

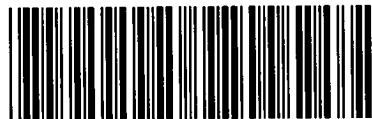
Company Registration Number  
08179498 (England and Wales)

**CHINGFORD ACADEMIES TRUST**

(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**CHINGFORD ACADEMIES TRUST**  
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**Reference and Administrative Details**

<b>Members</b>	Geraldine Evans Rosemary Chopin-John (until 01.10.20) Anthony Young Peter Leggett Henry Carruthers (until 13.12.19)
<b>Trustees</b>	Anthony Young (Chair of the Board of Trustees) Rosemary Chopin-John (Vice Chair) (until 01.10.20) John Bruce Steve Delaney Shakil Motala Katherine Ward
<b>Company Secretary</b>	Yvonne Allijohn
<b>Senior Management Team:</b>	
CEO and Accounting Officer	Jane Benton
Chief Financial Officer	Yvonne Allijohn
Trust Estates Manager	Colin Howes
<u><b>Chingford Foundation School</b></u>	
Senior Vice Principal	Hasip Mahir
Acting Vice Principals	Astrid Davis, Neil Taylor
Assistant Principals	Maxine Davies, Mark Leadon, Charles Millan
Data Manager	Katherine Adams
<u><b>South Chingford Foundation School</b></u>	
Vice Principal	Sean Reed
Senior Assistant Principal	Lee Baker
Assistant Principals	Sarah Jaggs, Olugbenga Sonuga
<b>Company Name</b>	Chingford Academies Trust
<b>Principal and Registered Office</b>	31 Nevin Drive, Chingford, London E4 7LT
<b>Company Registration Number</b>	08179498
<b>Independent Auditor</b>	Landau Baker Limited Mountcliff House, 154 Brent Street, London NW4 2DR
<b>Bankers</b>	Royal Bank of Scotland 747 Attercliffe Road, Sheffield S9 3EF  Barclays Bank Tottenham 2, Leicestershire LE87 2BB
<b>Solicitor</b>	Browne Jacobson 15 <sup>th</sup> Floor, 6 Bevis Marks, London EC3A 7BA

**CHINGFORD ACADEMIES TRUST**  
(A company limited by guarantee)

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**TRUSTEES' REPORT**

**for the year ended 31 August 2020**

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

The financial statements have been prepared in accordance with the accounting policies set out on pages 27 to 31 and comply with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency (ESFA).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**a. Constitution and Principal Activities**

Chingford Academies Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association (dated 14th August 2012) are the primary governing documents of Chingford Academies Trust. The trustees of Chingford Academies Trust are also the directors of the charitable company for the purposes of company law.

The trustees revised their Articles of Association in December 2017. Full details can be found on the academies' website.

Details of trustees who served throughout the period are included in the Reference and Administrative Details on page 1.

The principal activity of Chingford Academies Trust ("the Trust") is to advance, for the public benefit, education by maintaining and operating its academies. The Trust operates 2 secondary academies in Chingford, East London – Chingford Foundation School (CFS) and South Chingford Foundation School (SCF). The Trust's academies have a combined pupil capacity of 2,398 and had a roll of 2,094 in the School Census of October 2020.

**b. 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.

**c. Trustees' Indemnities**

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

**TRUSTEES' REPORT (continued)**  
**for the year ended 31 August 2020**

**d. Method of Recruitment and Appointment or Election of Trustees**

The trustees are appointed under the terms of the Trust's Articles of Association:

- Chief Executive Officer (ex officio)
- Academy trustees
- Any trustees elected by the Secretary of State for Education
- Up to 3 co-opted trustees
- Sponsor trustees

The term of office for any trustee is four years with the exception of the Chief Executive Officer, who remain as trustee as long as he/she remains in office. The term of office of the Chief Executive Officer runs parallel with his/her contract of employment. Subject to remaining eligible to be a particular type of trustee, any trustee may be re-appointed or re-elected. As part of the governance review, from 1 September 2019, with the exception of the Chief Executive Officer, there are no staff trustees within the Trust.

**e. Policies and Procedures Adopted for the Induction and Training of Trustees**

The training and induction provided for new trustees will depend on their existing experience. Where necessary, an induction will provide training on charity and educational, legal and financial matters. All new trustees are given a tour of both academies within the Trust and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees and directors of the charitable company. Trustees regularly visit both academies.

**f. Organisational Structure**

The charitable company has established a management structure to enable its efficient running. The structure consists of the Board of Trustees, Local Governing Bodies, the Chief Executive Officer and a Senior Management Team for each academy. The Chief Financial Officer is part of the Senior Management Team of each academy.

The Board of Trustees has considered its role thoughtfully and decided on the role of the trustees is to approve the strategic direction and objectives via the Quality Plan of the charitable company and to monitor its progress towards these objectives.

The Board of Trustees has approved a Scheme of Delegation, which sets out a statement on the system of internal control, responsibilities, scheme of delegation, terms of reference and standing orders. The Chief Executive Officer is responsible for the day to day running of the Trust and is assisted by a Senior Management Team in each academy.

Trustees are responsible for setting general policy and strategic direction of the Trust, adopting an annual plan and budget, monitoring the charitable company by use of budgets and making major decisions about the direction of the charitable company, including capital expenditure and senior staff appointments.

The Chief Executive Officer assumes the role of the Accounting Officer.

**TRUSTEES' REPORT (continued)**

**for the year ended 31 August 2020**

**g. Arrangements for Setting Pay and Remuneration of Key Management Personnel**

Key management personnel comprises of all members of the Senior Leadership Group of both academies. The Pay and Personnel Committee meet annually to determine pay scales and review salaries arrangements for all members of the Senior Leadership Group as set out in the School Teachers' Pay and Conditions Document (STPCD), National Joint Council Pay Scales and relevant public information. In determining the appropriate pay range, the trustees consider the permanent responsibilities of the role, any challenges that are specific to the role and all other relevant considerations. No remuneration is made to trustees, with the exception of Staff Trustees.

**h. Trade Union Facility Time**

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, the information included in Schedule 2 of the Regulations required to be published are as follows:

**Table 1 - Relevant union officials**

No. of employees who were relevant union officials	Full-time equivalent employee no.
4	3.6

**Table 2 - Percentage of time spent on facility time**

Percentage of time	No. of employees
0%	
1 – 50%	4
51 – 99%	
100%	

**Table 3 - Percentage of pay bill spent on facility time**

Total cost of facility time	£13,503
Total pay bill	£8,294,000
% of the total pay bill spent on facility time	0.16%
- calculated as (total cost of facility time ÷ total pay bill) X 100	

**Table 4 - Paid trade union activities**

Time spent on trade union activities as % of total paid facility time hours	2.85%
- calculated as (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) X 100	

**i. Related Parties and Other Connected Charities and Organisations**

Chingford Foundation School is the founding member of Chingford Academies Trust. The Trust undertakes educational support activities.

For academies within the Trust, there is a strong working relationship that is supportive and collaborative. The Chief Executive Officer oversees this role in both academies. For commercial services, there is a strong move towards a procurement framework that enables its members to access shared support for back office services including legal, financial, payroll and human resources support.

**TRUSTEES' REPORT (continued)**

**for the year ended 31 August 2020**

**j. Engagement with employees (including disabled persons)**

The CEO operates an open door policy which has been useful in engaging staff feedback and suggestions on the ground. Staff are frequently consulted on day to day matters and encouraged to be open and honest in their opinions to drive improvement across the Trust. Collaboration is promoted and several cross-Trust posts have been created to facilitate consistency in approach.

The Trust operates an equal opportunities policy and this is actively promoted in all aspect of Trust operations, including the recruitment and retention of staff.

**k. Engagement with Suppliers, Customers and Others in a Business Relationship with the Trust**

Trustees continue to maintain a strong and positive relationship with all suppliers, ensuring that best value is observed at all time. Particular reference is made here to the Trust's commitment to support small and local suppliers. During the COVID-19 pandemic, the Trust observed its obligations to the Government's Procurement Policy Notices (PPN) 02/20 and 04/20 to ensure that, irrespective of a reduction in operation, the Trust continued to support its suppliers of goods and services. Special consideration was given to those critical suppliers who were at financial risk as a result of COVID-19, especially in areas of cleaning and catering. Variation to payment mechanisms to help cash flow and bulk purchasing to reduce transportation costs and the number of deliveries to school sites were additional measures adopted by the Trust.

