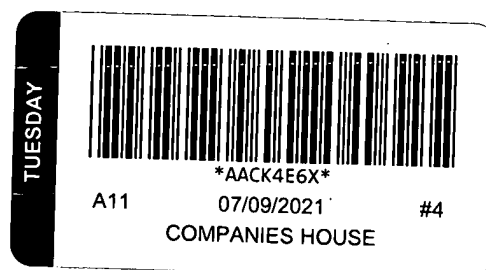


**REGISTERED COMPANY NUMBER: 08782792 (England and Wales)**

**The Crabtree Academy Trust  
(A Company Limited by Guarantee)**

**Report of the Trustees and**

**Financial Statements for the Period 1 September 2020 to 31 May 2021**



# **The Crabtree Academy Trust**

## **Contents of the Financial Statements for the Period 1 September 2020 to 31 May 2021**

	<b>Page</b>
<b>Reference and Administrative Details</b>	<b>1 to 2</b>
<b>Report of the Trustees</b>	<b>3 to 14</b>
<b>Governance Statement</b>	<b>15 to 19</b>
<b>Statement on Regularity, Propriety and Compliance</b>	<b>20</b>
<b>Statement of Trustees' Responsibilities</b>	<b>21</b>
<b>Report of the Independent Auditors</b>	<b>22 to 24</b>
<b>Independent Accountant's Report on Regularity</b>	<b>25 to 26</b>
<b>Statement of Financial Activities</b>	<b>27 to 28</b>
<b>Statement of Financial Position</b>	<b>29</b>
<b>Statement of Cash Flows</b>	<b>30</b>
<b>Notes to the Statement of Cash Flows</b>	<b>31</b>
<b>Notes to the Financial Statements</b>	<b>32 to 50</b>

**The Crabtree Academy Trust**  
**Reference and Administrative Details**  
**for the Period 1 September 2020 to 31 May 2021**

<b>MEMBERS:</b>	Robert Cregan Philip Kendall Christopher Rule
<b>TRUSTEES</b>	Kathryn Connolly (resigned 8.2.21) Philip Kendall Christopher Rule Chloe Hawkins Stuart Pope Marie Hall (appointed 1.10.20) Laurie Keel (appointed 20.10.20)
<b>REGISTERED OFFICE</b>	Crabtree Infants' School Crabtree Lane Harpenden Hertfordshire AL5 5PU
<b>REGISTERED COMPANY NUMBER</b>	08782792 (England and Wales)
<b>INDEPENDENT AUDITORS</b>	BeyondProfit Statutory Auditors Suite 3 St Loyes House 20 St Loyes Street Bedford MK40 1ZL

## **The Crabtree Academy Trust**

### **Reference and Administrative Details for the Period 1 September 2020 to 31 May 2021**

#### **SENIOR MANAGEMENT TEAM**

Senior Executive Leader and Accounting Officer  
Co-Headteachers of Crabtree Infants' School

Headteacher of Crabtree Junior School  
Chief Financial Officer

Stuart Pope  
Hannah Dovey (to 11.04.21) and Soledad Vela;  
also Emma Simmons from 01.04.21  
Emma Simmons  
Andrea Chapman

#### **CRABTREE INFANTS' SCHOOL LOCAL GOVERNING BODY**

Chair  
Vice Chair  
Ex officio as Co-Headteacher  
Ex officio as Co-Headteacher  
Governor  
Governor  
Governor  
Staff Governor  
Staff Governor  
Governor and Vice Chair from 20.10.20  
Governor  
Governor  
Governor  
Governor

Laurie Keel (Chair from 20.10.20)  
James Evans (resigned 29.09.20)  
Soledad Vela  
Hannah Dovey (resigned 11.04.21)  
Laura Brierly  
Ilaria Evans (resigned 21.04.21)  
Nitya Krishnamoorthy  
Vacancy since 20.10.19  
Vacancy since 05.04.20  
John Maton  
Cat Mora (appointed 20.10.20)  
Christopher Rule (and Chair to 20.10.20)  
Alexa Vaughan  
Amy Wren

#### **CRABTREE JUNIOR SCHOOL LOCAL GOVERNING BODY**

Chair  
Vice Chair  
Ex officio as Headteacher  
Staff Governor  
Governor  
Governor  
Governor  
Staff Governor  
Governor  
Governor  
Governor  
Governor  
Governor  
Governor

Philip Kendall  
Jennifer McGrandle  
Emma Simmons  
Julie Brooks (resigned 26.03.21)  
Chloe Hawkins (resigned 01.09.20)  
Jane Long  
Richard McKenna (appointed 04.01.21)  
Phil Mercer (appointed 09.10.20)  
Fiona Nugent (appointed 06.10.20)  
John Pickersgill (appointed 04.01.21)  
Wilhelmina Solomon-Odei  
Nicholas Sunderland  
Nicola Wyeth (appointed 04.01.21)

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Period 1 September 2020 to 31 May 2021**

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the period 1 September 2020 to 31 May 2021. The trustees have adopted the provisions of 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) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The Crabtree Academy Trust operates two academies serving a catchment area in Harpenden: Crabtree Infants' School and Crabtree Junior School. The schools are two-form entry primary schools, operating on a shared site, with a pupil capacity of 436: 180 at Crabtree Infants' and 256 at Crabtree Junior School. There were 434 pupils on roll in the school census as at January 2021 (178 and 256 respectively). At the Autumn 2020 census there were 432 pupils on roll: 180 at the Infants' School and 252 at the Junior School.

As of 1 May the schools within the Trust and all of the Trust's assets and liabilities were transferred to the Ivy Learning Trust (Company number 10874173). This report effectively covers the period up until the point of transfer, after which the Trust no longer carried out any operational activities beyond preparation of final accounts.

**OBJECTIVES AND ACTIVITIES**

**Objects and aims**

The Crabtree Academy Trust's objects are as follows:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum;
- to promote for the benefit of the inhabitants of Harpenden and its surrounding areas the provision of facilities for the recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or the public at large in the interests of social welfare and the object of improving the condition of life of the said inhabitants.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Period 1 September 2020 to 31 May 2021**

**OBJECTIVES AND ACTIVITIES**

**Objectives, strategies and activities**

The Crabtree Academy Trust aims for all learners to achieve outstanding outcomes from their own unique starting points. We provide an inspirational and challenging curriculum that gives all learners opportunities to find and develop key knowledge and skills that enables them to compete locally, regionally and nationally. We open doors to a lifelong love of learning with highly skilled staff helping to promote resilience, creativity, pride and respect. We are curious about the future and keen to rise to its challenge. Our self-belief and aspirational outlook give us the confidence to face tasks head on. All learners are independent and motivated to succeed. We understand the power of collaboration and teamwork.

The Crabtree Academy Trust believes these elements together help to create well rounded young citizens who are ready for the next stage of their journey.

The academy trust's main strategies for both Crabtree Infants' School and Crabtree Junior School achieving their aims are outlined in their annual development plan which is shared with the academy trust board of trustees and their own local governing bodies.

