 day notice base rate linked account to maximise potential income from interest. Where cash flow allows reserves of over £100,000 are transferred to a higher interest account. Day to day management of surplus funds is delegated to the CFO & CEO. Current low interest rates are such that the additional income generated is low.

Principal Risks and Uncertainties

Directors have assessed the principal risks and uncertainties facing the Trust, those relating to finance, teaching and the provision of facilities. Systems are in place (for example supervision of students when they are not in lessons, vetting of all new employees, and financial controls) to mitigate and minimise risk.

The Trust has appropriate insurance cover through the Risk Protection Arrangement to minimise financial risks to the Trust.

The Trust has a formal risk management process in place to assess risk and implement risk management strategies. A detailed risk register at both academy and trust level is maintained and reviewed by senior management and directors on a regular basis. The Audit Committee has specific responsibility for risk management. Directors review the financial health of the Trust monthly; reviewing financial performance against budgets and cash flow forecasts to ensure sufficient funds are available to meet all known and anticipated expenditure. The Audit Committee also receive regular Health & Safety assessments.

The principal risks impacting the Trust are:

Financial

All the academies are significantly reliant on government funding through the ESFA and LA; and this is driven by numbers on role. Demand for places at the majority of the academies is strong. The continuing downward pressure on funding due to public sector austerity; the reduction in SEN and Post 16 funding, a lack of certainty over levels of future funding and the fact that funding allocations are not confirmed in a timely manner mean that it is challenging to plan in the medium term to adjust staffing and curriculum provision.

Employer pension contributions particularly for the LGPS are exceptionally high, in 2019/20 Wiltshire academies are paying 28.7% - this level of contribution will adversely impact the future level of staffing in schools. Employer contributions for the Teachers Pensions Scheme have increased significantly, from 16.48% to 23.68%, the Government has committed to fund the additional costs in the short term but there is no clarity on longer term funding levels. The Board recognise the significant liability of the Pension Scheme, and the directors consider that the Trust will be able to meet the known contribution commitments for the foreseeable future.

Excalibur Academies Trust

Directors Report (continued)

Reputational

The continuing success of the Trust is reliant on the academies continuing to attract students and quality staff. To ensure the academies maintain the highest standards significant emphasis is placed on the monitoring of student success and achievements.

Safeguarding & Child Protection

The directors ensure that the Trust is compliant with all relevant legislation and the highest standards maintained in safeguarding and health & safety, including online safety. All students, staff, governors and directors receive update training.

Staffing

Student outcomes are dependent on quality classroom teaching – the directors monitor and review policies; review outcomes from assessment of teaching; review the provision of continuing professional development; and ensure succession planning is in place.

Fraud & mismanagement of Funds

The Trust has appointed an internal auditor to review compliance with the Academies Financial Handbook and monitor financial systems and processes. A trust officer, Head of Finance and Compliance adds a further level of scrutiny. Finance staff attend network and training opportunities on a regular basis to keep abreast of best practice and ensure the Trust has staff with the financial knowledge and skills required.

Fundraising

Each school undertakes fundraising locally. Schools will raise money for local or national charities - usually the students themselves will choose the charities they support. Fund raising for school projects is often led and managed by the independent Parent, Teacher and Friends Associations local to each school.

Income from fundraising projects and requests run by the schools are used to benefit students directly and support the costs of resources, educational visits, activities, and improvements to educational facilities at individual schools. Publicity for fund raising events is measured and is restricted to students at the school, their family members and the local community. The Trust is mindful of the provisions of the Charities (Protection and Social Investment) Act 2016 and guidance from the Charities Commission to protect the wider public, including vulnerable people, from unreasonable, intrusive or persistent fundraising and undue pressure to donate. Any fundraising complaints would be reported to the Trust Board.

For trips that occur during the school day, parents are requested to make a voluntary donation towards the costs of the trip. Parents are made aware that there is no obligation to contribute and no student will be omitted from the trip if their parents do not contribute, but the trip may not take place if sufficient voluntary contributions are not forthcoming.

The Trust does not work with any third-party commercial participators or professional fundraisers to raise funds. There have been no fundraising complaints during 2018/19.

Plans for Future Periods

We will continue to build on our previous success, with a core focus on ensuring excellence in all we do.

To meet our aim of achieving educational excellence we will:

- improve the quality of education and pupil achievement through the implementation of Plans for Rapid Improvement (PRIs) in our sponsored academies.
- Ensure all academies are prepared for the new Ofsted framework.
- Further develop the curriculum, with a particular focus on effective progression from KS2 to KS3.
- Implement new maths and literacy strategies across our schools.

Excalibur Academies Trust

Directors Report (continued)

- Review SEND provisions and develop a strong strategy to achieve excellence in all of our schools.

To meet our aim of valuing and developing our people we plan to prioritise:

- Further development of our high quality and effective professional development programmes to help recruit, retain and equip staff.

To meet our aim of sustainability we will:

- Develop and begin to implement our environmental sustainability and climate crisis strategy.
- Invest in staff and infrastructure to implement our IT strategy more rapidly.

Funds Held as Custodian Trustee on Behalf of Others

The Trust and its directors do not act as the custodian directors of any other charity.

Funds are held on behalf of staff at St John's Marlborough for the Staff Common Room Committee. Staff contribute to the SCR, and funds are used for social events and to purchase gifts to staff.

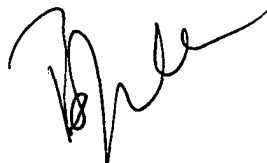
Auditor

Insofar as the directors are aware:

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

A resolution proposing that Moore (South) LLP be reappointed as auditor of the academy trust will be put to the members.

The directors' report, incorporating a strategic report, was approved by order of the Board of directors, as the company directors, on **13 December 2019** and signed on the Board's behalf by:



Toby Watson

Chair

13 December 2019

Excalibur Academies Trust

Governance Statement

Scope of Responsibility

As directors we acknowledge we have overall responsibility for ensuring that Excalibur Academies 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 directors has delegated the day-to-day responsibility to the Chief Executive, 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 Excalibur Academies Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the Board of directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of directors has formally met 6 times during the year. Attendance during the year at meetings of the Board of directors was as follows:

	Meetings Attended	Out of a Possible
E Butler	5	6
J Butler	6	6
S Clarke (vice chair)	6	6
N Edmondson (CEO & Accounting Officer)	6	6
A Gould	5	6
K Kelly	5	6
L Lee	5	6
J Longhurst	6	6
G Mortimer	4	5
A Parry	5	6
N Swan	6	6
C Waldon	5	6
N Watkins	0	2
T Watson	6	6

Challenges for the Board continue to be managing continuing pressures on education budgets, as a result of reductions in grant funding; the increasing costs of goods and services, increased employer contributions for pensions and developing and maintaining an information technology infrastructure that is fit for purpose. In addition, recruitment and retention of high quality teachers and support staff has required a great deal of attention. The Staffing Committee has approved a comprehensive recruitment & retention policy and procedures supported by a well-being strategy and action plan. The effectiveness of this approach will be closely monitored by the committee on behalf of the Board.

To meet these challenges, the Trust has in place "all-through" committees that take a consistent approach to audit, admissions, educational standards, finance, IT, premises, and staffing. The Audit Committee's role was strengthened in 2018 and this has proved highly successful as it reviews the Annual Accounts on behalf of the Board, scrutinises the risk register and makes recommendations to the appropriate committees and includes GDPR and health & safety in its remit. The Finance, Property & ICT Committee continued to take a forensic approach to budget monitoring that is increasingly required by the continued pressure on budgets.