**OBJECTIVES AND ACTIVITIES**

**a. Objects and Aims**

The principal object and activity of the charitable company is:

- the advance for the public benefit of education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the academies") offering a broad and balanced curriculum
- to promote for the benefit of the communities in the areas served by the academies, 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 for the public at large in the interest of social welfare and with the object of improving the condition of the said inhabitants

**b. Objectives, Strategies and Activities**

The Trust has undertaken a review of its effectiveness using the DfE's published MAT school improvement capacity framework (a diagnostic tool developed in partnership with MAT leaders in the South-West RSC region). The strategic objectives of the Trust have been re-stated under the leadership of the new CEO. In September 2019, Trustees and key stakeholders carried out a visioning exercise with Grebot Donnelly, an external marketing company. This visioning exercise saw birth to a visible Trust entity within the MAT, identified by its own brand, colour and logo. It also saw the development of a Trust Charter encompassing the vision and values of all academies within the Trust. The commitment under the Trust Charter is:

- to launch and re-launch the Charter to all stakeholders
- to develop a community culture which engages everyone in an 'all-in' culture and improves behaviour and attitudes both within and outside the school grounds
- to create programmes including rewards programmes which develop and celebrate whole-school community awareness, inclusive practices, peer to peer and peer to staff relationships

The Trust vision is built around ambitious for all, being kind, friendly, empathetic, helpful, charitable, respectful, reliant and reliable, and appropriately challenging the status quo for the benefit of our community and every individuals within it.

**TRUSTEES' REPORT (continued)**

**for the year ended 31 August 2020**

**b. Objectives, Strategies and Activities (continued)**

Key strategic objectives are:

- **Strategic Objective 1**
  - To develop the vision, culture and structures of the Trust so that within 3 years it achieves outstanding status
- **Strategic Objective 2**
  - To develop further the quality of education (including outcomes) to outstanding for pupils across the MAT and within each constituent academy
  - High quality experiences that take place in and out of the classrooms inspire a thirst for learning. The learning culture is underpinned by staffs' shared vision for an ambitious curriculum and shared pedagogical principles that are adapted to meet the needs of all groups of learners such that all groups make rapid and appropriate progress through their learning.
- **Strategic Objective 3**
  - To develop a culture within the constituent academies of the MAT in which all staff and students show outstanding behavior and attitudes to one another, their learning and the community of schools
  - Ambitious but inclusive culture is one in which we can say we are 'all in'. Pupils and staff taking the lead in their own personal progression and supporting others to achieve theirs. No limits can apply and pupils will be happy, confident and motivated by the successes they achieve in every aspect of school life and beyond.
- **Strategic Objective 4**
  - To nurture a culture in which personal development contributes to the creation of a harmonious community
  - Perfect community built on the collective of our individual strengths is one which rejects negativity and prejudice and promotes tolerance of difference. Together we 'can do' and our vision and values are shared and adopted by all and without fear or favour.
- **Strategic Objective 5**
  - To display outstanding leadership and management
  - Outstanding leadership and management will prioritise and facilitate rapid progress towards the delivery of the vision for providing high-quality, inclusive education and training to all. This is realised through strong, shared values, policies and practice.
- **Strategic Objective 6**
  - To achieve the trustees' desire to grow the MAT at a pace appropriate to the maturity of the MAT and constituent academies (links to Strategic Objective 1 and the development of an outstanding MAT with appropriate structures for the delivery of the MAT vision to other schools and academies)
- **Strategic Objective 7**
  - To generate a sustainable financial model for the Trust and its constituent academies so that an outstanding education can be resourced (links to all Strategic Objectives)
  - All expenditure across the Trust can be linked to improving outcomes and the wellbeing of pupils. KPIs will be set based on national benchmarks to demonstrate that the Trust is providing value for money in terms of the outcomes achieved. No academy will be allowed to operate in a deficit position.

In addition to the restated Trust objectives, other key elements of the academies' strategic and operational working have been reviewed or are currently undergoing review. Key areas include the curriculum. An effective and efficient curriculum is one which matches stakeholders' vision for the quality of education and the needs of the academies' pupils, securing strong outcomes and destinations and contributing to the objectives of the Trust.



**TRUSTEES' REPORT (continued)**  
**for the year ended 31 August 2020**

**b. Objectives, Strategies and Activities (continued)**

The academies' vision is to create a curriculum which is a 'firm foundation for life' (CFS) and which 'builds ambition for all' (SCFS). In both cases, this is because the curriculum:

- is broad and balanced, yet meets the needs of all of our students
- is fundamentally high calibre, rigorous and academic
- provides opportunities for personal development and enrichment beyond the taught curriculum
- embraces and celebrates diversity as part of our inclusive and comprehensive ethos and as a consequence we thrive in a culture of mutual respect

Chingford Foundation School was inspected under the new OFSTED framework during 2020 and received a 'Requiring Improvement' grading. However, progress made against the key Ofsted areas for improvement means that all of the post-Ofsted action plan has been achieved and this has been shared with parents. South Chingford Foundation School may receive an inspection in 2020-21. The leadership at both academies have self-evaluated their respective academies to be good for the quality of education in all categories.

**c. Public Benefit**

In setting the objectives, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

As an academy trust, we make best use of our skills, expertise and experience with regards to the community. Examples of this are:

- Duke of Edinburgh Award programmes
- Jack Petchey Award Scheme
- Sports Leader programmes that provide sporting activities to local primary schools
- Fundraising events to support major charities — MacMillan Cancer Support, Make a Wish Foundation, Great Ormond Street Children's Hospital and local charities e.g. Haven House

**STRATEGIC REPORT**

**a. Achievements and Performance**

The objectives under the heading 'Objectives, Strategies and Activities' above were progressed well during the year, following the considerable adjustments required in light of the COVID-19 pandemic.

**b. Key Performance Indicators**

The academies in the Trust demonstrated good progress against the key performance indicators used in the School Development Plan to assess quality of provision. Academic key performance indicators cannot be evaluated for 2019-20. However, both academies are judged by leaders to be good in all categories by the end of 2019-20.

**TRUSTEES' REPORT (continued)**  
**for the year ended 31 August 20**

**b. Key Performance Indicators (continued)**

Good progress has been made in the following areas:

- Self-evaluation outcomes for both academies are good categories. This will be re-assessed in January 2022.
- Work on vision, values and culture taken place at both academies have been successfully relaunched at CFS. The Trust Charter has been launched at both academies and now forms the bedrock of a culture based on strong relationships and trauma informed approach.
- Both academies are benefiting from a Trust Level Teaching and Teaching and Learning structure driving the MAT development plan and post COVID-19 interventions.
- Planned recruitment of Trust positions – Trust Careers Officer and Director of Pedagogy and Staff Development was achieved and scheduled, and is now operational.
- Marketing work at SCF achieved and action plan prepared for 2020 onwards.
- Trust level professional development programme has been framed and ready to launch post COVID-19.

**c. Going Concern**

After taking appropriate measures, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future, despite reductions in external funding. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

**d. Promoting the Success of the Company**

In September 2019, the Trust welcomed a new Chief Executive Officer/Accounting Officer. Work began almost immediately on redefining a Trust identity and brand with the help of Grebot Donnelly, marketing specialist. Stakeholders' engagement in visioning and branding was key in this process. New websites have been created to promote each academy and work is currently underway on a Trust website which will encompass the ethos and culture of the educational provision on offer. Two key Trust appointments have been made: Director of Pedagogy and Staff Development and Trust Head of Careers. Trust-wide CPD is in place working alongside a whole school development strategy and allowing for more 'joined up' approach. Trust Head of Careers has focused on developing a holistic careers strategy for the Trust in line with the MAT development plan. The Trust works in line with the Gatsby benchmark to ensure specialist provision of personal guidance on career options and destinations is available to all students. There are clearer lines of accountability and a refocussing of teaching and learning in both academies and with these new positions, senior leadership time can be best spent focusing on other aspects of the school life including targeted support, student progress and stakeholders' engagement.

To further the work around successes of the Trust, the trustees have approved the appointment of a Marketing and Communications Officer. This post is in response to the need to promote both academies and in particular, advance the recovery of Chingford Foundation School post Ofsted. COVID-19 negates the right timing to recruit to the post but there is an expectation for the post holder to be in place by 2021. There is an expectation that the market and communications will be a key activity for the Trust in future years.

The School Sports Network Co-ordinator continued to promote school to school working with primary schools during the lockdown, providing virtual outdoor classroom and software mapping applications, virtual competitions, advice, guidance and training to schools within Waltham Forest. This work disseminates a wealth of knowledge to teachers and students and provides a key approach to recruiting pupils from feeder schools for the Trust.