Crabtree Infants' School sets out its targets for the year in its school improvement plan 2020-21. These priorities are then developed to set out priority outcome targets.

Priority 1: Outstanding progress for all.

Priority 2: To implement an engaging curriculum for our children at Crabtree.

Priority 3: Systems are embedded for supporting staff wellbeing, through clarity of support and information channels.

Crabtree Junior School sets out its targets for the upcoming year in its school improvement plan 2020-21:

Priority 1: Leadership and management: To ensure that the school leadership team take into account the workload and well-being of their staff, while also developing and strengthening the quality of the education provision for all children.

Priority 2: Quality of Education: To ensure our pupils develop detailed knowledge and skills across the curriculum and, as a result, achieve well.

Priority 3: Personal Development: To support and teach skills to pupils, staff and parents to increase their awareness of emotional health and wellbeing.

Priority 4: Behaviour and Attitudes: To ensure every pupil develops a positive attitude to learning and a determination to succeed.

The academy trust's principal activities are concentrated on providing the highest quality of teaching and learning for the pupils in its care. Our recent decision to join Ivy Learning Trust was made to support the development of the schools.

**Public benefit**

The trustees believe that by working towards the objects and aims of the trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission. The key public benefit delivered by The Crabtree Academy Trust is the maintenance and development of high quality education to the children of its constituent academies.

## **The Crabtree Academy Trust**

### **Report of the Trustees for the Period 1 September 2020 to 31 May 2021**

#### **STRATEGIC REPORT**

##### **Achievement and performance**

###### **Summary**

Both schools achieved a grading of outstanding at their last Ofsted inspection (May 2009). The schools continuously aspire to a high level of provision and their own self-evaluations grade the schools as outstanding in all areas. Termly visits by an external educational consultant judge the schools as maintaining this outstanding grading. The Infant school's Hertfordshire Improvement Partner ("HIP") (report March 2018) commented that the continued judgement of outstanding is based on 'A relentless drive by leaders and governors to improve still further outcomes for the children. Leaders are self-analytical and want to do even better. Governors too play a key role in ensuring leaders are challenged, but also supported, in their drive for better outcomes.' The Junior school's HIP in November 2018 confirmed that in his opinion the standards had been maintained as outstanding. 'Throughout each year group and across the curriculum, including English and mathematics, pupils make substantial progress, developing excellent knowledge and understanding considering their different starting points.' Influenced by the new Ofsted framework, the HIP visit in October 2019 to both schools followed the model of a deep dive into a single curriculum area and the report acknowledged many strengths in the area and the progress made. The academic achievements at Key Stage 2 in recent years have ensured the Junior school has placed in the top 250 state schools nationally. School leaders are focused on ensuring the school delivers a curriculum offer for all pupils that meets the needs of our community and prepares our pupils for the next stage in their education journey. Self evaluation and benchmarking against other schools, outcomes for pupils remain strong.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Period 1 September 2020 to 31 May 2021**

**STRATEGIC REPORT**

**Achievement and performance**

**Key performance indicators**

The trustees receive regular information at each committee meeting to enable them to monitor performance of the trust against aims, strategies and financial budgets.

As grant funding is based on pupil numbers, this is a key performance indicator. Total pupil numbers for the trust at the time of the October 2020 census were 432, against a target full capacity of 436.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2019/20 for the trust this was 82.5%. Staffing is closely monitored; for the 8 months ended 30 April 2021, staff costs for the trust were 80.3%. This reduction was achieved mainly from a staff restructure which took place in 2019/20.

The key performance indicators on an individual school basis are the attainment and progress outcomes for the pupils as well as attendance.

Due to the coronavirus pandemic, statutory performance assessments could not take place in summer 2020 and the period of this accounts is a partial academic year in which again the performance assessments were cancelled, therefore whilst internal assessments and monitoring take place, there are no results to report. The 2019 attainment and statistics can be found in the 2019 financial statements, and the 2020 internal assessments of outcomes can be found in the 2020 financial statements.

**Crabtree Infants' School**

Basic Characteristics (taken from SIMS, 2020/21 school year). Please note national comparison data has not been produced since 2018/19:

<b><u>Area</u></b>	<b><u>School</u></b>	<b><u>National</u></b>
% Ever 6 FSM	0.0	23.0
% Minority Ethnic	19.7	33.8
% English as additional language	3.9	21.2
% SEN	3.9	12.6
% SEN with EHCP	2.6	1.6

In 2020/21 there are no pupils receiving Pupil Premium and one pupil receiving Pupil Premium Plus. Attendance for the 2020/21 academic year to date is 97.6% (2019/20 82.5%).

**Crabtree Junior School**

Basic Characteristics (taken from SIMS, 2020/21 school year). Please note national comparison data has not been produced since 2018/19:

<b><u>Area</u></b>	<b><u>School</u></b>	<b><u>National</u></b>
% Ever 6 FSM	1.95	23.0
% Minority Ethnic	21.4	33.8
% English additional language	7.8	21.2
% SEN	13.2	12.6
% SEN with EHCP	2.3	1.6

In 2020/21 there are four pupils receiving Pupil Premium. Attendance for the 2020/21 academic year to date is 97.2% (2019/20 82.5%).



**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Period 1 September 2020 to 31 May 2021**

**STRATEGIC REPORT**

**Financial review**

**Financial position and principal funding sources**

Most of The Crabtree Academy Trust's income is obtained from the DfE via the ESFA in the form of its General Annual Grant (GAG) the use of which is restricted to particular purposes; i.e. the objects of the academy trust. The GAG received during the period covered by this report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Expenditure for the period covered by this report was covered by the GAG received from the DfE and other income, such as voluntary income, activities for generating funds and investment income.

The academy trust's total incoming resources for the period ended 31 May 2021 amounted to £1,484,000 (2020: £2,210,000).

**Investment policy and objectives**

There are no material investments held by the academy trust at this time. Cash balances have been held in the current account and in two higher interest-bearing deposit accounts.

The academy trust's investment objectives are as follows:

- To preserve the capital value of the reserves with the minimum level of risk.
- To ensure the majority of the assets are available at short notice to meet anticipated and unanticipated cash flow requirements.

Cash balances have been held mainly in the current account with Lloyds Bank, but in accordance with the academy trust's finance policy, cash is transferred into a higher interest-bearing deposit account when significant surplus balances can be foreseen and cashflow is certain. Two interest earning savings accounts are held with institutions which are all protected by the Financial Services Compensation Scheme up to £85,000 and have good credit ratings. Any change of policy would require approval by the board.