Excalibur Academies Trust

Governance Statement (Continued)

The Education Scrutiny Committee established in 2017 has worked extremely well and has enabled the Board to have a strategic understanding of educational performance across its academies. It has proved invaluable when assessing new schools that have applied to join the Trust. Directors on the Education Scrutiny Committee have visited schools applying to join the Trust and their observations and commentary played an important role in the decision making process.

The work of the Education Scrutiny Committee and the Trust's Local Governing Bodies (the minutes of which are available as pre-reading to the directors for each board meeting) ensure that the Board takes informed decisions in respect of the delivery of education to its student body. A review of the performance of the local governing bodies indicated a need to clarify their purpose within the governance structure. In 2019 comprehensive guidance for the terms of reference and procedures of local governing bodies was published.

The Chair has strengthened the Board's focus on financial and strategic management with the establishment of an Acquisitions group – a team of directors drawn from across the committees to look at new applications to join the Trust in a holistic way; this has delivered greater clarity in the Board's decision-making. In addition, when an academy faces a challenge to its success the Chair, working with the CEO, has drawn together a team of directors to address the issues, reporting to the Board, thus strengthening the Board's understanding of the situation; this method of working within the governance structure has proved highly effective.

The Annual Skills Audit confirmed that the Board currently possesses the range of skills required to work effectively.

The Trust's Strategic Plan is kept under review, and the Board is briefed by the CEO on the Trust's self-evaluation of school improvement capability using the MAT Improvement Capacity framework.

The Staffing Committee is responsible for approving the Trust's pay and appraisal policies and keeping them under review. Pay is in line with nationally recognised pay scales for both teaching and support staff. The Staffing Committee approves the organisational senior management structure, roles and responsibilities within that structure and the level of pay and remuneration for each role. It is the Trust's policy that appointment and performance of key management personnel is the responsibility of the CEO, and in the case of the principal of each academy the CEO is supported by an external independent assessor and chair of the local governing body. The Staffing Committee consider and approve all recommendations related to performance of key management personnel.

The Finance, Premises and ICT (FP&I) committee is a committee of the main Board of directors. Its primary purpose is to monitor and review the financial health and resources of the Trust to ensure long term viability.

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
S Clarke	5	6
N Edmondson	6	6
A Gould	6	6
A Parry	6	6
N Swan	4	6
T Watson	5	6

Excalibur Academies Trust

Governance Statement (Continued)

The Audit committee is also a committee of the main Board. Its primary purpose is to assist the directors in ensuring that suitable internal financial controls are in place and adhered to; receive the Annual Report and Financial Statements and recommend to the Board; oversee the risk management process, including considering the major risks to which the Trust is exposed and ensuring compliance of Health & Safety and GDPR.

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
S Clarke	2	3
A Gould	3	3
A Parry	3	3
C Waldon	3	3

Review of Value for Money

As accounting officer, the Chief Executive has responsibility for ensuring that the 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 Directors where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Trust has delivered improved value for money during the year by:

- Improving educational outcomes
 - The primary focus remains on student achievement – academic standards are high and continuously improving.
 - All the academies provide opportunities for wider personal development, through a programme of trips, and extra-curricular clubs and opportunities.
- Robust governance and financial performance
 - Integrated Curriculum Financial Planning, including the use of key performance indicators, is embedded within the schools.
 - All academies are operating within agreed budgets.
 - Officers are held to account through committees of the Board.
 - Clear delegated authority levels are in place and all staff have been trained in the need for best value and financial processes.
- Maximising income streams
 - Facilities are let to local organisations and clubs in the evening and at weekends. As well as being a being a much-valued community resource, the academies benefit from the letting income.
- Tight fiscal controls
 - The tendering policy ensures that quotes are obtained to ensure we obtain value for money with any major contract or purchase. During the year competitive tenders were received for LED light replacement, vehicle insurance, energy and catering provision leading to a reduction in contract costs.
 - Academies are required to operate within their available cash resources – preventing school-based deficits building.

Excalibur Academies Trust

Governance Statement (Continued)

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 Excalibur Academies Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of directors has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of directors is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of directors.

The Risk and Control Framework

The 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 monthly financial reports which are reviewed and agreed by the Board of directors
- regular reviews by the finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The board has considered the need for a specific internal audit function and has decided:

- to appoint Moore (South) LLP to undertake additional procedural checks.

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

- Visits to Lambourn, Great Bedwyn, Wren and central team to ensure compliance with our Finance Manual and Financial Scheme of Delegation;
- Review of payroll procedures and staffing contracts;
- Review of approach to fixed asset register;
- Review of approach to managing related party transactions;
- Review of Making Tax Digital for VAT.

GDPR compliance has been reviewed using a programme of internal audit conducted by a member of the central team.

During 2018/19, the internal auditor reported to the directors in March, May, June and July, through the Audit committee, on the operation of the systems of control and on the discharge of the Board of directors' financial responsibilities. No material control issues were identified, and all recommendations have been reviewed and implemented if appropriate.

Excalibur Academies Trust

Governance Statement (Continued)

Review of Effectiveness

As accounting officer the chief executive has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor
- the work of the external auditor
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of directors on **13 December 2019** and signed on its behalf by:



Toby Watson
Chair



Nicky Edmondson
Accounting Officer

Excalibur Academies Trust

Statement of Regularity, Propriety and Compliance

As accounting officer of Excalibur Academies Trust I have considered my responsibility to notify the Academy Trust board of directors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education.

As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy Trust board of directors are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2018.

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.



Nicky Edmondson

Accounting Officer

13 December 2019

Excalibur Academies Trust

Statement of Regularity, Propriety and Compliance

The directors (who also act as trustees for Excalibur Academies Trust) are responsible for preparing the Directors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the directors 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:

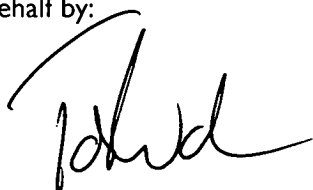
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards 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 directors 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 directors 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 directors 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 **13 December 2019** and signed on its behalf by:



Toby Watson
Chair

Excalibur Academies Trust

Independent Auditor's Report to the Members of Excalibur Academies Trust (Continued) For the Year Ended 31 August 2019

Opinion

We have audited the accounts of Excalibur Academies Trust for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019.

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 accounts' 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 accounts 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 accounts is not appropriate; or
- the trustees have not disclosed in the accounts 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 accounts are authorised for issue.

Excalibur Academies Trust

Independent Auditor's Report to the Members of Excalibur Academies Trust (Continued) For the Year Ended 31 August 2019

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Other information includes the trustees' report (incorporating the strategic report and directors' report) the governance statement and the statement of regularity, propriety and compliance. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (which includes the strategic report and directors' report) for the financial year for which the accounts are prepared is consistent with the accounts; and
- the strategic report and the directors' report, included within the trustees' report, have 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 strategic report or directors' report, included within the trustees' report.

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

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

Excalibur Academies Trust

Independent Auditor's Report to the Members of Excalibur Academies Trust (Continued) For the Year Ended 31 August 2019

Responsibilities of directors

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 have no realistic alternative but to do so.