The 6<sup>th</sup> Form provision at Chingford Foundation School has seen significant financial investment after 20 years, in its teaching and learning spaces. It has transformed into a 21<sup>st</sup> century educational provision, which is key to attracting pupils. With a modern look and Trust colours, it will allow students to thrive in a supportive and welcoming environment.

**CHINGFORD ACADEMIES TRUST**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (continued)**  
**for the year ended 31 August 2020**

**d. Promoting the Success of the Company (continued)**

The Trust has a strong community presence, has maintained links with local charities and is currently developing its alumni database which will place it in a secure position for the future.

**FINANCIAL REVIEW**

**a. Review of Financial Performance**

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

The Trust also received grants for fixed assets from the ESFA. In accordance with the Charities SORP 2019, such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP 2019, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Trust. It should be noted that this does not present the Trust with any current liquidity problem. The employer pension contribution rates are assessed by the actuaries and it is expected the rates will increase over a period of years to help bring further reduction of this pension deficit in the future. Details of the Trust's defined benefit pension schemes are included in the Notes to these Financial Statements.

Chingford Foundation School continues to be popular for Years 7-11 and Year 7 intake for 2019-20 and 2020-21 remains at 270 students. In response to significant loss of Post-16 pupils, the academy took a strategic decision to upgrade its Post-16 facilities as a means of attracting students. Over the Summer Term 2020, the academy commissioned an upgrade for the Post-16 facilities which completely transformed the provision. The facilities are now a fantastic resource boasting two collaboration rooms, digital information display boards, an extensive study area, a 6<sup>th</sup> Form servery, a tea room, dining area and social space. Further developments will include a cashless vending machine, access control and digitised late attendance logging in systems. It competes comfortably with 6<sup>th</sup> Form provision in neighbouring schools. The 6<sup>th</sup> Form numbers for September 2020 sees marked improvement and numbers have increased and stabilised the funding stream for the academy. The academy also completed the upgrade of its Science Block, part funded by a Condition Improvement Fund and the remainder funded from a significant proportion of the revenue reserves as planned in the academy's budgeting. Other capital expenditure included upgrades to toilet and handwashing facilities to support the health and safety needs as a result of the COVID-19 pandemic. There are no planned capital projects for 2020-21.

South Chingford Foundation School continues to experience financial pressures exacerbated by prior year loss of the Education Service Grant funding, increases in employer's National Insurance and Teachers Pension contributions. With an aging staff population, the academy has a large proportion of staff on higher pay grades. Trustees took the decision not to continue with the Alternative Provision Outreach Centre that was based at the academy in February 2019. The provision proved unviable based on the staffing ratio required and underfunding by the Local Authority. Falling rolls continue to be an issue for the academy although for the past two years, Year 7 intake has stabilised at circa 130 students. Due to the COVID-19 pandemic, recruitment to the football based Post-16 provision proved difficult and with an extremely low cohort for September 2020, trustees made the decision not to have a Year 12 intake for 2020-21. With no Year 12 students, the academy is facing a challenging financial future from 2021 onwards. Losses in baseline funding is a real concern and plans are already underway to minimise the effects of loss in funding for future years. Upgrading facilities is proving challenging as devolved formula capital allocations are significantly below the funding required to cover the building improvements needed to support the teaching and learning needs of the academy.

**CHINGFORD ACADEMIES TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**for the year ended 31 August 2020**

**a. Review of Financial Performance (continued)**

Lettings income, historically used to upgrade facilities, have more than halved as a result of the COVID-19 pandemic and this looks set to continue into 2020-21. External sources of capital funding for building upgrades will form one of the academy's priorities in coming years. The trustees are continuing the work around rebranding and marketing the academy and promoting engagement with the community and the fruits of this work is seen in the take-up of rising Year 7 placements and positive feedback from parents.

The COVID-19 pandemic was unexpected, unprecedented and the impact on the financial wellbeing of the academy will be felt for years beyond 2020. Trustees and senior management responded to the need to ensure the safety of staff and students as paramount whilst making the Trust buildings COVID-19 secure and safe. Additional external support from the Health and Safety consultant was purchased from the outset to provide advice and guidance on risk assessments and maintaining the facilities in light of the pandemic. There was considerable investment in refurbishing toilet facilities and the re-designation of catering points to allow for Year group bubbles, redesigning of classrooms and staffroom areas to support social distancing, and the purchase of signage, personal protective equipment (PPE), infrared thermometers, hand sanitisers, dispensers and external hand washing troughs. There was also significant investment in ICT as the academies had to provide laptops for vulnerable students over and above the Government Laptops Scheme allocations. Additional computers were also purchased to support students working onsite in bubbles. Investment in staff training and additional software to support remote learning was also a cost to the Trust. Extra support was provided to support pupils' health and wellbeing whilst working from home and consisted of a team of educational psychologists and a counsellor providing one to one support to students via Microsoft Teams and Zoom. With the support and assistance of teachers, support staff, cleaning and catering services, the academies remained open during the lockdown period and school holidays, which in itself generated additional staffing and consumable costs. There has been an unprecedented increase in unseen costs such as senior leadership time to manage the challenges of the pandemic and, in particular energy costs, as the opening of windows and loss of heat is now the norm under the new COVID-19 measures. Moving forward, there will be a review of all contracts where significant increases has been noted in order to assess whether changes need to be made to ensure the Trust remains within budget against these extra costs. Staff absences will also undoubtedly prove to be a challenging area to manage in the new academic year.

**b. Reserves Policy**

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of each reserves.

Reserves at the end of the 2019-20 attributed to Chingford Foundation School (CFS) and South Chingford Foundation School (SCFS) were as follows:

	<b>CFS</b> <b>£'000</b>	<b>SCFS</b> <b>£'000</b>	<b>Total</b> <b>£'000</b>
Restricted fund reserves/(deficit)	545	13	558
Unrestricted fund reserves	27	-	27
Pension (deficit)	(6,137)	(3,028)	(9,165)
Restricted capital assets fund	24,588	10,528	35,116
<b>Total</b>	<b>19,023</b>	<b>7,513</b>	<b>26,536</b>

**TRUSTEES' REPORT (continued)**  
**for the year ended 31 August 2020**

**b. Reserves Policy (continued)**

The trustees will keep this level of reserves under review. The Trust's revenue reserves above, shown as restricted and unrestricted funds, have been earmarked to cover:

- circa £430k towards the expansion of our science department, building and facilities (CFS)
- measured reserves to balance any future fluctuations in pupil numbers that could impact on the current work undertaken by the Trust

**c. Investment Policy**

The Trust holds cash reserves at banks in interest-bearing accounts. The trustees will endeavour to maintain a working balance of a minimum of £100,000 to respond to unexpected financial demands and to minimise any financial risks facing the trust. The Trust does not currently hold stocks and securities.

**d. Financial Risk Management Objectives and Policies**

The Trust operates using simple financial instruments, principally bank accounts, trade creditors and sundry debtors and creditors, all of which carry minimal risks or uncertainties. Risks are reviewed regularly as part of the Trust's system of internal controls and robust systems of cash management are in place, so that all its operating needs are met without the need for short-term borrowing. Surplus cash is invested with the Trust's bankers to maximize interest income. In the absence of borrowings and with low prevailing interest rates, the Trust is not exposed to significant interest rate risk.

**e. Principal Risks and Uncertainties**

The key risks and uncertainties identified are:

- Effects of a 'Require Improvement' Ofsted grade at Chingford Foundation School and the future pupil number projections on first place choices beyond the next two years
- Difficulty in recruiting students to South Chingford Foundation School has reduced funding and increased cost pressures. As the academy has a roll of less than 600 students (including the 6th Form), it is increasingly difficult to provide a balanced and broad curriculum and maintain staffing structures. ASCL leaders note that schools facing these pressures may not be financially viable in the long term.
- Loss of Year 12 cohort at South Chingford Foundation School in 2020-21 academic year is of particular concern and impacts on future funding. Mid-term admissions is having an impact on the curriculum and results, and its influence on parental perceptions of the academy. In-year net migration of pupils from the academy across all year groups is proving especially challenging.
- Uncertainty in funding for future years is of concern to both academies, especially in light of increase staffing costs via pay awards and increased employer's pension contributions, and the Teachers Pay and Pension Grants after 2020-21 being subsumed and lack of transparency
- Lack of academy capital funding which is not aligned with the funding required to maintain fixed assets, particularly buildings. This will have a significant impact on the ability to provide first class quality teaching and learning facilities and may deter prospective students
- Impact of COVID-19, need for additional spending to ensure the staff and students are safe, which has had a detrimental effect on spending in other areas of the curriculum and future reserves; much needed projects have been shelved to cope with the additional resources needed under the new COVID-19 regime

**TRUSTEES' REPORT (continued)**  
**for the year ended 31 August 2020**

**f. Risk Management**

The trustees have assessed the major risks to which the Trust is exposed, in particular those relating to specific teaching, provision of facilities and other operational areas (e.g. health and safety, behaviour and school trips), and its finances. The trustees have implemented a number of systems to assess risks that the academies face and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds), and internal financial controls in order to minimise risks. Where significant financial risk still remains, they have ensured the Trust has adequate insurance cover.