The investment strategy is:

- Regularly monitor cash flow and current account balances to ensure immediate financial commitments can be met (payroll and payment runs) and that the accounts have adequate balances to meet forthcoming commitments.
- Funds surplus to this amount to be identified and transferred to a deposit account bearing a high interest rate if available.
- To periodically (annually) review interest rates and compare with other investment opportunities.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Period 1 September 2020 to 31 May 2021**

**STRATEGIC REPORT**

**Financial review**

**Reserves policy**

In establishing a reserves policy, the academy trust considers and balances the following principles:

- sufficient funds should be immediately available to meet urgent or emergency requirements
- to smooth short term cash deficit issues whether arising from adverse timing or from permanent reductions in income
- the trustees have an obligation to protect the assets of the academy trust, predominantly buildings and plant and equipment, ensuring timely repairs, renewals and replacement of infrastructure
- the income of the academy trust should be spent for the benefit of current pupils
- the policy should not compromise the requirement for the income for each school to be spent on that school
- the expectation that funding will be increasingly tight year on year.

The trustees review the reserves levels of the academy trust annually. The resources committee monitors them on a regular basis and draws any issues to the attention of the trustees.

The academy trust's current level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) available for use to meet the academy trust's objectives as at 30 April 2021 before the transfer to Ivy Learning Trust was £320,000 (2020: £343,000). Further information on the total fund balance before fixed assets and pension reserve and the split by school is included in note 19 of the financial statements.

**Going concern**

The Crabtree Academy Trust joined Ivy Learning Trust on 1 May 2021. Ivy Learning Trust is an existing multi academy trust (company number 10874173). As a result, the assets and liabilities of The Crabtree Academy Trust were transferred to Ivy Learning Trust on 1 May 2021 at their fair value as at that date. From that date The Crabtree Academy Trust held no assets or liabilities. The trustees consider that in the circumstances, although The Crabtree Academy Trust is not strictly a going concern there is no reason to depart from the going concern basis of accounting.

**Fundraising**

The Crabtree Academy Trust does not have a formal approach to fundraising as it is funded almost entirely by grant income. At the same time the Trust achieves a small amount of income from lettings (at market price for comparable schools/public rooms) and asks for a small donation for distributing relevant and appropriate advertising leaflets to pupils or advertising in the school newsletter. A small amount of commission is made on school photographs and book sales. There is no work undertaken with any commercial participators / professional fundraisers.

Fundraising is carried out by the Crabtree Schools' Parents' Association on behalf of the schools. This fundraising conforms to recognised standards, and the association is a charity which produces its own accounts and as such is monitored directly. There have been no fundraising complaints. All donations are entirely voluntary and the public are thereby protected from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

## **The Crabtree Academy Trust**

### **Report of the Trustees for the Period 1 September 2020 to 31 May 2021**

#### **STRATEGIC REPORT**

##### **Principal risks and uncertainties**

The board of trustees and local governing bodies are responsible for overseeing the risks faced by the academy trust and the individual academies. Detailed considerations of risk are delegated to the senior leadership team of the academy. Risks are identified, assessed and controls put in place. The board of trustees have implemented a formal risk register, and have sought and followed external advice on appropriate insurance relative to the risks to operations. Risks identified can fall under strategic/reputational, operational, compliance/legislation and financial (including health and safety, security, pupil welfare, employment & recruitment and trips). The academy board of trustees and local governing bodies are satisfied that the risk management process is established within both academies and that all major risks have been adequately mitigated for where appropriate. It is recognised that systems can only provide reasonable reassurance and not absolute assurance that major risks have been adequately managed.

A School Emergency Response Plan is in place and members of the senior leadership team and local governing bodies of Crabtree Infants' School and Crabtree Junior School are aware of their role on any such occasion.

##### **Financial and risk management objectives and policies**

Policies are continually reviewed on a rolling basis and where appropriate individual school policies are being consolidated into academy trust-wide policies. The academy trust's pay policy is reviewed annually by the CAT Board and includes arrangements for setting pay and remuneration of the academy trust's key management personnel. The key management personnel are personnel to whom the trustees have delegated significant authority or responsibility for the day to day running of the academy trust and in this case refers to the heads of each school in the trust as well as the executive headteacher.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Period 1 September 2020 to 31 May 2021**

**STRATEGIC REPORT**

**Future plans**

One of the key priorities for the trust was to secure capacity and expand the trust, which has been achieved through joining Ivy Learning Trust on 1st May 2021.

The senior leadership team continue to review the curriculum to ensure it remains appropriate and to ensure the best is assured for pupil development and opportunity.

The investment focus this year at both schools is on necessary capital improvements. So far this year the Infants' School has purchased a new interactive whiteboard, six new laptops and upgraded the wi-fi. The Junior School has purchased two laptops, two PCs, 23 Chromebooks and two Chromebook trolleys.

Our future plans will be financed from income direct from the DfE, related to pupil numbers and other lump sum factors. Trustees will ensure that funding is monitored over a medium and long term period to ensure sustainability. Any additional income via charitable contributions will be managed and allocated using the same policies/procedures as those applied for DfE sourced income.

Crabtree Infants' School has obtained a grant for an outdoor classroom which will be built later in 2021/22. Both schools are continuing to improve the IT infrastructure and there are some emergency lighting works and upgrades to monitored fire alarm committed.

Our central motivation in joining the Ivy Learning Trust is a desire to improve pupil outcomes for the children attending Crabtree Infants' and Crabtree Juniors. We expect operational efficiency and financial sustainability to maximize the funding spent directly on teaching and learning, resources, and enrichment. Access to a pool of capital funding available to larger academy trusts (School Condition Allocation) will allow for a more regular supply of funding to improve the school environment - removing the schools from the 'lottery' of reliance on individual capital funding applications. Collaboration between leading practitioners in sister schools and high quality staff CPD/ Masterclasses will help to maintain and raise standards and secure pupil outcomes. This collaboration can be more meaningful (in terms of time and resource sharing) between sister schools under one Trust than that achieved within the local schools consortium. The ability for Crabtree staff to support other schools more regularly within a larger Trust will also offer more opportunities to adopt best practices seen elsewhere. Crabtree has a proud history of school to school support and invariably this has involved an inflow of best practice that has benefitted Crabtree pupils. Access to specialist staff within a larger Trust will allow for more rapid support for specialist needs of our pupils as the larger Trust will have scale to develop or recruit staff with specific expertise that meets the needs of the partnership of schools. We believe positioning Crabtree within a larger Trust will provide our children with access to new collaborative experiences. Our schools are already active in the local school community and we believe a larger Trust can nurture even greater opportunities for shared experiences bringing the feeling of active involvement in a larger school community across sports, art, learning, or social events. Our belief is that this partnership will drive improved experiences for our children and ensure Crabtree has a sustainable future.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Crabtree Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of the Crabtree Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Crabtree Academy Trust.

Details of the trustees who served throughout the period on the board of trustees and details of the local governing bodies of Crabtree Junior School and Crabtree Infants' School are included in the Reference and Administrative Details section.

## **The Crabtree Academy Trust**

### **Report of the Trustees for the Period 1 September 2020 to 31 May 2021**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

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

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

##### **Trustees' Indemnities**

In accordance with normal practice the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions whilst on academy trust business. The cover under the policy is £1 million in aggregate per period of insurance. In the period under review no claims were made.