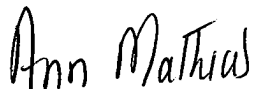
Auditor's responsibilities for the audit of the accounts

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

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



**Ann Mathias (Senior Statutory Auditor)
for and on behalf of Moore (South) LLP**

**Chartered Accountants
Statutory Auditor**



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Salisbury Business Park
Dairy Meadow Lane
Salisbury
Wiltshire
SP1 2TJ

Excalibur Academies Trust

Independent Reporting Accountant's Assurance Report on

Regularity to Excalibur Academies Trust and the Education & Skills Funding Agency

For the Year Ended 31 August 2019

In accordance with the terms of our engagement letter dated 20 August 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Excalibur Academies Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Excalibur Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Excalibur Academies Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Excalibur Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Excalibur Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Excalibur Academies Trust's funding agreement with the Secretary of State for Education dated 15 February 2012 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 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 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Excalibur Academies Trust
Independent Reporting Accountant's Assurance Report on
Regularity to Excalibur Academies Trust and the Education &
Skills Funding Agency (Continued)
For the Year Ended 31 August 2019

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:

- consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance.
- analytical procedures on the general activities of the academy trust;
- a review of minutes of committees and board meetings which may be relevant to regularity;
- consideration of discussions with key personnel including the accounting officer and governing body;
- tests of control have been carried out on a control activity which are relevant to regularity;
- substantive testing of individual transactions

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Moore (South) LLP

Reporting Accountant

Moore (South) LLP

Dated: *17 December 2019*

MOORE (SOUTH) LLP
Chartered Accountants
33 THE CLARENDON CENTRE
DAIRY MEADOW LANE
SALISBURY SP1 2TJ
01722 335182

Excalibur Academies Trust
Statement of Financial Activities
Including Income and Expenditure Account
For the Year Ended 31 August 2019

	Notes	Unrestricted Funds £	Restricted funds: General	Fixed asset £	Total 2019 £	Total 2018 £
Income and endowments						
Donations and capital grants	3	29,289	104,338	770,168	903,795	858,972
Donations - transfer from local authority on conversion	28	3,369	(458,000)	-	(454,631)	256,015
Donations - transfer of existing academy into the trust	28	115,759	(199,892)	33,840,102	33,755,969	-
Charitable activities:						
- Funding for educational	4	-	22,382,734	-	22,382,734	17,902,156
- Funding for teaching school	27	-	16,290	-	16,290	586,809
Other trading activities	5	1,917,730	73,649	-	1,991,379	1,550,387
Investments	6	7,334	-	-	7,334	4,664
Total		2,073,481	21,919,119	34,610,270	58,602,870	21,159,003
Expenditure on:						
Charitable activities:						
- Grants	9	-	112,286	-	112,286	28,963
- Educational operations	10	2,133,894	22,794,225	1,963,090	26,891,209	21,282,446
- Teaching school	27	-	374,137	-	374,137	321,157
Total	7	2,133,894	23,280,648	1,963,090	27,377,632	21,632,566
Net income/(expenditure)		(60,413)	(1,361,529)	32,647,180	31,225,238	(473,563)
Transfers between funds	19	-	104,567	(104,567)	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	21	-	(2,094,000)	-	(2,094,000)	1,244,000
Net movement in funds		(60,413)	(3,350,962)	32,542,613	29,131,238	770,437
Reconciliation of funds						
Total funds brought forward		116,498	(3,341,556)	71,910,469	68,685,411	67,914,974
Total funds carried forward		56,085	(6,692,518)	104,453,082	97,816,649	68,685,411

Excalibur Academies Trust
Statement of Financial Activities (Continued)
Including Income and Expenditure Account
For the Year Ended 31 August 2019

Comparative year information Year ended 31 August 2018		Unrestricted Funds £	Restricted funds: General £	Fixed £	Total 2018 £
	Notes				
Income and endowments from:					
Donations and capital grants	3	37,255	103,562	718,155	858,972
Donations - transfer from local authority on conversion	28	152,487	(198,000)	301,528	256,015
Charitable activities:					
- Funding for educational operations	4	-	17,902,156	-	17,902,156
- Funding for teaching school	27	-	586,809	-	586,809
Other trading activities	5	1,521,397	28,990	-	1,550,387
Investments	6	4,664	-	-	4,664
Total		1,715,803	18,423,517	1,019,683	21,159,003
Expenditure on:					
Charitable activities:					
- Grants	9	-	28,963	-	28,963
- Educational operations	10	1,666,968	18,159,866	1,455,612	21,282,446
- Teaching school	27	-	321,157	-	321,157
Total	7	1,666,968	18,509,986	1,455,612	21,632,566
Net income/(expenditure)		48,835	(86,469)	(435,929)	(473,563)
Transfers between funds	19	(16,053)	(90,044)	106,097	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	21	-	1,244,000	-	1,244,000
Net movement in funds		32,782	1,067,487	(329,832)	770,437
Reconciliation of funds					
Total funds brought forward		83,716	(4,409,043)	72,240,301	67,914,974
Total funds carried forward		116,498	(3,341,556)	71,910,469	68,685,411

Excalibur Academies Trust

Balance Sheet

As at 31 August 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	14	103,663,935		71,178,883	
Current assets					
Debtors	15	1,345,519		788,234	
Cash at bank and in hand		4,062,408		3,420,756	
		<u>5,407,927</u>		<u>4,208,990</u>	
Current liabilities					
Creditors: amounts falling due within one year	16	<u>(2,708,615)</u>		<u>(1,604,457)</u>	
Net current assets			<u>2,699,312</u>		<u>2,604,533</u>
Total assets less current liabilities			<u>106,363,247</u>		<u>73,783,416</u>
Creditors: amounts falling due after more than one year	17		<u>(973,598)</u>		<u>(1,037,005)</u>
Net assets before defined benefit pension scheme liability			<u>105,389,649</u>		<u>72,746,411</u>
Defined benefit pension scheme liability	21		<u>(7,573,000)</u>		<u>(4,061,000)</u>
Total net assets			<u>97,816,649</u>		<u>68,685,411</u>
Funds of the academy trust:					
Restricted funds	19				
- Fixed asset funds			104,453,082		71,910,469
- Restricted income funds			880,482		719,444
- Pension reserve			<u>(7,573,000)</u>		<u>(4,061,000)</u>
Total restricted funds			<u>97,760,564</u>		<u>68,568,913</u>
Unrestricted income funds	19		<u>56,085</u>		<u>116,498</u>
Total funds			<u>97,816,649</u>		<u>68,685,411</u>

The accounts on pages 31 to 65 were approved by the directors and authorised for issue on 13 December 2019 and are signed on their behalf by:



Toby Watson
Chair

Company Number 08146633

Excalibur Academies Trust
Statement of Cash Flows
For the Year Ended 31 August 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash provided by operating activities	22	236,465		498,611	
Cash funds transferred on conversion		258,850		152,487	
		<u>495,315</u>		<u>651,098</u>	
Cash flows from investing activities					
Dividends, interest and rents from investments		7,334		4,664	
Capital grants from DfE Group		750,410		528,042	
Capital funding received from sponsors and others		19,758		190,113	
Purchase of tangible fixed assets		<u>(608,040)</u>		<u>(415,959)</u>	
Net cash provided by investing activities		169,462		306,860	
Cash flows from financing activities					
New other loan		96,163		-	
Repayment of government loan		(79,685)		(37,451)	
Repayment of other loan		(29,308)		(29,018)	
Finance costs		<u>(10,295)</u>		<u>(13,086)</u>	
Net cash used in financing activities		(23,125)		(79,555)	
Net increase in cash and cash equivalents in the reporting period		641,652		878,403	
Cash and cash equivalents at beginning of the year		<u>3,420,756</u>		<u>2,542,353</u>	
Cash and cash equivalents at end of the		<u>4,062,408</u>		<u>3,420,756</u>	

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

I Accounting policies

Excalibur Academies Trust is a charitable company limited by guarantee incorporated in England and Wales. The address of its principal place of business is given on page 3 and the nature of its operations are set out in the Directors' report.