Chingford Academies Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

**FUNDRAISING**

The Trust did not undertake formal fundraising activities during the year and did not use any external fundraisers.

**STREAMLINED ENERGY AND CARBON REPORTING**

The trust is a large company, as determined by sections 465 and 466 of the Companies Act 2006, and consumes more than 40,000 KWh of energy (in the UK) in the reporting period.

<b>UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020</b>		
Energy consumption used to calculate emissions (kWh)		2,702,524
Energy consumption break down (kWh) (optional)	Gas Electricity Transport fuel	1,945,376 750,092 7,056
Scope 1 emissions in metric tonnes CO <sub>2</sub> e	Gas consumption Owned transport – mini-buses Total Scope 1	357.70 1.37 <u>359.07</u>
Scope 2 emissions in metric tonnes CO <sub>2</sub> e	Purchased electricity	174.88
Scope 3 emissions in metric tonnes CO <sub>2</sub> e	Business travel in employee owned vehicles	0.00
Total gross emissions in metric tonnes CO <sub>2</sub> e		533.95
Intensity ratio in metric tonnes CO <sub>2</sub> e per pupil		0.2635
<b>Quantification and Reporting Methodology</b>		
We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.		
<b>Intensity measurement</b>		
The chosen intensity measurement ratio is total gross emissions in metric tonnes CO <sub>2</sub> e per pupil, the recommended ratio for the sector.		
<b>Measures taken to improve energy efficiency</b>		
We have started to install smart meters across all sites and increased video conferencing technology for staff meetings to reduce the need for travel between sites.		

**CHINGFORD ACADEMIES TRUST**  
(A company limited by guarantee)

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**TRUSTEES' REPORT (continued)**  
**for the year ended 31 August 2020**

**PLANS FOR FUTURE PERIODS**

The Trust engaged Grebot Donnelly, education marketing specialists, for the 2019-20 year. From the work carried out with Grebot Donnelly, the Trust has formulated an action plan which includes rebranding the Trust and individual academies, redeveloping the websites, and appointing a Marketing and Communication Manager to promote the future development of the Trust and individual academies.

Organisational structure reviews will ensure that they are fit for purpose, including appointing key Trust-wide posts to improve efficiency of services and economies of scale:

- in light of the marketing activities being undertaken in 2019-20
- to support the outcomes of the ESFA's SRMA report of July 2019
- to support the newly created MAT development plan

The academies have undertaken self-evaluation activities to correctly identify objectives for the next year and beyond.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The Trust and its trustees did not act as a custodian trustee during the current or the previous year.

**AUDITOR**

In so far as the trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees, as the company directors, on 27 January 2021 and signed on its behalf by:

  
Anthony Young  
Chair of the Board of Trustees

**CHINGFORD ACADEMIES TRUST**  
(A company limited by guarantee)

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**GOVERNANCE STATEMENT**

**Scope of Responsibility**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. During the year under review, the trustees held 5 full trustee meetings. In addition, there were regular meetings covering audit, finance, premises, personnel, curriculum and governance. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Board of Trustees	Finance Committee	Pay & Personnel Committee	Premises Committee
Anthony Young	5 out of 5	3 out of 3	1 out of 1	1 out of 1
John Bruce	4 out of 5	-	1 out of 1	-
Rosemary Chopin-John	0 out of 5	0 out of 3	-	-
Steve Delaney	5 out of 5	1 out of 3	1 out of 1	1 out of 1
Shakil Motala	5 out of 5	2 out of 3	-	-
Katherine Ward	5 out of 5	-		
Jane Benton (CEO & Accounting Officer)	5 out of 5	3 out of 3	1 out of 1	1 out of 1

Anthony Young remained Chair of the Board of Trustees. Due to ill-health, Mrs Rosemary Chopin-John was unable to attend meetings.

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- guide and assist the CEO and Board of Trustees in all matters concerning budgeting, finance management, policies, legislation and regulations including financial priorities
- recommend the annual budget to the Board of Trustees
- ensure funding received from the Education and Skills Funding Agency (ESFA) and other sources is used only in accordance with the conditions attached
- ensure all annual statements are produced in line with ESFA requirements
- promote and monitor the Trust's aims and ethos and operate value for money
- monitor at least termly, the actual income and expenditure and revised forecast against the annual budget, making recommendations



**GOVERNANCE STATEMENT (continued)**

**Governance (continued)**

Trustees exercised their right under the Academies Financial Handbook 2019 not to continue with an Audit Committee in 2019-20. This decision was made in light of the Trust turnover and the limits set within the Handbook. The Audit Committee was replaced with a Risk Management Sub-Committee. Due to the COVID-19 pandemic, the work of this sub-committee started in November 2020. However, throughout the year, the Trust increased the number of local governing body meetings for each academy to discuss the management of risk in light of the COVID-19 pandemic, including risk assessments carried out, advice and guidance from a Health and Safety consultant, purchase of PPE equipment and progress on building adjustments in line with government guidelines on social distancing.

**Review of Value for Money**

As Accounting Officer, the Chief Executive Officer 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 Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The trustees are continually looking at new procurement opportunities to reduce prices and achieve trust-wide savings. Over the past year, the Accounting Officer has sought to achieve best value by:

- continuing to seek economies of scale across the Trust via procurement deals
- tapping into the benefits of cloud technology as a means of improving efficiencies at MAT level
- maximising opportunities afforded via CIF and SEEF bids to improve the teaching spaces for our students
- continuing to capitalise on better 'per pupil' insurance rates with the move from the RPA scheme to Zurich for Trust insurance in September 2019

**Purpose of the System of Internal Controls**

The system of internal controls 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 controls is based on an on-going process designed to identify and prioritise the risks to the achievement of the Trust's 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 controls has been in place in the Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The Board of Trustees 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 Trustees 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 year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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**GOVERNANCE STATEMENT (continued)**

**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 periodic financial reports which are reviewed and agreed by the Board of Trustees
- 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

As Vice-Chair of the Finance Committee during 2019-20, Mrs Rosemary Chopin-John was the Responsible Officer. The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. To assist the Responsible Officer in her responsibilities, The Trust has appointed an independent consultant to review the financial controls and accounting records of its academies at least twice a year and to provide support where necessary. With remote login during COVID-19 lockdown, this has proved invaluable as accounting records could still be checked and the pandemic did not interfere with the work of the Responsible Officer taking place. All remedial work is completed on a termly basis. The services of the Responsible Officer include preparation of the end of year accounts for both academies and the Trust's consolidated financial statements for external audit, and preparation of the ESFA's Accounts Return for approval by the external auditor.

The Trust has retained the services of Lauder Baker Limited (Chartered Accountants) for the provision of audit advice, external audit, and submission of the Trust's audited financial statements to Companies House and ESFA. All remedial work as outlined by the external auditor is completed annually.

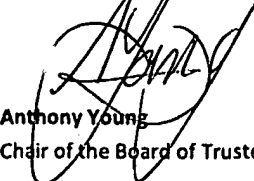
**Review of Effectiveness**

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

- the work of the Responsible Officer
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the Trust who have responsibilities for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance 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 Trustees on 27 January 2021 and signed on their behalf by:



Anthony Young  
Chair of the Board of Trustees



Jane Benton  
Accounting Officer

**CHINGFORD ACADEMIES TRUST**  
(A company limited by guarantee)

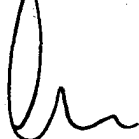
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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



**Jane Benton**  
Accounting Officer

Date: 27 January 2021

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 27 January 2021 and signed on its behalf by:

  
Anthony Young  
Chair of the Board of Trustees

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS  
TO THE MEMBERS OF CHINGFORD ACADEMIES TRUST**

**OPINION**

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

In our opinion the financial statements:

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

**BASIS OF OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS**  
**TO THE MEMBERS OF CHINGFORD ACADEMIES TRUST (continued)**

**OTHER INFORMATION**

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

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of our knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS**  
**TO THE MEMBERS OF CHINGFORD ACADEMIES TRUST (continued)**

**RESPONSIBILITIES OF TRUSTEES**

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

In preparing the financial statements, the trustees are responsible for assessing the 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 Trust or to cease operations, or have no realistic alternative but to do so.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). The description forms part of our Auditor's Report.