##### **Recruitment and appointment of new trustees**

Trustees of the academy trust are appointed as follows:

- The executive headteacher of Crabtree Academy Trust;
- The chair of the Crabtree Infants' School local governing body and chair of the Crabtree Junior School local governing body;
- Two further trustees elected by the local governing bodies, with each governing body electing one person from among the members of both local governing bodies (other than the chair, the head of school, or any employee of the academy trust);
- Up to one co-opted trustee, appointed by trustees who have not been so appointed;
- Up to two community trustees: the local governing bodies may each appoint one community trustee;
- There shall be a minimum of two parent trustees unless there are local governing bodies which each include at least two parent governors. This minimum was met by both local governing bodies;
- Two associate trustees elected by the staff of Crabtree Infants' and Crabtree Junior schools. The associate trustees will attend meetings but have no voting rights.

Governors on the local governing bodies are appointed as follows:

- The head of school of the academy;
- Parent governors: At least two and up to five governors through an open election for all eligible parents or guardians of pupils who are currently attending the academy;
- Staff governors: two governors through an open election for all eligible members of staff working at the academy;
- Co-opted governors: Up to five governors through nomination by the local governing body of the academy and up to two governors through nomination by the academy trust board of trustees. The academy would seek to appoint governors with relevant background or experience to complement the existing governors' qualifications and expertise.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Period 1 September 2020 to 31 May 2021**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

The board of trustees is ultimately responsible for the activities of all schools within the academy trust. In exercising their powers, the board currently delegates much of the school specific responsibility to local governing bodies at each of the academy schools.

A joint resources committee (Multi Academy Trust resources committee) acts as a sub-committee of the board and its members are a mix of trustees and governors drawn from each academy local governing body. The resources committee terms of reference require it to focus on identifying resources needed by schools within the academy trust with specific areas of focus being finance, personnel and premises/health & safety. Each local governing body has a curriculum committee whose terms of reference direct focus on school specific standards, curriculum and communications.

The local governing bodies determine the general policy of their academy, with the board of trustees determining the shared policies across the academy trust. The day to day running of each academy is delegated to the headteacher of each school, who are supported by a senior leadership team. The headteachers of each school undertake the key leadership role within their own academy of overseeing educational, pastoral, human resources and administrative functions in consultation with senior staff. Executive headteacher Stuart Pope works across the trust, taking on non curriculum aspects as well as overseeing the educational provision. Soli Vela and Hannah Dovey (to 11.4.21) and Emma Simmons (from 1.4.21) are co-heads at Crabtree Infants' School and Emma Simmons is head at Crabtree Junior School. Stuart Pope is also the Accounting Officer of the Trust.

The headteachers oversee their academy's recruitment of all staff. The headteachers are ex-officio governors and attend all meetings of their local governing body and curriculum committees; both are members of the MAT resources committee. The executive headteacher is ex-officio trustee. The academy trust Chief Financial Officer is invited to attend all board meetings and all MAT resource committee meetings.

Subject leader responsibilities are published at least annually and distributed to local governing bodies. All members of both senior leadership teams are invited to local governing body meetings as and when appropriate within their own academy.

The trustees (and governors through delegation) are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the academy trust by the use of budgets and other data, and making major decisions about the direction of the academy trust, capital expenditure and staff appointments.

The senior leadership team (SLT) of Crabtree Infants' School consists of the co-headteachers and two phase leaders. The SLT of Crabtree Junior School consists of the headteacher and two phase leaders. The SLT of each school control their school at an executive level implementing the policies laid down by the trustees/governors and reporting back to them.

The executive headteacher, headteachers of each school and the Chief Financial Officer are responsible for the authorisation of spending within agreed budgets; a summary of this is in the schedule of financial delegation. The headteachers are responsible for the appointment of staff, though appointment panels for teaching posts always include a governor.

Finance is provided by an outsource arrangement from Herts for Learning's 'Financial Services for Schools', supported by the part-time Chief Financial Officer appointed by the Trust.

An audit committee reports to the Board of Directors and provides assurance over the suitability of, and compliance with, the trust's financial systems and operational controls.

These arrangements were in place until 30 April 2021; after this date Ivy Learning Trust took on responsibility for governance and management.

## **The Crabtree Academy Trust**

### **Report of the Trustees for the Period 1 September 2020 to 31 May 2021**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Induction and training of new trustees**

It is expected that all governors undertake training as appropriate to their role on the board or local governing body. New governors are required to undertake the Herts for Learning Induction training for governors and this is supplemented by additional training opportunities. The academies subscribe to Herts for Learning's governor training package, which includes training courses, in-house training sessions and attendance at the Governors' Annual conference. A log is kept of all governor training and reviewed on a regular basis by the local governing bodies. The Board has developed specific training plans in the event that a trustee is recruited who is not also a member of a local governing body.

##### **Arrangements for setting pay and remuneration of key management personnel**

The trust applies the School Teachers Pay and Conditions Document (STPCD) published annually by the Department for Education. Additionally, the locally agreed pay policy for the local authority has been approved and adhered to in formation of the Pay Policy for the trust. All staff, including the headteachers of each school, have clear performance management targets, including pupil progress, and if all targets are met and evidence provided, the staff member may receive incremental point(s) in line with the pay policy, authorised by the headteachers and executive headteacher. The governors and directors receive anonymised reports detailing performance grades and meeting of targets.

Pay and remuneration for headteachers and executive headteacher is based on the trust's agreed pay and appraisal policies which include individual school ranges based on school group size and other relevant factors. The trustees pay due regard to nationally and locally agreed terms and conditions and market rates as well as taking advice from consultants where necessary. Leadership skills level descriptors are used. Pay progression is informed by appraisal and the meeting of key objectives and standards. Typically the Chair of Trustees (who until 20.10.20 was also Chair of CIS), Chair of the CJS LGB and one other governor (together the Headteacher Performance Management Body) meet with the School Improvement Partner to review the headteacher's evidence against the agreed targets. If targets have been met the Performance Management Body shall make a recommendation in line with the Pay Policy for consideration by the Resources Committee. Additional payment may occasionally be made in line with policy such as if the executive headteacher is bringing in income generation opportunities.

The only trustee receiving remuneration from the trust is the executive headteacher.

##### **Connected organisations including related party relationships**

The headteachers are active members of the Harpenden Schools Primary Headteachers' Consortium, where expertise and ideas are pooled and shared.

Both schools are members of the Harpenden Plus Partnership. This partnership aims to provide a range of activities and services that allows both schools and the community to benefit from a wider and broader access to learning and life. In addition, one-to-one support of parents and parenting classes are provided.

All parents of children at the Crabtree Schools are members of the Crabtree Schools' Parents Association (registered charity no. 297330). The Association raises money to benefit children at both the Junior and Infants' Schools as well as promoting the strong sense of community that exists between parents, children and staff.

#### **FUNDS HELD AS CUSTODIAN FOR OTHERS**

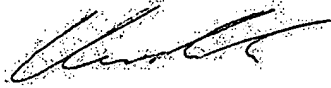
During the period 1 September 2020 to 31 May 2021 The Crabtree Academy Trust did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the academy trust's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the academy trust's auditors are aware of that information.