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.

I.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Excalibur Academies Trust meets the definition of a public benefit entity under FRS 102.

I.2 Going concern

The directors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

The Trust board has considered a number of factors in reaching its conclusion and these are set out in the Director's Report on page 13.

For this reason it continues to adopt the going concern basis in preparing the financial statements.

I.3 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.

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

I Accounting policies (Continued)

General Annual Grant is recognised in full in the statement of financial activities in the period 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.

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 accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

Transfer of assets on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. Income equal to the net assets transferred on conversion is recognised within donations and capital grant income.

Transfer of assets from existing academies

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. Income equal to the net assets transferred is recognised within donations and capital grant income.

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

I Accounting policies (Continued)

I.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of a percentage of GAG income, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

I.5 Tangible fixed assets and depreciation

Assets costing £ 2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Land and buildings	50 years
Computer equipment	5 years
Fixtures, fittings & equipment	9 years
Motor vehicles	4 years

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

I Accounting policies (Continued)

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.

1.6 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.

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 Financial instruments

The only financial instruments held by the school are debtors and creditors. These are categorised as "basic" in accordance with section 11 of FRS 102 and are initially recorded at transaction price. These are subsequently measured at their transaction price less any impairment.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. 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.

1.9 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

I Accounting policies (Continued)

I.10 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 and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. The TPS is 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 are 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

I.11 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 directors.

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 and include grants from the Education and Skills Funding Agency and Department for Education.

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

1 Accounting policies (Continued)

2 Critical accounting estimates and areas of judgement

Accounting 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2019. 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

On conversion to an academy trust and transfer of an existing academy trust, the asset and liabilities of the Trust are measured at fair value. This includes any land and buildings. The valuation of the land and buildings involves a significant degree of estimation refer to Note 14 for further detail of this estimation.

The value of the donation of occupying Diocese property rent free has also been considered. A notional rental value has not been included as it cannot be reliably measured.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Capital grants	-	750,410	750,410	700,155
Other donations	29,289	124,096	153,385	158,817
	<u>29,289</u>	<u>874,506</u>	<u>903,795</u>	<u>858,972</u>

Excalibur Academies Trust
Notes to the Financial Statements (Continued)
For the Year Ended 31 August 2019

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
DfE / ESFA grants				
General annual grant (GAG)	-	20,042,745	20,042,745	16,375,786
Other DfE group grants	-	1,531,547	1,531,547	936,634
	-	21,574,292	21,574,292	17,312,420
Other government grants				
Local authority grants	-	778,877	778,877	554,272
Other government grants	-	29,565	29,565	35,464
	-	808,442	808,442	589,736
Other funding				
Teaching School	-	16,290	16,290	586,809
Total funding	-	22,399,024	22,399,024	18,488,965

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Hire of facilities	212,397	-	212,397	195,000
Catering income	692,211	-	692,211	510,248
Parental contributions	641,752	-	641,752	505,567
Teaching School	-	73,649	73,649	28,990
Other income	371,370	-	371,370	310,582
	1,917,730	73,649	1,991,379	1,550,387

Parental contributions are for trips, activities, exams re-marks and educational resources.

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Other investment income	7,334	-	7,334	4,664

Excalibur Academies Trust
Notes to the Financial Statements (Continued)
For the Year Ended 31 August 2019

7 Expenditure

	Staff costs	Non Pay Expenditure		Total	Total
	£	Premises	Other	2019	2018
	£	£	£	£	£
Academy's educational operations					
- Direct costs	12,959,259	1,963,090	2,465,393	17,387,742	13,960,725
- Allocated support costs	6,027,209	1,615,875	1,860,383	9,503,467	7,321,721
Grants - support costs	-	112,286	-	112,286	28,963
Teaching school					
- Direct costs	151,457	-	174,682	326,139	272,982
- Allocated support costs	41,952	-	6,046	47,998	48,175
	<u>19,179,877</u>	<u>3,691,251</u>	<u>4,506,504</u>	<u>27,377,632</u>	<u>21,632,566</u>

Net income/(expenditure) for the year includes:	2019	2018
	£	£
Fees payable to auditor for:		
- Audit	16,500	12,750
- Other services	6,930	7,525
- Responsible Officer	4,860	5,600
Operating lease rentals	132,336	93,350
Depreciation of tangible fixed assets	1,953,941	1,455,612
Loss on disposal of fixed assets	9,149	-
Bank and loan interest	10,295	13,086
Net interest on defined benefit pension liability	128,000	112,000

8 Central services

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

- Human resources
- Premises Management
- Financial Support
- Educational Support

The Trust charges for these services as follows:

- All schools (excluding John O'Gaunt): 4.5% of GAG income
- John O'Gaunt: flat rate of £55,000
- Marlborough hub primary schools were charged an additional 3.25% of GAG income less an adjustment for maintenance contract with Ergo.

In 2018 the Trust charged 3.75% of GAG to all secondary schools excluding John O'Gaunt and including Great Bedwyn Cof E School and 7% GAG income for Marlborough hub primary schools.

Excalibur Academies Trust **Notes to the Financial Statements (Continued)** **For the Year Ended 31 August 2019**

8 Central services (Continued)

The amounts charged during the year were as follows:	2019 £	2018 £
Excalibur Academies Trust	-	-
Ogbourne CofE Primary School	25,978	25,269
Oare CofE Primary School	17,069	21,843
Fairfield High School	224,164	172,192
Burbage Primary School	36,741	38,699
Easton Royal Academy	19,680	22,031
St John's Marlborough	338,363	277,579
John O'Gaunt School	55,000	69,926
St Katharine's CofE Primary School	27,231	28,510
Great Bedwyn CofE School	33,427	11,666
Lambourn CofE Primary School	20,806	-
The Wren School	78,155	-
	<u>876,614</u>	<u>667,715</u>

9 Analysis of grants

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Improvements to diocesan property occupied by the academy trust	-	112,286	112,286	28,963

Maintenance of premises and equipment includes the following costs relating to improvements to Diocesan property:

	2019	2018
Oare CofE Primary School - playground markings (2018: roof repairs)	6,562	25,000
Ogbourne CofE Primary School - playground equipment and canopy (2018: building extension)	8,952	3,963
St Katharine's CoFE Primary School - new boiler and new kitchen	10,843	-
Great Bedwyn CofE School - running track, playground markings, radiators and fire doors	77,756	-
Lambourn CofE Primary School - swimming pool covers and playgroup fencing	8,172	-

Excalibur Academies Trust
Notes to the Financial Statements (Continued)
For the Year Ended 31 August 2019