**USE OF OUR REPORT**

This report is made solely to the 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 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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

 **FOR LANDAU BAKER LIMITED**

**Carly Pinkus** (Senior Statutory Auditor)

For and on behalf of

**Landau Baker Limited**

Chartered Accountants

Statutory Auditors

Mountcliff House

154 Brent Street

London NW4 2DR

Date: 27 January 2021

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

In accordance with the terms of our engagement letter dated 8 October 2012 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Chingford Academies Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective Responsibilities of the Trust's Accounting Officer and the Reporting Accountant**

The Accounting Officer is responsible, under the requirements of the Trust's funding agreement with the Secretary of State for Education dated 1 September 2012, and the Academies Financial Handbook extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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



**CHINGFORD ACADEMIES TRUST**  
(A company limited by guarantee)

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

**Approach (continued)**

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

The work undertaken to draw to our conclusion includes a review of the design and implementation of the Trust's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the Trust and specific transactions identified from our review.

**Conclusion**

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

*Landau Baker Limited*

Reporting Accountant  
**Landau Baker Limited**  
Chartered Accountants  
Statutory Auditors  
Mountcliff House  
154 Brent Street  
London NW4 2DR

Date: 27 January 2021

# CHINGFORD ACADEMIES TRUST

## Statement of Financial Activities for the year ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	2019/20 Total £000	2018/19 Total £000
<b>Income and endowments from:</b>						
Donations and capital grants	3	4	-	802	806	377
Charitable activities:						
Funding for the academy trust's educational operations	4	-	13,930	-	13,930	13,557
Trading activities	5	6	183	-	189	421
Investments	6	-	5	-	5	6
<b>Total</b>		<b>10</b>	<b>14,118</b>	<b>802</b>	<b>14,930</b>	<b>14,361</b>
<b>Expenditure on:</b>						
Raising funds	7	8	90	-	98	327
Charitable activities:						
Academy trust's educational operations	7	-	13,961	791	14,752	14,759
Other		-	-	-	-	-
<b>Total</b>		<b>8</b>	<b>14,051</b>	<b>791</b>	<b>14,850</b>	<b>15,086</b>
<b>Net income / (expenditure)</b>		<b>2</b>	<b>67</b>	<b>11</b>	<b>80</b>	<b>(725)</b>
<b>Transfers between funds</b>	18	<b>(496)</b>	<b>(998)</b>	<b>1,494</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains / (losses):</b>						
Actuarial (losses) / gains on defined benefit pension schemes	18,24	-	(946)	-	(946)	(2,091)
<b>Net movement in funds</b>		<b>(494)</b>	<b>(1,877)</b>	<b>1,505</b>	<b>(866)</b>	<b>(2,816)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		521	(6,730)	33,611	27,402	30,218
<b>Total funds carried forward</b>		<b>27</b>	<b>(8,607)</b>	<b>35,116</b>	<b>26,536</b>	<b>27,402</b>

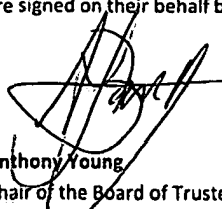
**CHINGFORD ACADEMIES TRUST**

Company Number: 08179498

**Balance Sheet as at 31 August 2020**

	Note	2020 £000	2020 £000	2019 £000	2019 £000
<b>Fixed assets</b>					
Tangible assets	13		35,112		33,320
<b>Current assets</b>					
Debtors	14	1,730		443	
Cash at bank and in hand		568		2,084	
		<u>2,298</u>		<u>2,527</u>	
<b>Liabilities</b>					
Creditors: amounts falling due within 1 year	15	<u>(1,462)</u>		<u>(801)</u>	
Net current assets			836		1,726
<b>Total assets less current liabilities</b>			<u>35,948</u>		<u>35,046</u>
Creditors: amounts falling due after more than 1 year	16		(247)		(39)
<b>Net assets excluding pension scheme liabilities</b>			<u>35,701</u>		<u>35,007</u>
Defined benefit pension scheme liability	24		<u>(9,165)</u>		<u>(7,605)</u>
<b>Total net assets</b>			<u>26,536</u>		<u>27,402</u>
<b>Funds of the academy trust</b>					
<b>Restricted funds:</b>					
Fixed asset fund	18	35,116		33,611	
Restricted income fund	18	558		875	
Pension reserve	18	<u>(9,165)</u>		<u>(7,605)</u>	
<b>Total restricted funds</b>			26,509		26,881
<b>Unrestricted income funds</b>	18		<u>27</u>		<u>521</u>
<b>Total funds</b>			<u>26,536</u>		<u>27,402</u>

The financial statements on pages 24 to 47 were approved by the trustees, and authorised for issue, on 27 January 2021 and are signed on their behalf by:

  
 Anthony Young  
 Chair of the Board of Trustees

**CHINGFORD ACADEMIES TRUST****Statement of Cash Flows for the year ended 31 August 2020**

		<b>2020</b>	<b>2019</b>
	<b>Note</b>	<b>£000</b>	<b>£000</b>
<b>Cash flows from operating activities</b>			
Net cash provided by / (used in) operating activities	20	<b>8</b>	906
<b>Cash flows from financing activities</b>	21	<b>252</b>	(4)
<b>Cash flows from investing activities</b>	22	<b>(1,776)</b>	24
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(1,516)</b>	926
<b>Cash and cash equivalents brought forward</b>		<b>2,084</b>	1,158
<b>Cash and cash equivalents carried forward</b>	23	<b>568</b>	<b>2,084</b>

## CHINGFORD ACADEMIES TRUST

### Notes to the Financial Statements for the year ended 31 August 2020

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#### 1 Statement of Accounting Policies

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

##### 1.1 Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), 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 (FRS102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Chingford Academies Trust ("the Trust") meets the definition of a public benefit entity under FRS 102.

##### 1.2 Going Concern

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

##### 1.3 Income

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

###### Grants

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

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

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

###### Sponsorship Income

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

###### Donations

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

## CHINGFORD ACADEMIES TRUST

### Notes to the Financial Statements for the year ended 31 August 2020

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#### 1 Statement of Accounting Policies

##### Other Income

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

##### Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the banks.

##### Donated Goods, Facilities and Services

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

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

#### 1.4 Expenditure

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

##### Expenditure on Raising Funds

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

##### Expenditure on Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

#### 1.5 Tangible Fixed Assets

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 requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

## CHINGFORD ACADEMIES TRUST

### Notes to the Financial Statements for the year ended 31 August 2020

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#### 1 Statement of Accounting Policies

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:

Freehold buildings	33 - 50 years
Long leasehold buildings	30 years
Fixtures, fittings and equipment	5 years
Catering equipment	10 years
ICT hardware	3 years
Motor Vehicles	4 years

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

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

#### 1.6 Debtors

Trade and other debtors are recognised at their settlement amount after any trade discount offered and less any provision for non-recoverability. Prepayments are valued at the amount prepaid net of trade discount due.

#### 1.7 Cash at Bank and in Hand

Cash at bank and in hand includes cash and short-term highly liquid investments, with a short maturity of 3 months or less from the date of acquisition or opening of the deposit or similar account.

#### 1.8 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 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.

#### 1.9 Provisions

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

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

## CHINGFORD ACADEMIES TRUST

### Notes to the Financial Statements for the year ended 31 August 2020

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#### 1 Statement of Accounting Policies

##### 1.10 Financial Instruments

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

*Cash at bank* – is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

##### 1.11 Taxation

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

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

##### 1.12 Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 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 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.



## CHINGFORD ACADEMIES TRUST

### Notes to the Financial Statements for the year ended 31 August 2020

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#### 1 Statement of Accounting Policies

##### 1.14 Fund Accounting

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

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

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

##### 1.15 Critical Accounting Estimates and Areas of Judgement

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

###### *Critical accounting estimates and assumptions*

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The net book value of tangible fixed assets is based on the original cost of the assets, net of provision for depreciation. The depreciation provision to-date is based on the trustees' assessment of the estimated useful economic lives of such assets.

###### *Critical areas of judgement*

Other than the estimates discussed above, the trustees do not consider that there are any key judgements made in the preparation of these financial statements.