**The Crabtree Academy Trust**  
**Report of the Trustees**  
**for the Period 1 September 2020 to 31 May 2021**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 20 July 2021 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to read 'Christopher Rule', written over a dotted line.

Christopher Rule - Trustee



**The Crabtree Academy Trust**  
**Governance Statement**  
**for the Period 1 September 2020 to 31 May 2021**

**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that The Crabtree Academy Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement of 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 the trustees has delegated the day-to-day responsibility to the executive headteacher of the Crabtree Academy Trust, 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 Crabtree Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Kathryn Connolly	0	2
Philip Kendall	4	4
Christopher Rule	4	4
Chloe Hawkins	4	4
Stuart Pope	4	4
Marie Hall	4	4
Laurie Keel	3	3

The academy trust is governed by a board of trustees. The board of trustees retains ultimate responsibility and accountability for the activities of all schools within the academy trust. The board makes significant delegations to a resources sub-committee (MAT resources committee) and to local governing bodies at each school. The board and each local governing body maintains specific development plans and undertake annual self-evaluations. Alongside the board of trustees sit the academy trust members. The members meet annually to review and approve the financial accounts and appoint the academy trust auditor.

The function of the resources committee is to focus on identifying resources needed by schools within The Crabtree Academy Trust and to plan for their successful and safe delivery and maintenance. The tasks and activities specifically delegated to the resources committee fall under the three main headings of finance, personnel and premises/health & safety. Responsibility for approving the budget and the final accounts remains with the board.

An audit committee acts as a sub-committee of the board. This committee focuses on the systems of internal control and risk management for the academy trust. This committee reviews internal audit/responsible officer reports and provides advice to the board where action is required.

Attendance at audit committee meetings during the period was as follows:

	<b>Meetings attended</b>	<b>Out of a possible</b>
Philip Kendall (Chair of Juniors governors)	3	3
Christopher Rule (Chair of Infants governors)	3	3
Ilaria Evans (Infants governor)	3	3
Robin Cregan (independent)	3	3

Four Board meetings are held per year, but effective oversight of funds is maintained through a further five meetings per year of resources committee, to whom the board delegates financial scrutiny and oversight.

**The Crabtree Academy Trust**  
**Governance Statement**  
**for the Period 1 September 2020 to 31 May 2021**

Attendance at resources committee meetings during the period was as follows:

	<b>Meetings attended</b>	<b>Out of a possible</b>
John Maton (Infants governor)	3	4
Philip Kendall (trustee)	4	4
Christopher Rule (trustee)	4	4
Laurie Keel (Infants governor)	3	4
Ilaria Evans (Infants governor)	3	4
Soledad Vela (Infants head)	2	2
Marie Hall (trustee)	4	4
Emma Simmons (Juniors head)	2	2
Cat Mora (Infants governor)	2	3
Wilhelmina Solomon (Juniors governor)	0	4
Stuart Pope (trustee and executive head)	4	4
Andrea Chapman (CFO)	4	4

Herts for Learning are retained until 31 August 2021 via a finance services support agreement. This has provided the academy trust with access to an experienced team of finance professionals who provide finance administration, monitoring and budgetary support.

**The Crabtree Academy Trust**  
**Governance Statement**  
**for the Period 1 September 2020 to 31 May 2021**

**Review of Value for Money**

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

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

The leadership team have developed robust procedures of assessment and targeted interventions are provided by teachers and specialist co-educators to raise attainment. Teaching assistants (co-educators) are deployed across the year groups according to need, including some specific intervention based co-educators that focus on closing the gap tasks based on assessment data.

Pupil premium income was allocated for interventions and also to contribute to the cost of targeted resources, additional staff, school journeys, trips and extra-curricular activities. The leadership team report regularly on monies spent and the impact on 'closing the gap'.

Performance for both schools is compared against Herts, national and statistical neighbours using management information reports and Government Inspection Data to make sure that the resources promote the best outcomes for our children and our community. We continue to achieve above the standard.

Robust challenge is given to spending requests through the resources committee. Financial benchmarking is undertaken and any outlying areas are investigated and understood.

Financial governance and oversight

In the last Ofsted report, 2009, it was stated that leadership and management of both Crabtree Junior School and Crabtree Infants' School was outstanding.

The Crabtree Academy Trust employed Herts for Learning to provide internal audit services for 2020/2021 to provide security over the strength of the internal controls. A different team within Herts for Learning provides finance services to the trust including transaction posting and budget monitoring. In the reporting period they looked at staff expenses and credit card procedures.

The trust finance policy was written to ensure best practice for procurement and compliance with accounting procedures.

Value for money and efficient and effective use of resources

All expenditure is approved in line with the schedule of financial delegation which requires that higher value expenditure needs to be supported by three quotations to ensure best value for money is achieved. Specific items of expenditure are reviewed by the Resources Committee to ensure maximum impact is achieved with the allocated funds. Spend vs. budget is regularly reviewed by the Resources Committee to ensure spend is in line with budget and to approve any reallocations. Costs are shared where possible between the linked Infants' and Junior Schools and opportunities for further cost sharing both within the trust and the local consortium of primary schools are regularly reviewed.

The Covid-19 pandemic has continued to severely impact the schools' ability to generate income. The in-house Breakfast and After School clubs were only able to run from September to December, and pupil numbers were significantly down on pre-Covid times. These clubs made a loss of £10k in the period compared to 2020's net contribution to overheads of £71k (2019: £108k). Lettings income has also been severely curtailed. In March 2021 the clubs operation was outsourced to an external provider operating as Fizzbug and seven Crabtree staff transferred their employment across.

**The Crabtree Academy Trust**  
**Governance Statement**  
**for the Period 1 September 2020 to 31 May 2021**

Both schools have worked to a tight budget. Action at both schools was taken to control expenditure in a number of areas including learning resources, CPD, bought in professional services, staff absence insurance, photocopying and IT. Both schools make use of Higher Level Teaching Assistants or cover from existing teachers to save on expensive supply costs and have managed to keep supply teaching costs low despite the pandemic. Both schools have a relatively high ratio of more expensive experienced teachers, and where possible they seek to recruit newly qualified teachers following departures of more experienced teachers. The schools have undertaken a small amount of direct fundraising to parents by asking for voluntary contributions, resulting in income of £8k (2020: £6k) received through a donations website. In addition, the Parents' Association has rebranded as a Parent Teacher Association and continues to work tirelessly to bring in funds which it donates to the schools. This year to date it has funded additional staffing including in outdoor learning and PE provision, and educational resources.

Reviewing controls and managing risks

Budget monitoring reports are produced and reviewed by the leadership team, CFO and governors.

A risk register has been compiled to detail all the potential financial and business risks and put measures in place to minimise the implications of these. This is updated and reviewed every term by Audit Committee.

The trust benefits from an independent method of ensuring robust segregation of duties within financial control through its business arrangement with Herts for Learning to process financial transactions and prepare budget monitoring.

Monitoring

These areas will be monitored for lessons learned and best value by:

In-house monitoring by the Senior Leadership Team and subject leaders e.g. classroom practice, work sampling.