10 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Direct costs				
Educational operations	2,126,314	15,261,428	17,387,742	13,960,725
Teaching school	-	326,139	326,139	272,982
Support costs				
Educational operations	7,580	9,608,173	9,615,753	7,350,684
Teaching school	-	47,998	47,998	48,175
	<u>2,133,894</u>	<u>25,243,738</u>	<u>27,377,632</u>	<u>21,632,566</u>

Analysis of costs	Teaching school £	Educational operations £	Total 2019 £	Total 2018 £
Direct costs				
Teaching and educational support staff costs	151,457	12,963,515	13,114,972	10,673,406
Staff development	878	86,289	87,167	75,096
Depreciation	-	1,963,090	1,963,090	1,455,612
Technology costs	100	269,806	269,906	256,846
Educational supplies and services	241	492,445	492,686	1,107,263
Examination fees	-	265,361	265,361	242,010
Educational consultancy	124,594	220,412	345,006	207,774
Other direct costs	48,869	1,126,824	1,175,693	215,700
	<u>326,139</u>	<u>17,387,742</u>	<u>17,713,881</u>	<u>14,233,707</u>
Support costs				
Support staff costs	41,952	6,027,209	6,069,161	4,654,420
Technology costs	-	221,970	221,970	242,408
Recruitment and support	-	44,325	44,325	27,096
Maintenance of premises and equipment	-	710,181	710,181	441,360
Cleaning	-	299,615	299,615	242,641
Energy costs	-	415,068	415,068	280,312
Rent, rates and other occupancy costs	-	216,262	216,262	202,978
Insurance	-	87,035	87,035	80,049
Security and transport	3,989	183,386	187,375	132,739
Catering	1,851	897,058	898,909	627,707
Finance costs	-	138,295	138,295	125,086
Other support costs	206	291,748	291,954	313,270
Governance costs	-	83,601	83,601	28,793
	<u>47,998</u>	<u>9,615,753</u>	<u>9,663,751</u>	<u>7,398,859</u>

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

11 Staff

Staff costs

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	13,956,100	11,414,038
Social security costs	1,382,657	1,066,194
Pension costs	3,149,369	2,394,790
Staff costs	18,488,126	14,875,022
Agency staff costs	663,172	427,544
Staff restructuring costs	28,579	25,260
Total staff costs	19,179,877	15,327,826
Staff development and other staff costs	91,423	75,096
Total staff expenditure	19,271,300	15,402,922

Staff restructuring costs comprise:

Redundancy payments	-	8,060
Severance payments	28,579	17,200
	28,579	25,260

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £13,648 (2018: £17,200). Individually, the payments were: £6,698 and £6,650.

Staff numbers

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

	2019 Number	2018 Number
Teachers	303	225
Administration and support	339	245
Management	12	8
	654	478

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

11 Staff (Continued)

The number of persons employed, expressed as a full time equivalent, was as follows:

	2019 Number	2018 Number
Teachers	253	191
Administration and support	180	146
Management	12	8
	<u>445</u>	<u>345</u>

Higher paid staff

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

	2019 Number	2018 Number
£60,001 - £70,000	10	5
£70,001 - £80,000	1	2
£80,001 - £90,000	2	1
£100,001 - £110,000	1	2
£110,001 - £120,000	1	1
	<u>15</u>	<u>11</u>

Key management personnel

The key management personnel of the academy trust comprise the directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and national insurance contributions) received by key management personnel for their services to the academy trust was £1,087,698 (2018: £839,618).

12 Directors' remuneration and expenses

The CEO only receives remuneration in respect of services they provide undertaking the role of CEO, and not in respect of their services as a director. Other directors did not receive payments, other than expenses, from the academy trust in respect of their role as directors. During the year, travel and subsistence payments totalling £1,767 (2018: £1,523) were reimbursed to 1 director (2018: 1 director).

The value of directors' remuneration was as follows:

Nicola Edmondson (CEO) (Appointed July 2018)

Remuneration £110,000 - £120,000 (2018: £10,000 - £20,000 for 2 months)

Employer's pension contributions £10,000 - £20,000 (2018: £0 - £10,000 for 2 months)

Other related party transactions involving the directors are set out within the related parties note.

Excalibur Academies Trust
Notes to the Financial Statements (Continued)
For the Year Ended 31 August 2019

13 Directors and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme covers trustees and officers up to £5,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

14 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2018	76,449,463	327,107	839,647	46,641	77,662,858
Transfer on conversion	-	(8,968)	8,968	-	-
Transfer of academy into the academy trust	32,705,756	385,603	748,743	-	33,840,102
Additions	-	306,818	301,222	-	608,040
Disposals	-	(9,149)	-	-	(9,149)
At 31 August 2019	109,155,219	1,001,411	1,898,580	46,641	112,101,851
Depreciation					
At 1 September 2018	5,727,337	151,780	574,697	30,161	6,483,975
Charge for the year	1,570,665	161,717	213,649	7,910	1,953,941
At 31 August 2019	7,298,002	313,497	788,346	38,071	8,437,916
Net book value					
At 31 August 2019	101,857,217	687,914	1,110,234	8,570	103,663,935
At 31 August 2018	70,722,126	175,327	264,950	16,480	71,178,883

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

14 Tangible fixed assets (Continued)

The St John's, Marlborough and Easton Royal Academy land and buildings were valued on the depreciated replacement cost method in an exercise undertaken by the Education Funding Agency as at the 31 March 2013. The land at St John's, Marlborough was valued at £8,873,000 and the buildings at £20,347,000. At St John's, Marlborough the land and buildings are owned by St John's Foundation Trust Marlborough and leased to the multi academy trust on a peppercorn basis. In 2016 St John's, Marlborough completed the build of a sixth form which has been included at cost of construction of £1,194,855 and the corresponding project management fees of £28,350.

The Easton Royal Academy land was valued at £483,000 and the building was valued £789,000.

An EFA valuation was obtained as at 31 March 2014 for Burbage Primary School, the land was valued at £303,000 and the buildings were valued at £966,000.

The Fairfield High School land and building was valued as at 31 March 2015 by the Education Funding Agency. The land was valued by the EFA at £986,000. For the buildings it was deemed that the insurance valuation was more appropriate as it was considered that the EFA valuation was materially understating the value of the building, the building is included in the accounts at insurance value of £35,070,619 compared to the EFA valuation of £7,790,000.

The John O'Gaunt School land and building was treated as an addition to the academy trust in the year of conversion, this was gifted from the West Berkshire Council as at 1 October 2016. The value brought into the financial statements was based on price of education property per student in the local area in the absence of ESFA valuation or prior years insurance rebuild values. The building was valued at £4,632,181 and the land was valued at £2,198,037.

In 2016/17 Excalibur Academies Trust granted a temporary lease to Network Rail Infrastructure Ltd for a section of land at Fairfield High School. Agreed rental terms were £7,000 per annum running to December 2018. This lease was to enable Network Rail to access the railway line to undertake improvement works and was approved by the ESFA before the lease commenced.

Great Bedwyn CofE School playing field land was gifted from Wiltshire County Council on 1 April 2018 under a 125 year lease. The value brought into the financial statements was based on the price of education property per student in the local area in the absence of ESFA valuation, using the same cost method as John O'Gaunt School. The land was valued at £301,528.

Oare CofE Primary School, Ogbourne CofE Primary School, St Katharine's CofE Primary School, Lambourn CofE Primary School and Great Bedwyn CofE School land and buildings are not included in the accounts as they are Church owned operated by the trust on a Church Supplementary Agreement. A notional rent value has not been included.