##### 1.16 Agency Arrangements

The Trust acts as an agent in distributing post 16 bursary funds from the ESFA. Payments received from the ESFA and disbursements to students are included in the Statement of Financial Activities. To the extent that bursary funds had not been fully disbursed at each 31 August, expenditure was accrued and the unspent bursary funds included as other creditors in the Balance Sheet.

## CHINGFORD ACADEMIES TRUST

### Notes to the Financial Statements for the year ended 31 August 2020

#### 2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust is not subject to limits on the amount of GAG that could be carried forward from one year to the next.

#### 3 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Capital grants	-	802	802	373
Donations	4	-	4	4
	<b>4</b>	<b>802</b>	<b>806</b>	<b>377</b>
Total 2019	4	373		377

#### 4 Funding for the academy trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
<b>DfE / ESFA grants</b>				
. General Annual Grant (GAG)	-	11,837	11,837	11,950
. Rates Relief	-	70	70	68
. Pupil Premium	-	600	600	602
. Teachers Pay Grant	-	585	585	104
. Post 16 Bursary Funds	-	21	21	28
	-	<b>13,113</b>	<b>13,113</b>	<b>12,752</b>
<b>Other government grants</b>				
. SEN top-up funding	-	568	568	503
. Other local authority grants	-	51	51	93
	-	<b>619</b>	<b>619</b>	<b>596</b>
<b>Other income from the academy trust's educational operations</b>	-	<b>119</b>	<b>119</b>	<b>209</b>
<b>Exceptional government funding</b>				
. Coronavirus exceptional support	-	79	79	-
<b>Total</b>	-	<b>13,930</b>	<b>13,930</b>	<b>13,557</b>
Total 2019	-	13,557		13,557

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

The funding received for coronavirus exceptional support covers additional premises-related costs over school holiday periods and extra cleaning costs. These costs are included in notes 7 and 8 below as appropriate.

**CHINGFORD ACADEMIES TRUST****Notes to the Financial Statements for the year ended 31 August 2020****5 Trading activities**

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Hire of facilities	-	45	45	66
Catering income	-	4	4	24
Music fees income	-	17	17	26
Teacher training	-	9	9	15
Income from clubs	-	-	-	8
Income from trips and activities	-	43	43	238
Insurance receipts	-	45	45	-
Other income	6	20	26	44
	<b>6</b>	<b>183</b>	<b>189</b>	<b>421</b>
Total 2019	5	416		421

**6 Investment income**

	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
Short term deposits	-	5	5	6
	-	5	5	6
Total 2019	0	6		6

# CHINGFORD ACADEMIES TRUST

## Notes to the Financial Statements for the year ended 31 August 2020

### 7 Expenditure

	Staff Costs	Non Pay Expenditure		Total	Total
		Premises	Other	2020	2019
	£000	£000	£000	£000	£000
Expenditure on raising funds:					
- Direct costs	-	-	98	98	327
- Support costs	-	-	-	-	-
Academy trust's educational operations:					
- Direct costs (Note 8)	9,220	-	1,528	10,748	10,800
- Support costs (Note 8)	2,472	791	741	4,004	3,959
	<b>11,692</b>	<b>791</b>	<b>2,367</b>	<b>14,850</b>	<b>15,086</b>

Of the total expenditure, £8,000 (2019: £9,000) was to unrestricted funds and £14,235,000 (2019: £15,077,000) was to restricted funds.

Net income/(expenditure) for the period includes:	2020	2019
	£000	£000
Depreciation	798	770
(Profit)/Loss on disposal of fixed assets	(7)	-
Legal costs - other	5	-
Fees payable to auditor for:		
- audit	10	12
- other services	-	-

Severance payments to members of staff upon termination of their employment, as disclosed in Note 9 (b), are included within expenditure above.

# CHINGFORD ACADEMIES TRUST

## Notes to the Financial Statements for the year ended 31 August 2020

### 8 Charitable activities

	Educational operations	Total 2020	Total 2019
	£000	£000	£000
<b>Direct costs</b>			
Educational supplies	220	220	294
Educational consultancy	219	219	218
Examination fees	149	149	209
Technology costs	111	111	136
Other direct costs	67	67	77
Staff development and training	28	28	38
Depreciation	734	734	659
Staff restructuring costs	-	-	-
Agency supply teaching and educational support	225	225	280
Wages and salaries	6,715	6,715	6,897
National Insurance	714	714	727
Pension costs	1,566	1,566	1,265
	<b>10,748</b>	<b>10,748</b>	<b>10,800</b>
<b>Support costs</b>			
	£000	£000	£000
Maintenance of premises	81	81	69
Cleaning	323	323	281
Water and sewerage	17	17	15
Energy costs	178	178	181
Rent and rates	70	70	69
Insurance	49	49	41
Other occupancy costs	73	73	70
Security and transport	22	22	25
Catering costs	235	235	162
Professional fees	47	47	63
Other support costs	97	97	71
Technology costs	97	97	62
Legal costs - other	5	5	-
Governance costs	18	18	17
Recruitment and staff support	28	28	66
Depreciation	64	64	111
(Profit) on disposal of motor vehicle	(7)	(7)	-
Staff restructuring costs	-	-	-
Agency supply non-teaching	22	22	38
Wages and salaries	1,579	1,579	1,580
National Insurance	160	160	162
Pension costs	711	711	737
LGPS scheme net interest cost	122	122	119
LGPS scheme admin expenses	13	13	20
	<b>4,004</b>	<b>4,004</b>	<b>3,959</b>

**CHINGFORD ACADEMIES TRUST****Notes to the Financial Statements for the year ended 31 August 2020****9 Staff****a. Staff costs**

Staff costs during the period were:

	2020	2019
	£000	£000
Wages and salaries	8,294	8,477
Social security costs	848	859
Apprenticeship levy	26	30
Pension costs	2,277	2,002
	<b>11,445</b>	<b>11,368</b>
Agency staff costs	247	318
Staff restructuring costs	-	-
	<b>11,692</b>	<b>11,686</b>
Staff restructuring costs comprise:		
Redundancy payments	-	-
Severance payments: non-contractual payments	-	-
Other restructuring costs: Pension strain costs	-	-
	<b>-</b>	<b>-</b>

**b. Non statutory/non contractual staff severance payments**

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

**c. Staff numbers**

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

	2020	2019
	No.	No.
Teachers	138	141
Educational and other support staff	111	118
Senior management team	11	12
	<b>260</b>	<b>271</b>

**d Higher paid staff**

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

	2020	2019
	No.	No.
in the band £60,001 - £70,000	5	7
in the band £70,001 - £80,000	4	4
in the band £80,001 - £90,000	2	1
in the band £120,001 - £130,000	1	1

**e Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on Page 1 of the financial statements. The total amount of employee benefits (including employer pension contributions and employer national contributions) received by key management personnel for their services to the academy trust was £1,339,366 (2019: £1,430,876).

## **CHINGFORD ACADEMIES TRUST**

### **Notes to the Financial Statements for the year ended 31 August 2020**

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#### **10 Related Party Transactions - Trustees' remuneration and expenses**

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees.

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

Jane Benton (Executive Principal and staff trustee from 1 September 2019)

- . Remuneration £120,000 - £125,000 (2019: £Nil)
- . Employer's pension contributions paid £25,000 - £30,000 (2019: £Nil)

Mark Morrall (Executive Principal and staff trustee to 31 Aug 2019)

- . Remuneration £Nil (2019: £165,000 - £170,000)
- . Employer's pension contributions paid £Nil (2019: £25,000 - £30,000)

During the year, no trustees received any reimbursement of expenses (2019: £Nil).

Other related party transactions involving the trustees are set out in note 26.

#### **11 Trustees' and Officers' insurance**

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5 million on any one claim and the cost for the year was £334. The cost of this insurance is included in the total insurance cost.

#### **12 Central services**

No central services were provided by the academy trust to its academies during the year and no central charges arose.