Financial monitoring reports are made to the Resources Committee each half term. Governors challenge decisions makers within the trust on the cost and effectiveness of spending proposals in order to achieve value for money.

Regular visits by the accountant.

An internal controls monitoring framework has been agreed with a targeted termly rolling programme of review.

Monthly monitoring is undertaken for the headteachers by Herts for Learning and overseen by the CFO.

**The Purpose of the System of Internal Control**

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

**Capacity to Handle Risk**

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

## **The Crabtree Academy Trust**

### **Governance Statement for the Period 1 September 2020 to 31 May 2021**

#### **The Risk and Control Framework**

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

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

The board of trustees has considered the need for a specific internal audit function and appointed Herts for Learning to perform additional checks. The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. The audit carried out in the period related to credit card expenditure and staff expenditure. There were no high risk findings.

On a termly basis, the reviewer reports to the board of trustees, through the audit committee and resources committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

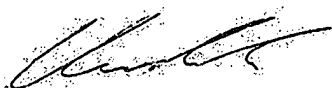
#### **Review of Effectiveness**

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

- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 20 July 2021 and signed on its behalf by:



.....  
Christopher Rule - Trustee



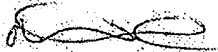
.....  
Stuart Pope - Accounting Officer

**The Crabtree Academy Trust**

**Statement on Regularity, Propriety and Compliance  
for the Period 1 September 2020 to 31 May 2021**

As accounting officer of The Crabtree Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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



.....  
Stuart Pope - Accounting Officer

Date: 20 July 2021

## **The Crabtree Academy Trust**

### **Statement of Trustees' Responsibilities for the Period 1 September 2020 to 31 May 2021**

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

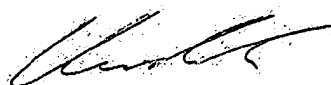
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements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

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

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

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 20 July 2021 and signed on its behalf by:



.....  
Christopher Rule - Trustee

## **Report of the Independent Auditors to the Members of The Crabtree Academy Trust**

### **Opinion**

We have audited the financial statements of The Crabtree Academy Trust (the 'academy trust') for the period ended 31 May 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 May 2021 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland';
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.



## **Report of the Independent Auditors to the Members of The Crabtree Academy Trust**

### **Matters on which we are required to report by exception**

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

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

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

### **Responsibilities of trustees**

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

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

### **Our responsibilities for the audit of the financial statements**

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

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

**Report of the Independent Auditors to the Members of  
The Crabtree Academy Trust**

**Use of our report**

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



Christopher Martin BSc FCA (Senior Statutory Auditor)  
for and on behalf of BeyondProfit  
Statutory Auditors  
Suite 3  
St Loyes House  
20 St Loyes Street  
Bedford  
MK40 1ZL

Date: 21 July 2021

**Note:**

The maintenance and integrity of the The Crabtree Academy Trust website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

## **Independent Reporting Accountant's Assurance Report on Regularity to The Crabtree Academy Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 18 December 2013 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Crabtree Academy Trust during the period 1 September 2020 to 31 May 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Crabtree Academy 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 Crabtree Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Crabtree Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of The Crabtree Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Crabtree Academy Trust's funding agreement with the Secretary of State for Education dated 26 March 2014 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

A summary of the work we have undertaken is as follows:

- Planned our assurance procedures including identifying key risks;
- Carried out sample testing on controls;
- Carried out substantive testing including analytical review; and
- Concluded on procedures carried out.

### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 May 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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

The logo for Beyond Profit, featuring the company name in a stylized, handwritten-style font.

BeyondProfit  
Suite 3  
St Loyes House  
20 St Loyes Street  
Bedford  
MK40 1ZL

Date: 21 July 2021

**The Crabtree Academy Trust**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Period 1 September 2020 to 31 May 2021**

					Period 1.9.20 to 31.5.21	Year Ended 31.8.20
	Notes	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total funds £'000	Total funds £'000
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and capital grants	2	8	27	14	49	66
<b>Charitable activities</b>	6					
Funding for the academy's educational operations	3	72	1,318	-	1,390	2,096
Provision of local facilities and social welfare		1	-	-	1	34
Other trading activities	4	42	-	-	42	12
Investment income	5	2	-	-	2	2
<b>Total</b>		<b>125</b>	<b>1,345</b>	<b>14</b>	<b>1,484</b>	<b>2,210</b>
<b>EXPENDITURE ON Charitable activities</b>						
Academy's educational operations	7	101	1,467	46	1,614	2,403
Provision of local facilities and social welfare		(2)	-	-	(2)	24
Transfer of reserves to Ivy Learning Trust		320	(921)	5,899	5,298	-
<b>Total</b>		<b>419</b>	<b>546</b>	<b>5,945</b>	<b>6,910</b>	<b>2,427</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(294)</b>	<b>799</b>	<b>(5,931)</b>	<b>(5,426)</b>	<b>(217)</b>
Transfers between funds	19	(49)	49	-	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit schemes		-	(73)	-	(73)	(9)
<b>Net movement in funds</b>		<b>(343)</b>	<b>775</b>	<b>(5,931)</b>	<b>(5,499)</b>	<b>(226)</b>
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		<b>343</b>	<b>(775)</b>	<b>5,931</b>	<b>5,499</b>	<b>5,725</b>

The notes form part of these financial statements

**The Crabtree Academy Trust**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Period 1 September 2020 to 31 May 2021**

				<b>Period 1.9.20 to 31.5.21</b>	<b>Year Ended 31.8.20</b>
	<b>Notes</b>	<b>Unrestricted fund £'000</b>	<b>Restricted funds £'000</b>	<b>Fixed asset fund £'000</b>	<b>Total funds £'000</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>5,499</u>

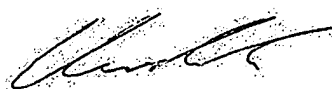
**CONTINUING OPERATIONS**

All income and expenditure has arisen from discontinued activities.