Burbage Primary School lease was effective from 1 June 2018, the new lease agreement includes the land from the nursery which was transferred from the council. The original lease was surrendered on 1 June 2018. The new lease was agreed with Wiltshire Council for a term of 125 years.

Land and buildings at The Wren School were transferred into the Trust on 1 February 2019 at net book value. The land had previously been valued at the ESFA valuation of the purchase price and the buildings had been valued at construction cost. The NBV introduced as at 1 February 2019 was £26,105,756 for buildings and £6,600,000 for land.

Excalibur Academies Trust
Notes to the Financial Statements (Continued)
For the Year Ended 31 August 2019

15 Debtors	2019	2018
	£	£
Trade debtors	43,806	27,439
VAT recoverable	161,237	178,960
Other debtors	706,292	284,210
Prepayments and accrued income	434,184	297,625
	<u>1,345,519</u>	<u>788,234</u>
16 Creditors: amounts falling due within one year	2019	2018
	£	£
Government loans	204,157	161,887
Other loans	37,615	29,308
Trade creditors	699,019	346,927
Other creditors	700,972	527,233
Accruals and deferred income	1,066,852	539,102
	<u>2,708,615</u>	<u>1,604,457</u>
17 Creditors: amounts falling due after more than one year	2019	2018
	£	£
Government loans	875,194	997,149
Other loans	98,404	39,856
	<u>973,598</u>	<u>1,037,005</u>
Analysis of loans		
Not wholly repayable within five years by instalments	234,596	337,552
Wholly repayable within five years	980,774	890,648
	<u>1,215,370</u>	<u>1,228,200</u>
Less: included in current liabilities	(241,772)	(191,195)
Amounts included above	<u>973,598</u>	<u>1,037,005</u>
Loan maturity		
Debt due in one year or less	241,772	191,195
Due in more than one year but not more than two years	190,542	192,657
Due in more than two years but not more than five years	548,460	506,796
Due in more than five years	234,596	337,552
	<u>1,215,370</u>	<u>1,228,200</u>

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

17 Creditors: amounts falling due after more than one year (Continued)

Included within the government loans is a loan of £822,014 from the ESFA on the following terms: £164,403 will be repaid in 2019/20, followed by 5 annual instalments of £123,302 from 2020/21 to 2024/25, with a final payment of £41,101 to be made in 2025/26.

Also within the government loans is a loan of £257,337 from Wiltshire Council repayments of £47,551 are to be made annually until 2024. Interest is charged of 3.03%.

The other loan balance includes £39,856 from St Johns Foundation Trust on the following terms: payments of £30,000 to be made yearly until the loan is repaid in 2021 with a balancing payment of £10,358, interest is charged on the loan of 1%.

All the above loans relate to agreements prior to the conversion of St John's School & Community College on 1 September 2012.

18 Deferred income	2019 £	2018 £
Deferred income is included within:		
Creditors due within one year	306,163	250,138
	<u>306,163</u>	<u>250,138</u>
Deferred income at 1 September 2018	250,138	189,197
Released from previous years	(250,138)	(189,197)
Resources deferred in the year	306,163	250,138
	<u>306,163</u>	<u>250,138</u>
Deferred income at 31 August 2019	306,163	250,138
Deferred income relates to the following:		
Trips relating to 2019/20	£142,145	
Free School Meals Grant (UFSM)	£73,547	
Rates Grant rebate	£58,911	
Fairfield Elmfield Occupation	£21,159	
Others	£10,401	
Total	<u>£306,163</u>	

Excalibur Academies Trust
Notes to the Financial Statements (Continued)
For the Year Ended 31 August 2019

19 Funds

	Balance at 1 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant	1,130,311	20,042,745	(19,596,257)	(14,085)	1,562,714
Other DfE / ESFA grants	122,876	1,531,547	(1,471,297)	-	183,126
Other government grants	315,542	793,550	(939,384)	-	169,708
Teaching school	337,236	89,939	(374,137)	-	53,038
Other restricted funds - loans	(1,228,201)	-	(9,658)	118,652	(1,119,207)
Other restricted funds	41,680	104,338	(114,915)	-	31,103
Pension reserve	(4,061,000)	(643,000)	(775,000)	(2,094,000)	(7,573,000)
	<u>(3,341,556)</u>	<u>21,919,119</u>	<u>(23,280,648)</u>	<u>(1,989,433)</u>	<u>(6,692,518)</u>
Restricted fixed asset funds					
DfE group capital grants	71,837,457	34,590,512	(1,963,090)	(104,567)	104,360,312
Private sector capital sponsorship	73,012	19,758	-	-	92,770
	<u>71,910,469</u>	<u>34,610,270</u>	<u>(1,963,090)</u>	<u>(104,567)</u>	<u>104,453,082</u>
Total restricted funds	<u>68,568,913</u>	<u>56,529,389</u>	<u>(25,243,738)</u>	<u>(2,094,000)</u>	<u>97,760,564</u>
Unrestricted funds					
General funds	<u>116,498</u>	<u>2,073,481</u>	<u>(2,133,894)</u>	<u>-</u>	<u>56,085</u>
Total funds	<u>68,685,411</u>	<u>58,602,870</u>	<u>(27,377,632)</u>	<u>(2,094,000)</u>	<u>97,816,649</u>

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

Restricted General Funds are those which are supplied for a specific duty and the funds spent only in accordance with the agreement or restriction placed upon each. Prior to conversion to academy status St John's School & Community College had an agreed licensed deficit with Wiltshire Council of £1.4 million. At conversion there was an agreed undertaking with the ESFA for this to continue. This has been reduced year on year with payments made to the Wiltshire Council and St John's Foundation Trust.

Restricted Fixed Asset Funds are those which have been capitalised as a result of a donation from the original school on conversion to an academy or assets purchased from one of the other funds since gaining academy status and transferred.

Unrestricted Funds are all other sources of income generated by the academy through trading or fundraising and to which no restrictions apply regarding the way they are spent.

Excalibur Academies Trust
Notes to the Financial Statements (Continued)
For the Year Ended 31 August 2019

19 Funds

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

	Balance at 1 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant	608,549	16,375,786	(15,721,429)	(132,595)	1,130,311
Other DfE / ESFA grants	81,288	936,634	(895,046)	-	122,876
Other government grants	539,489	589,736	(813,683)	-	315,542
Teaching school	42,594	615,799	(321,157)	-	337,236
Other restricted funds - loans	(1,294,669)	-	(11,083)	77,551	(1,228,201)
Other restricted funds	199,706	103,562	(226,588)	(35,000)	41,680
Pension reserve	(4,586,000)	(198,000)	(521,000)	1,244,000	(4,061,000)
	<u>(4,409,043)</u>	<u>18,423,517</u>	<u>(18,509,986)</u>	<u>1,153,956</u>	<u>(3,341,556)</u>
Restricted fixed asset funds					
Transfer on conversion	-	301,528	-	-	301,528
DfE group capital grants	72,167,289	700,155	(1,455,612)	124,097	71,535,929
Private sector capital sponsorship	73,012	18,000	-	(18,000)	73,012
	<u>72,240,301</u>	<u>1,019,683</u>	<u>(1,455,612)</u>	<u>106,097</u>	<u>71,910,469</u>
Total restricted funds	<u>67,831,258</u>	<u>19,443,200</u>	<u>(19,965,598)</u>	<u>1,260,053</u>	<u>68,568,913</u>
Unrestricted funds					
General funds	<u>83,716</u>	<u>1,715,803</u>	<u>(1,666,968)</u>	<u>(16,053)</u>	<u>116,498</u>
Total funds	<u>67,914,974</u>	<u>21,159,003</u>	<u>(21,632,566)</u>	<u>1,244,000</u>	<u>68,685,411</u>