# CHINGFORD ACADEMIES TRUST

## Notes to the Financial Statements for the year ended 31 August 2020

### 13 Tangible fixed assets

	Freehold Property	Long-term Leasehold Property	Fixtures & Fittings	Computer Equipment	Catering Equipment	Motor Vehicles
	£000	£000	£000	£000	£000	£000
<b>Cost</b>						
At 1 September 2019	25,366	11,197	400	1,588	227	19
Additions	2,203	145		169	25	48
Disposals	-	-	-	-	-	(14)
At 31 August 2020	<b>27,569</b>	<b>11,342</b>	<b>400</b>	<b>1,757</b>	<b>252</b>	<b>53</b>
<b>Depreciation</b>						
At 1 September 2019	3,006	588	333	1,409	128	13
Charged in year	476	146	28	112	26	10
Disposals	-	-	-	-	-	(14)
At 31 August 2020	<b>3,482</b>	<b>734</b>	<b>361</b>	<b>1,521</b>	<b>154</b>	<b>9</b>
<b>Net book values</b>						
At 31 August 2020	<b>24,087</b>	<b>10,608</b>	<b>39</b>	<b>236</b>	<b>98</b>	<b>44</b>
At 31 August 2019	22,360	10,609	67	179	99	6

<b>Tangible fixed assets (continued)</b>	<b>Total</b>
	<b>£000</b>
<b>Cost</b>	
At 1 September 2019	38,797
Additions	2,590
Disposals	(14)
At 31 August 2020	<b>41,373</b>
<b>Depreciation</b>	
At 1 September 2019	5,477
Charged in year	798
Disposals	(14)
At 31 August 2020	<b>6,261</b>
<b>Net book values</b>	
At 31 August 2020	<b>35,112</b>
At 31 August 2019	33,320



**CHINGFORD ACADEMIES TRUST****Notes to the Financial Statements for the year ended 31 August 2020****14 Debtors**

	2020	2019
	£000	£000
Trade debtors	8	23
VAT recoverable	117	44
Other debtors	4	6
LGPS pension prepayment	1,213	68
Prepayments	126	139
Accrued income	262	163
	<b>1,730</b>	<b>443</b>

The LGPS pension prepayment is in respect of projected employer pension contributions covering the period to 31 March 2023. The agreed LGPS employer contribution rate will be discounted for the academies in this trust for this future period.

The pension prepayment due after more than one year is £744,000 (2019: £Nil).

**15 Creditors: amounts falling due within one year**

	2020	2019
	£000	£000
Trade creditors	735	147
Other taxation and social security	207	220
Salix loans	59	15
Other creditors	331	297
Accruals	45	9
Deferred income	85	113
	<b>1,462</b>	<b>801</b>

Deferred income	2020	2019
	£000	£000
Deferred income at 1 September 2019	113	218
Released from previous years	(113)	(218)
Resources deferred in the year	85	113
Deferred income at 31 August 2020	<b>85</b>	<b>113</b>

At the balance sheet date the academy trust was holding funds received in advance for ESFA rates relief of £40,580 (2019: £40,501), rental income £15,248 (2019: £15,248), music tuition income £Nil (2019: £404), School Games income £13,884 (2019: £13,884) and school trips of £15,156 (2019: £43,300).

Included within creditors are the following Salix loans, each loan is repayable in half-yearly instalments due on 1 March and 1 September each year:

- £31,029 loan repayable over 8 years at £1,939.31 from Mar 2017, repayments collected from Sep 2018
- £10,328 loan repayable over 8 years at £645.50 from Mar 2018, repayments collected from Sep 2018
- £17,840 loan repayable over 8 years at £1,115 from Mar 2019 but no instalments collected to-date
- £149,835 loan repayable over 6 years at £12,486.25 from Sep 2020
- £108,061 loan repayable over 6 years at £9,005 from Sep 2020

**16 Creditors: amounts falling due after more than one year**

	2020	2019
	£000	£000
Salix loans	247	39
	<b>247</b>	<b>39</b>

# CHINGFORD ACADEMIES TRUST

## Notes to the Financial Statements for the year ended 31 August 2020

### 17 Agency arrangements

The academy trust distributes post 16 busary funds to students as an agent for ESFA. During the year, the academy received £21,379 (2019: £27,731) and disbursed £9,413 (2019: £10,748) from accumulated bursary funds. At 31 Aug 2020, an amount of £85,758 (2019: £73,792) is included in other creditors relating to undistributed bursary funds to-date.

### 18 Statement of funds

	Brought forward 1 Sep 2019 £000	Income £000	Expenditure £000	Gains, losses & transfers £000	Carried forward 31 Aug 2020 £000
<b>Restricted general funds</b>					
General funds	875	14,118	(13,437)	(998)	558
Pension reserve	(7,605)	0	(614)	(946)	(9,165)
	<b>(6,730)</b>	<b>14,118</b>	<b>(14,051)</b>	<b>(1,944)</b>	<b>(8,607)</b>
<b>Restricted fixed asset funds</b>					
Assets transferred on conversion	29,565	0	(495)	0	29,070
DfE/ESFA capital grants	4,046	802	(296)	1,494	6,046
	<b>33,611</b>	<b>802</b>	<b>(791)</b>	<b>1,494</b>	<b>35,116</b>
<b>Total restricted funds</b>	<b>26,881</b>	<b>14,920</b>	<b>(14,842)</b>	<b>(450)</b>	<b>26,509</b>
<b>Total unrestricted funds</b>					
General funds	496	4	(4)	(496)	0
Private funds	25	6	(4)	0	27
	<b>521</b>	<b>10</b>	<b>(8)</b>	<b>(496)</b>	<b>27</b>
<b>Total funds</b>	<b>27,402</b>	<b>14,930</b>	<b>(14,850)</b>	<b>(946)</b>	<b>26,536</b>

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

	Brought forward 1 Sep 2018 £000	Income £000	Expenditure £000	Gains, losses & transfers £000	Carried forward 31 Aug 2019 £000
<b>Restricted general funds</b>					
General funds	639	13,979	(13,601)	(142)	875
Pension reserve	(4,808)	0	(706)	(2,091)	(7,605)
	<b>(4,169)</b>	<b>13,979</b>	<b>(14,307)</b>	<b>(2,233)</b>	<b>(6,730)</b>
<b>Restricted fixed asset funds</b>					
Assets transferred on conversion	30,061	0	(496)	0	29,565
DfE/ESFA capital grants	3,801	373	(274)	146	4,046
	<b>33,862</b>	<b>373</b>	<b>(770)</b>	<b>146</b>	<b>33,611</b>
<b>Total restricted funds</b>	<b>29,693</b>	<b>14,352</b>	<b>(15,077)</b>	<b>(2,087)</b>	<b>26,881</b>
<b>Total unrestricted funds</b>					
General funds	500	4	(4)	(4)	496
Private funds	25	5	(5)	0	25
	<b>525</b>	<b>9</b>	<b>(9)</b>	<b>(4)</b>	<b>521</b>
<b>Total funds</b>	<b>30,218</b>	<b>14,361</b>	<b>(15,086)</b>	<b>(2,091)</b>	<b>27,402</b>

# CHINGFORD ACADEMIES TRUST

## Notes to the Financial Statements for the year ended 31 August 2020

### 18 Statement of funds (continued)

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

- Restricted general funds are resources for educational purposes.
- Restricted fixed asset funds are resources to be applied to specific capital purposes.
- Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust, at the discretion of the trustees.

#### a. Total funds analysis by academy

Fund balances at 31 August were allocated as follows:

	2020	2019
	£000	£000
Chingford Foundation School	572	1,325
South Chingford Foundation School	13	71
Total before fixed assets and pension reserve	585	1,396
Restricted fixed asset fund	35,116	33,611
Pension reserve	(9,165)	(7,605)
<b>Total</b>	<b>26,536</b>	<b>27,402</b>

#### b. Total cost analysis by academy

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

	Teaching & Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Depreciation)	2020
	£000	£000	£000	£000	£000
Chingford Foundation School	6,569	1,866	156	2,009	10,600
South Chingford Foundation School	2,650	607	64	1,147	4,468
Inter-academy charges				(218)	(218)
<b>Academy Trust</b>	<b>9,219</b>	<b>2,473</b>	<b>220</b>	<b>2,938</b>	<b>14,850</b>

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

	Teaching & Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Depreciation)	2019
	£000	£000	£000	£000	£000
Chingford Foundation School	6,491	1,761	223	1,563	10,038
South Chingford Foundation School	2,678	756	71	986	4,491
Inter-academy charges				(213)	(213)
<b>Academy Trust</b>	<b>9,169</b>	<b>2,517</b>	<b>294</b>	<b>2,336</b>	<b>14,316</b>

**CHINGFORD ACADEMIES TRUST****Notes to the Financial Statements for the year ended 31 August 2020****19 Analysis of net assets between funds**

Fund balances at 31 August 2019 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds 2020
	£000	£000	£000	£000
Tangible fixed assets	-	-	35,112	35,112
Current assets	27	2,267	4	2,298
Current liabilities	-	(1,462)	-	(1,462)
Non-current liabilities	-	(247)	-	(247)
Pension scheme liability	-	(9,165)	-	(9,165)
<b>Total net assets</b>	<b>27</b>	<b>(8,607)</b>	<b>35,116</b>	<b>26,536</b>