**The Crabtree Academy Trust**  
**Statement of Financial Position**  
**31 May 2021**

	Notes	31.5.21 £'000	31.8.20 £'000
<b>FIXED ASSETS</b>			
Tangible assets	13	-	5,914
<b>CURRENT ASSETS</b>			
Debtors	14	-	91
Cash at bank		-	365
		-	456
<b>CREDITORS</b>			
Amounts falling due within one year	15	-	(184)
<b>NET CURRENT ASSETS</b>		-	272
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		-	6,186
<b>PENSION LIABILITY</b>	20	-	(687)
<b>NET ASSETS</b>		-	5,499
<b>FUNDS</b>	19		
Unrestricted funds:			
General fund		-	343
Restricted funds:			
Fixed asset fund		-	5,931
General fund		-	(88)
Pension reserve		-	(687)
		-	5,156
<b>TOTAL FUNDS</b>		-	5,499

The financial statements were approved by the Board of Trustees and authorised for issue on 20 July 2021 and were signed on its behalf by:



.....  
Christopher Rule - Trustee

**The Crabtree Academy Trust**

**Statement of Cash Flows  
for the Period 1 September 2020 to 31 May 2021**

	Notes	Period 1.9.20 to 31.5.21 £'000	Year Ended 31.8.20 £'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(346)	(5)
Net cash used in operating activities		(346)	(5)
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(20)	(61)
Interest received		2	2
Net cash used in investing activities		(18)	(59)
<b>Change in cash and cash equivalents in the reporting period</b>		(364)	(64)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		364	428
<b>Cash and cash equivalents at the end of the reporting period</b>		-	364

The notes form part of these financial statements



**The Crabtree Academy Trust**

**Notes to the Statement of Cash Flows  
for the Period 1 September 2020 to 31 May 2021**

**1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	Period 1.9.20 to 31.5.21 £'000	Year Ended 31.8.20 £'000
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	<b>(5,426)</b>	<b>(217)</b>
<b>Adjustments for:</b>		
Depreciation charges	46	65
Transfer to Ivy Learning Trust	5,298	-
Interest received	(2)	(2)
Decrease/(increase) in debtors	91	(8)
(Decrease)/increase in creditors	(183)	31
Difference between pension charge and cash contributions	(170)	126
<b>Net cash used in operations</b>	<b>(346)</b>	<b>(5)</b>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.9.20 £'000	Cash flow £'000	At 31.5.21 £'000
<b>Net cash</b>			
Cash at bank	365	(365)	-
	<u>365</u>	<u>(365)</u>	<u>-</u>
<b>Debt</b>			
Debts falling due within 1 year	(1)	1	-
	<u>(1)</u>	<u>1</u>	<u>-</u>
<b>Total</b>	<b><u>364</u></b>	<b><u>(364)</u></b>	<b><u>-</u></b>

The notes form part of these financial statements

**The Crabtree Academy Trust**  
**Notes to the Financial Statements**  
**for the Period 1 September 2020 to 31 May 2021**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2020 to 2021 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Crabtree Academy Trust meets the definition of a public benefit entity under FRS 102.

**Going concern**

The Crabtree Academy Trust joined Ivy Learning Trust on 1 May 2021. Ivy Learning Trust is an existing multi academy trust (company number 10874173). As a result, the assets and liabilities of The Crabtree Academy Trust were transferred to Ivy Learning Trust on 1 May 2021 at their fair value as at that date. The trustees consider that in the circumstances, although The Crabtree Academy Trust is not strictly a going concern there is no reason to depart from the going concern basis of accounting.

**Income**

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Grants**

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

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

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

**Sponsorship income**

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

**Donations**

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

**Other income**

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

## **The Crabtree Academy Trust**

### **Notes to the Financial Statements - continued for the Period 1 September 2020 to 31 May 2021**

#### **1. ACCOUNTING POLICIES - continued**

##### **Donated goods, facilities and services**

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

##### **Donated fixed assets**

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

##### **Expenditure**

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

##### **Charitable activities**

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

##### **Liabilities**

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

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold property	- 2% on cost
Furniture and equipment	- 20% on cost
Computer equipment	- 33% on cost

Assets costing £500 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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

## **The Crabtree Academy Trust**

### **Notes to the Financial Statements - continued for the Period 1 September 2020 to 31 May 2021**

#### **1. ACCOUNTING POLICIES - continued**

##### **Tangible fixed assets**

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

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

##### **Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 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.

##### **Taxation**

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

##### **Fund accounting**

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

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

Restricted funds can only be used for particular restricted purposes within the objects of the academy trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in note 19.

##### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

##### **Pension costs and other post-retirement benefits**

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

## **The Crabtree Academy Trust**

### **Notes to the Financial Statements - continued for the Period 1 September 2020 to 31 May 2021**

#### **1. ACCOUNTING POLICIES - continued**

##### **Pension costs and other post-retirement benefits**

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

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

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

##### **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.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 30 April 2021. 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 Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Period 1 September 2020 to 31 May 2021**

**2. DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds £'000	Restricted funds £'000	Period 1.9.20 to 31.5.21 Total funds £'000	Year Ended 31.8.20 Total funds £'000
Donations	8	28	36	53
Capital grants	-	13	13	13
	<u>8</u>	<u>41</u>	<u>49</u>	<u>66</u>

**3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £'000	Restricted funds £'000	Period 1.9.20 to 31.5.21 Total funds £'000	Year Ended 31.8.20 Total funds £'000
Catering income	20	-	20	45
Trip income	6	-	6	25
School clubs and other income	46	7	53	167
Grants	-	1,311	1,311	1,859
	<u>72</u>	<u>1,318</u>	<u>1,390</u>	<u>2,096</u>

An analysis of grants received is given below:

	Unrestricted funds £'000	Restricted funds £'000	Period 1.9.20 to 31.5.21 Total funds £'000	Year Ended 31.8.20 Total funds £'000
<b>DfE/ESFA revenue grant</b>				
General Annual Grant(GAG)	-	1,112	1,112	1,599
Pupil Premium	-	12	12	18
Other DfE/ESFA Grants	-	5	5	7
UFSM	-	50	50	74
PE and Sport Premium	-	24	24	36
TPG/TPECG	-	54	54	80
	-	<u>1,257</u>	<u>1,257</u>	<u>1,814</u>
<b>Other government grant</b>				
Local authority grants	-	23	23	17

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Period 1 September 2020 to 31 May 2021**

**3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS - continued**

	Unrestricted funds £'000	Restricted funds £'000	Period 1.9.20 to 31.5.21 Total funds £'000	Year Ended 31.8.20 Total funds £'000
<b>Exceptional government funding</b>				
Coronavirus Job Retention Scheme grant	-	5	5	28
COVID additional funding	-	26	26	-
	<u>-</u>	<u>31</u>	<u>31</u>	<u>28</u>
	<u>-</u>	<u>1,311</u>	<u>1,311</u>	<u>1,859</u>

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 academy trust furloughed its contracted breakfast and after school club staff from January to March 2021 under the government's CJRS. The funding received of £5k relates to staff costs in respect of two members of staff which are included within note 10 below as appropriate.

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds £'000	Restricted funds £'000	Period 1.9.20 to 31.5.21 Total funds £'000	Year Ended 31.8.20 Total funds £'000
Hire of facilities	3	-	3	12
Other income	39	-	39	-
	<u>42</u>	<u>-</u>	<u>42</u>	<u>12</u>

**5. INVESTMENT INCOME**

	Unrestricted funds £'000	Restricted funds £'000	Period 1.9.20 to 31.5.21 Total funds £'000	Year Ended 31.8.20 Total funds £'000
Deposit account interest	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>

# **The Crabtree Academy Trust**

## **Notes to the Financial Statements - continued** **for the Period 1 September 2020 to 31 May 2021**

### **6. INCOME FROM OTHER CHARITABLE ACTIVITIES**

As well as its main charitable object of the provision of free State education, the academy trust has a second charitable object being 'to promote for the benefit of the inhabitants of Harpenden and its surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare and the object of improving the condition of life of the said inhabitants.'