Excalibur Academies Trust
Notes to the Financial Statements (Continued)
For the Year Ended 31 August 2019

19 Funds (Continued)

Total funds analysis by academy

	2019	2018
	£	£
Fund balances at 31 August 2019 were allocated as follows:		
Excalibur Academies Trust	174,637	85,147
Ogbourne CofE Primary School	73,656	31,763
Oare CofE Primary School	37,684	63,346
Fairfield High School	556,808	418,812
Burbage Primary School	40,210	44,874
Easton Royal Academy	38,864	50,513
St John's Marlborough	(417,358)	(325,833)
John O'Gaunt School	172,878	327,916
St Katharine's CofE Primary School	38,938	38,255
Great Bedwyn CofE School	79,804	101,149
Lambourn CofE Primary School	98,524	-
The Wren School	41,922	-
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	936,567	835,942
Restricted fixed asset fund	104,453,082	71,910,469
Pension reserve	(7,573,000)	(4,061,000)
	<hr/>	<hr/>
Total funds	<u>97,816,649</u>	<u>68,685,411</u>

Excalibur Academies Trust
Notes to the Financial Statements (Continued)
For the Year Ended 31 August 2019

19 Funds (Continued)

Total cost analysis by academy

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

	Teaching educational support £	Other staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Excalibur Academies	352,484	471,180	94,970	370,841	1,289,475	800,178
Ogbourne CofE						
Primary School	250,303	60,947	47,128	73,365	431,743	424,861
Oare CofE Primary	205,439	78,283	31,564	74,235	389,521	415,853
Fairfield High School	2,965,438	1,372,710	619,191	824,974	5,782,313	5,082,493
Burbage Primary School	366,533	152,799	58,457	120,130	697,919	563,915
Easton Royal Academy	185,887	81,170	32,824	70,282	370,163	322,371
St John's Marlborough	5,075,761	1,693,345	1,155,405	925,972	8,850,483	8,894,458
John O'Gaunt School	1,294,046	472,121	277,914	334,402	2,378,483	2,303,020
St Katharine's CofE						
Primary School	261,362	102,745	54,514	77,885	496,506	457,448
Great Bedwyn CofE						
School*	451,019	244,710	54,605	178,153	928,487	391,357
Lambourn CofE Primary						
School	430,349	352,375	63,454	110,997	957,175	-
The Wren School	1,276,351	339,778	145,795	305,354	2,067,278	-
	<u>13,114,972</u>	<u>5,422,163</u>	<u>2,635,821</u>	<u>3,466,590</u>	<u>24,639,546</u>	<u>19,655,954</u>

* Great Bedwyn CofE School joined Excalibur Academies Trust on 1 April 2018, therefore the comparative costs represent 5 months of expenditure.

20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	103,663,935	103,663,935
Current assets	56,085	4,466,532	885,310	5,407,927
Creditors falling due within one year	-	(2,700,601)	(8,014)	(2,708,615)
Creditors falling due after one year	-	(885,449)	(88,149)	(973,598)
Defined benefit pension liability	-	(7,573,000)	-	(7,573,000)
Total net assets	<u>56,085</u>	<u>(6,692,518)</u>	<u>104,453,082</u>	<u>97,816,649</u>

Excalibur Academies Trust **Notes to the Financial Statements (Continued)** **For the Year Ended 31 August 2019**

20 Analysis of net assets between funds (Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	71,178,883	71,178,883
Current assets	116,498	3,360,906	731,586	4,208,990
Creditors falling due within one year	-	(1,604,457)	-	(1,604,457)
Creditors falling due after one year	-	(1,037,005)	-	(1,037,005)
Defined benefit pension liability	-	(4,061,000)	-	(4,061,000)
Total net assets	116,498	(3,341,556)	71,910,469	68,685,411

21 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. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £334,031 (2018: £259,135) were payable to the schemes at 31 August 2019 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 Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

21 Pension and similar obligations (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. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education in March 2019.

21 Pension and similar obligations

The key elements of the valuation and subsequent consultation are:

- an increase in employer rates from 16.48% to 23.68% of pensionable pay (including a 0.08% employer administration charge)
- the rise in contribution delayed from 1 April to September 2019
- 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 £196,000 million giving a notional past service deficit of £22,100 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- there will be funding from the DFE for the financial year 2019/20 to help maintained schools and academies meet the additional costs resulting from the scheme valuation. Funding for 2020/21 onwards will be discussed as part of the next Spending Review round.

The TPS valuation for 2016 determined an employer rate of 23.68%, which is payable from September 2019. The next valuation of the TPS will be at March 2020 and will be based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2023.

The pension costs paid to the TPS in the period amounted to £1,601,662 (2018: £1,294,613)

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

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

Excalibur Academies Trust **Notes to the Financial Statements (Continued)** **For the Year Ended 31 August 2019**

21 Pension and similar obligations (Continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years for employers are disclosed below and for employees are between 5.5 - 12.5%. The estimated value of employer contributions for the forthcoming year is £511,000 (2018: £437,000) for the Wiltshire Scheme, £217,000 (2018: £190,000) for the Avon Scheme and £182,000 (2018: £60,000) for the Royal County of Berkshire Pension Fund.

The Academy has agreed to pay the default contributions rates using contribution rate relief, these future rates are as follows:

Fiscal Year	Employer Contribution Rate
Wiltshire Pension Fund	
2019/2020	28.7%
Avon Pension Fund	
2019/2020	15.4% plus lump sum £73,700
Royal County of Berkshire Fund	
2019/2020	19.6%

Excalibur Academies Trust **Notes to the Financial Statements (Continued)** **For the Year Ended 31 August 2019**

21 Pension and similar obligations (Continued)

As described in note 28 the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

Total contributions made	2019	2018
	£	£
Employer's contributions	883,000	653,000
Employees' contributions	215,000	158,000
	<hr/>	<hr/>
Total contributions	1,098,000	811,000
	<hr/>	<hr/>

Principal actuarial assumptions	2019	2018
	%	%
Rate of increase in salaries	2.6 - 3.7	2.7 - 3.8
Rate of increase for pensions in payment/inflation	2.1 - 2.3	2.2 - 2.4
Discount rate for scheme liabilities	1.8 - 1.9	2.7 - 2.8
	<hr/>	<hr/>

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

	2019	2018
	Years	Years
Retiring today		
- Males	22.1	23.9
- Females	24.4	26.3
Retiring in 20 years		
- Males	23.5	24.3
- Females	26.1	26.7
	<hr/>	<hr/>

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

21 Pension and similar obligations (Continued)

Sensitivity Analysis

Changes in assumption at 31 August 2019

	Approximate increase in liability	%Approximate employermonetary amount (£000)
Wiltshire Pension Fund		
0.5% decrease in Real Discount Rate	12%	1,108
1 year increase in member life expectancy	3-5%	273 – 455
0.5% increase in the Salary Increase Rate	2%	159
0.5% increase in the Pension Increase Rate	10%	927
Royal County of Berkshire Pension Fund		
0.1% decrease in Real Discount Rate		93
1 year increase in member life expectancy		99
0.1% increase in the Salary Increase Rate		8
0.1% increase in the Pension Increase Rate		84
Avon Pension Fund		
0.1% decrease in Real Discount Rate		103
1 year increase in member life expectancy		74
0.1% increase in the Salary Increase Rate		22
0.1% increase in the Pension Increase Rate		103

Defined benefit pension scheme net liability

Scheme assets	8,638,000	6,673,000
Scheme obligations	(16,211,000)	(10,734,000)
Net liability	(7,573,000)	(4,061,000)

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

	2019 Fair value £	2018 Fair value £
Equities	5,675,300	4,379,440
Bonds	1,178,200	1,024,960
Cash	228,600	191,280
Other	527,000	240,000
Property	1,028,900	837,320
Total market value of assets	8,638,000	6,673,000

The actual return on scheme assets was £519,000 (2018: £521,000).