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

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds 2019
	£000	£000	£000	£000
Tangible fixed assets	-	-	33,320	33,320
Current assets	521	1,715	291	2,527
Current liabilities	-	(801)	-	(801)
Non-current liabilities	-	(39)	-	(39)
Pension scheme liability	-	(7,605)	-	(7,605)
<b>Total net assets</b>	<b>521</b>	<b>(6,730)</b>	<b>33,611</b>	<b>27,402</b>

**CHINGFORD ACADEMIES TRUST**
**Notes to the Financial Statements for the year ended 31 August 2020**

<b>20 Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	80	(725)
Adjusted for:		
Depreciation (note 13)	798	770
(Profit) on disposal of fixed assets (note 7)	(7)	-
Capital grants from DfE and other capital income	(802)	(373)
Interest receivable (note 6)	(5)	(6)
Defined benefit pension scheme cost less contributions payable (note 25)	479	567
Defined benefit pension scheme finance cost (note 25)	135	139
(Increase)/decrease in debtors	(1,287)	769
Increase/(decrease) in creditors	617	(235)
<b>Net cash provided by / (used in) operating activities</b>	<b>8</b>	<b>906</b>
<b>21 Cash flows from financing activities</b>	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Repayments of borrowing	(6)	(4)
Cash inflows from new borrowing	258	-
<b>Net cash provided by / (used in) financing activities</b>	<b>252</b>	<b>(4)</b>
<b>22 Cash flows from investing activities</b>	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Dividends, interest and rents from investments	5	6
Proceeds from sale of tangible fixed assets	7	-
Purchase of tangible fixed assets	(2,590)	(355)
Capital grants from DfE/ESFA	802	373
Capital funding received from sponsors and others	-	-
<b>Net cash provided by / (used in) investing activities</b>	<b>(1,776)</b>	<b>24</b>
<b>23 Analysis cash and cash equivalents</b>	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Cash in hand and at bank	568	2,084
Notice deposits (less than 3 months)	-	-
<b>Total cash and cash equivalents</b>	<b>568</b>	<b>2,084</b>

<b>24 Analysis of changes in net debt</b>	<b>At 1 Sep</b>	<b>Cash</b>	<b>Acquisition/</b>	<b>New</b>	<b>Other</b>	<b>At 31 Aug</b>
	<b>2019</b>	<b>flows</b>	<b>Disposal of</b>	<b>finance</b>	<b>non-cash</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>	<b>subsidiaries</b>	<b>leases</b>	<b>changes</b>	<b>£000</b>
Cash	2,084	(1,516)	-	-	-	568
Overdraft facility repayable on demand	-	-	-	-	-	-
	2,084	(1,516)	-	-	-	568
Loans falling due within 1 year	(15)	(44)	-	-	-	(59)
Loans falling due after more than 1 year	(39)	(208)	-	-	-	(247)
Finance lease obligations	-	-	-	-	-	-
<b>Total</b>	<b>2,030</b>	<b>(1,768)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>262</b>

## CHINGFORD ACADEMIES TRUST

### Notes to the Financial Statements for the year ended 31 August 2020

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#### 25 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Waltham Forest. Both are multi-employer defined benefit pension schemes.

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

At the balance sheet date, employer contributions amounting to £1,213,083 covering the period to 31 March 2023 (2019: £68,424 due within one year) were prepaid to the LGPS and are included in debtors.

#### Teachers' Pension Scheme

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

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

#### Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £1,268,877 (2019: £923,511).

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 trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

# CHINGFORD ACADEMIES TRUST

## Notes to the Financial Statements for the year ended 31 August 2020

### 25 Pension and similar obligations (continued)

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds.

The total contribution made for the year ended 31 August 2020 was £650,000 (2019: £637,000), of which employer contributions totalled £529,000 (2019: £512,000) and employee contributions totalled £121,000 (2019: £125,000). The agreed contribution rates for future years are 28.1% for employers and tiered rates between 5.5% and 12.5% for employees. There is also a prepayment of pension at the balance sheet date as disclosed in Note 14.

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

Principal actuarial assumptions	At 31 Aug 2020	At 31 Aug 2019
Rate of increase in salaries	3.90%	3.60%
Rate of increase for pensions in payment/deferment	2.50%	2.20%
Discount rate for scheme liabilities	1.80%	1.80%
Inflation assumption (CPI)	2.40%	2.10%

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

	At 31 Aug 2020	At 31 Aug 2019
<i>Retiring today</i>		
Males	22.6	22.6
Females	25.1	25.7
<i>Retiring in 20 years</i>		
Males	24.2	24.8
Females	27.0	28

Sensitivity analysis	At 31 Aug	Sensitivity 1 + 0.1% p.a. Discount Rate	Sensitivity 2 + 0.1% p.a. Inflation Rate	Sensitivity 3 + 0.1% p.a. Pay Growth	Sensitivity 4 + 1 year Life Expectancy	Sensitivity 5 + 0.1% Change in 2019/20 Investment	Sensitivity 5 - 0.1% Returns
<b>At 31 Aug 2020:</b>	£000	£000	£000	£000	£000	£000	£000
Liabilities	13,779	13,544	14,018	13,805	14,175	13,779	13,779
Assets	(5,827)	(5,827)	(5,827)	(5,827)	(5,827)	(5,891)	(5,763)
Deficit	7,952	7,717	8,191	7,978	8,348	7,888	8,016
Projected service cost for next year	787	769	806	787	812	787	787
Projected net interest cost for next year	143	147	148	144	150	142	144
<b>At 31 Aug 2019:</b>	£000	£000	£000	£000	£000		
Liabilities	12,357	12,098	12,622	12,402	12,577		
Assets	(4,820)	(4,820)	(4,820)	(4,820)	(4,820)		
Deficit	7,537	7,278	7,802	7,582	7,757		
Projected service cost for next year	846	823	868	846	862		
Projected net interest cost for next year	135	138	140	137	140		

# CHINGFORD ACADEMIES TRUST

## Notes to the Financial Statements for the year ended 31 August 2020

### 25 Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

	Fair value at 31 Aug 2020 £000	Fair value at 31 Aug 2019 £000
The academy trust's share of the assets in the scheme were:		
Equities	3,665	3,760
Non-government bonds	-	-
Property	495	482
Cash and other liquid assets	321	48
Other	1,346	530
<b>Total market value of assets</b>	<b>5,827</b>	<b>4,820</b>

The actual return on scheme assets was £(94,000) (2019: £217,000).

Amounts recognised in the statement of financial activities	2020 £000	2019 £000
Current service cost	759	600
Net interest cost	122	119
Admin expenses	13	20
Past service cost (gain)	12	359
Effect of curtailments	-	117
<b>Total amount recognised in the SOFA</b>	<b>906</b>	<b>1,215</b>

Changes in the present value of defined benefit obligations	2020 £000	2019 £000
<b>At 1 September</b>	<b>12,357</b>	<b>8,701</b>
Current service cost	759	600
Interest cost	219	246
Employee contributions	121	125
Past service cost (gain)	12	359
Actuarial (gain)/loss - experience	435	-
Actuarial (gain)/loss - assumptions	256	2,181
Effects of curtailments	-	117
Benefits paid	(380)	28
<b>At 31 August</b>	<b>13,779</b>	<b>12,357</b>

Changes in the fair value of academy's share of scheme assets	2020 £000	2019 £000
<b>At 1 September</b>	<b>4,820</b>	<b>4,470</b>
Interest income	97	127
Actuarial gain/(loss)	(255)	90
Admin expenses	(13)	(20)
Employer contributions	1,437	-
Employee contributions	121	125
Benefits paid	(380)	28
<b>At 31 August</b>	<b>5,827</b>	<b>4,820</b>
Employer contributions prepaid at 31 Aug (see Note 14)	(1,213)	(68)
<b>At 31 August excluding prepaid contributions</b>	<b>4,614</b>	<b>4,752</b>



## **CHINGFORD ACADEMIES TRUST**

### **Notes to the Financial Statements for the year ended 31 August 2020**

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#### **26 Related party transactions**

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

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

#### **27 Members' liability**

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

#### **28 Contingent liability**

As a result of the coronavirus (COVID-19) outbreak, the schools in the Trust claimed for exceptional support funding from the government in respect of:

- additional premises-related costs over school holiday periods
- additional cleaning, and
- extra free school meal costs other than through the national voucher scheme.

A grant of £79,289 was approved and paid to the schools but there is a contingent liability that this funding may be recovered by the government in future years. The effect of this is that the reserves of the Trust will be reduced by the amount of the grant received.