Excalibur Academies Trust
Notes to the Financial Statements (Continued)
For the Year Ended 31 August 2019

21 Pension and similar obligations (Continued)

Amount recognised in the Statement of Financial Activities	2019	2018
	£	£
Current service cost	442,000	409,000
Past service cost	205,000	-
Interest income	(210,000)	(148,000)
Interest cost	338,000	260,000
	<hr/>	<hr/>
Total operating charge	775,000	521,000
	<hr/>	<hr/>

Changes in the present value of defined benefit obligations	2019
	£
At 1 September 2018	10,734,000
Obligations acquired on conversion	772,000
Transferred in on existing academies joining the academy trust	374,000
Current service cost	1,325,000
Interest cost	338,000
Employee contributions	215,000
Actuarial loss/(gain)	2,403,000
Benefits paid	(155,000)
Past service cost	205,000
	<hr/>
At 31 August 2019	16,211,000
	<hr/>

Changes in the fair value of the academy trust's share of scheme assets	2019
	£
At 1 September 2018	6,673,000
Assets acquired on conversion	314,000
Transferred in on existing academies joining the academy trust	189,000
Interest income	210,000
Actuarial gain	309,000
Employer contributions	883,000
Employee contributions	215,000
Benefits paid	(155,000)
	<hr/>
At 31 August 2019	8,638,000
	<hr/>

Excalibur Academies Trust
Notes to the Financial Statements (Continued)
For the Year Ended 31 August 2019

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

	2019 £	2018 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	31,225,238	(473,563)
Adjusted for:		
Net deficit/(surplus) on conversion to academy	454,631	(256,015)
Net surplus on transfer of academy in the trust	(33,755,969)	-
Capital grants from DfE and other capital income	(770,168)	(718,155)
Investment income receivable	(7,334)	(4,664)
Finance costs payable	10,295	13,086
Defined benefit pension costs less contributions payable	647,000	409,000
Defined benefit pension scheme finance cost	128,000	112,000
Depreciation of tangible fixed assets	1,953,941	1,455,612
Loss on disposal of fixed assets	9,149	-
(Increase) in debtors	(557,285)	(136,641)
Increase in creditors	1,053,581	97,951
Stocks, debtors and creditors transferred on conversion	(154,614)	-
Net cash provided by operating activities	236,465	498,611

23 Commitments under operating leases

At 31 August 2019 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts due within one year	87,152	56,467
Amounts due in two and five years	124,599	65,295
	211,751	121,762

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

24 Related party transactions

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

Expenditure related party transaction

Q4 Management Limited - a company in which N Watkins (a trustee) has a 50% shareholding:

- The academy trust purchased business mentoring from Q4 Management Limited totalling £nil (2018: £950) during the period. There were no amounts outstanding at 31 August 2019 (2018: £nil)
- The academy contracted these services in accordance with its financial regulations, which N Watkins neither participated in, nor influenced.

The partner of B Stubbs, a Principal within the trust, was contracted to provide piano lessons at the school. During the year the cost was £nil (2018: £1,140), which was offset by parental contributions of £nil (2018: £361) and the balance of cost was covered by a restricted grant from Music Connect.

SALED Ltd provide services to the trust. This company is controlled by the Salisbury Diocese Board of Education and provided services related to the training of staff, trustees and governors, SIAMS inspections and annual partnership service agreement subscriptions. The Salisbury Diocese Board of Education is a related party of the trust as it is a member with 25% control. The total services invoiced in the period were £3,138. There were no balances outstanding at the year end.

25 Post balance sheet events

On 1st September 2019, May Park Primary School converted to academy trust status and joined Excalibur Academies Trust.

Funds transferred have not been finalised at the date of signing. Estimated revenue fund transferred are £50,000. Land and buildings have not been valued but will be introduced based on the price of education property per student in the local area in the absence of ESFA valuation or prior years insurance rebuild values.

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

27 Teaching school trading account	2019		2018	
	£	£	£	£
Direct income				
Other income		16,290		586,809
Other income				
Fundraising and other trading activities		73,649		28,990
Direct costs				
Direct staff costs	151,457		57,846	
Technology costs	100		-	
Educational supplies and services	241		6,042	
Staff development	878		1,320	
Educational consultancy	124,594		207,774	
Other direct costs	48,869		-	
	<u>326,139</u>		<u>272,982</u>	
Total income				
Other costs				
Support staff costs	41,952		38,513	
Technology costs	-		979	
Transport	3,989		1,980	
Catering	1,851		3,049	
Other support costs	206		3,654	
	<u>47,998</u>		<u>48,175</u>	
Total operating costs		(374,137)		(321,157)
(Deficit)/surplus from teaching school		(284,198)		294,642
Teaching school balances at 1 September 2018		337,236		42,594
Teaching school balances at 31 August 2019		<u>53,038</u>		<u>337,236</u>

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

28 Conversion to an academy

On 1 September 2018 Lambourn CofE Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Excalibur Academies Trust from the West Berkshire Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net loss in the statement of financial activities as donations – transfer from local authority on conversion.

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

Academy	Location	Date of conversion
Lambourn CofE Primary School	Newbury	1 September 2018

	2019
Net assets transferred:	£
Cash	3,369
Pension scheme deficit	(458,000)
	<u>(454,631)</u>

	Unrestricted Funds £	Restricted funds: General Fixed asset £ £	Total 2019 £
Funds surplus/(deficit) transferred:			
LA budget funds	3,369	-	3,369
LGPS pension funds	-	(458,000)	(458,000)
	<u>3,369</u>	<u>(458,000)</u>	<u>(454,631)</u>

The land and buildings occupied by Lambourn CofE Primary School are subject to a Church Supplementary Agreement therefore no value has been transferred into the Trust.

Excalibur Academies Trust

Notes to the Financial Statements (Continued)

For the Year Ended 31 August 2019

29 Transfer of existing academies into the academy trust

The Wren School Academy Trust

On 1 February 2019 The Wren School Academy Trust transferred into Excalibur Academies Trust and all the operations and assets and liabilities were transferred to Excalibur Academies Trust from The Wren School Academy Trust for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer of existing academy into the trust.

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

	Transfer in recognised £
Net assets acquired	
Leasehold land and buildings	32,705,759
Other tangible fixed assets	1,134,343
Current debtors	591,324
Current liabilities	(745,938)
Cash and cash equivalents	255,481
Pension scheme	(185,000)
Total net assets	33,755,969

There were no fair value adjustments required to the values reported by the transferring trust.