The academy trust would normally have run paid-for holiday clubs for local children during the period, and the trustees consider that the provision of these clubs falls within the second charitable object set out above. Income from these clubs amounted to £887 (2020: £33,590).

### **7. EXPENDITURE**

				<b>Period 1.9.20 to 31.5.21</b>	<b>Year Ended 31.8.20</b>
	<b>Non-pay expenditure</b>				
	<b>Staff costs £'000</b>	<b>Premises £'000</b>	<b>Other costs £'000</b>	<b>Total £'000</b>	<b>Total £'000</b>
<b>Charitable activities</b>					
<b>Academy's educational operations</b>					
Direct costs	1,051	31	85	1,167	1,655
Allocated support costs	210	56	181	447	748
<b>Provision of local facilities and social welfare</b>					
Direct costs	(2)	-	-	(2)	24
	1,259	87	266	1,612	2,427
Notional cost of transfer to Ivy Learning Trust	-	-	5,298	5,298	-
	<u>1,259</u>	<u>87</u>	<u>5,564</u>	<u>6,910</u>	<u>2,427</u>

Net income/(expenditure) is stated after charging/(crediting):

	<b>Period 1.9.20 to 31.5.21 £'000</b>	<b>Year Ended 31.8.20 £'000</b>
Depreciation - owned assets	48	66
Hire of plant and machinery	2	5
Auditors' audit fees	<u>9</u>	<u>9</u>



# **The Crabtree Academy Trust**

## **Notes to the Financial Statements - continued for the Period 1 September 2020 to 31 May 2021**

### **8. CHARITABLE ACTIVITIES**

	Unrestricted funds £'000	Restricted funds £'000	Period 1.9.20 to 31.5.21 Total funds £'000	Year Ended 31.8.20 Total funds £'000
Direct costs - academy's educational operations	73	1,094	1,167	1,655
Direct costs - provision of local facilities and social welfare	(2)	-	(2)	24
Support costs - academy's educational operations	28	419	447	748
	<u>99</u>	<u>1,513</u>	<u>1,612</u>	<u>2,427</u>

	Period 1.9.20 to 31.5.21 Total £'000	Year Ended 31.8.20 Total £'000
<b>Analysis of support costs</b>		
Support staff costs	210	368
Depreciation	1	1
Technology costs	17	27
Premises costs	56	108
Other support costs	142	222
Governance costs	21	22
Total support costs	<u>447</u>	<u>748</u>

### **9. TRUSTEES' REMUNERATION AND BENEFITS**

The headteachers and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteachers and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. The value of trustees' remuneration for the period 1 September 2020 to 30 April 2021 was as follows:

Stuart Pope (trustee and executive head)      Salary £55,000 - £60,000 (2020: £75,000 - £80,000)  
Pension £Nil (2020: Nil)

#### **Trustees' expenses**

There were no trustees' expenses paid for the period ended 31 May 2021 nor for the year ended 31 August 2020.

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Period 1 September 2020 to 31 May 2021**

**10. STAFF COSTS**

	<b>Period 1.9.20 to 31.5.21 £'000</b>	<b>Year Ended 31.8.20 £'000</b>
Wages and salaries	<b>905</b>	1,370
Social security costs	<b>75</b>	106
Operating costs of defined benefit pension schemes	<b>269</b>	408
	<b>1,249</b>	1,884
Supply teacher costs	<b>5</b>	-
Compensation payments	<b>5</b>	25
	<b>1,259</b>	1,909

The average number of persons (including senior management team) employed by the academy trust during the period was as follows:

	<b>Period 1.9.20 to 31.5.21</b>	<b>Year Ended 31.8.20</b>
Teaching staff	<b>25</b>	26
Administration and support (incl. TAs)	<b>52</b>	56
Management	<b>4</b>	4
	<b>81</b>	86

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

	<b>Period 1.9.20 to 31.5.21</b>	<b>Year Ended 31.8.20</b>
£70,001 - £80,000	<b>-</b>	1

The key management personnel of the academy trust comprise the trustees and the senior management team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £195,575 (2020: £263,609).

# The Crabtree Academy Trust

## Notes to the Financial Statements - continued for the Period 1 September 2020 to 31 May 2021

### 11. TRUSTEES' AND OFFICERS' INSURANCE

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

### 12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total funds £'000
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and capital grants	10	17	39	66
<b>Charitable activities</b>				
Funding for the academy's educational operations	221	1,875	-	2,096
Provision of local facilities and social welfare	34	-	-	34
Other trading activities	12	-	-	12
Investment income	2	-	-	2
<b>Total</b>	<b>279</b>	<b>1,892</b>	<b>39</b>	<b>2,210</b>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Academy's educational operations	189	2,149	65	2,403
Provision of local facilities and social welfare	24	-	-	24
<b>Total</b>	<b>213</b>	<b>2,149</b>	<b>65</b>	<b>2,427</b>
	66	(257)	(26)	(217)
<b>NET INCOME/(EXPENDITURE)</b>	<b>(123)</b>	<b>100</b>	<b>23</b>	<b>-</b>
<b>Transfers between funds</b>				
<b>Other recognised gains/(losses)</b>				
Actuarial gains/(losses) on defined benefit schemes	-	(9)	-	(9)
	(57)	(166)	(3)	(226)
<b>Net movement in funds</b>				
<b>RECONCILIATION OF FUNDS</b>				
	400	(609)	5,934	5,725
<b>Total funds brought forward</b>				
	343	(775)	5,931	5,499
<b>TOTAL FUNDS CARRIED FORWARD</b>				

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Period 1 September 2020 to 31 May 2021**

**13. TANGIBLE FIXED ASSETS**

	Freehold property £'000	Furniture and equipment £'000	Computer equipment £'000	Totals £'000
<b>COST</b>				
At 1 September 2020	6,155	177	120	6,452
Additions	-	-	20	20
Disposals	(6,157)	(177)	(138)	(6,472)
Reclassification	2	-	(2)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 May 2021	-	-	-	-
<b>DEPRECIATION</b>				
At 1 September 2020	296	143	99	538
Charge for year	35	4	9	48
Eliminated on disposal	(331)	(145)	(109)	(585)
Reclassification/transfer	-	(2)	1	(1)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 May 2021	-	-	-	-
<b>NET BOOK VALUE</b>				
At 31 May 2021	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2020	5,859	34	21	5,914
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Included in the cost of land and buildings is undepreciated freehold land of £Nil (2020: £3,595,000).

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.5.21 £'000	31.8.20 £'000
Trade debtors	-	15
VAT recoverable	-	15
Prepayments and accrued income	-	61
	<u>-</u>	<u>91</u>
	<u>-</u>	<u>91</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.5.21 £'000	31.8.20 £'000
Other loans (see note 16)	-	1
Trade creditors	-	16
Social security and other taxes	-	24
Other creditors	-	31
Accruals and deferred income	-	112
	<u>-</u>	<u>184</u>
	<u>-</u>	<u>184</u>

At the transfer date the academy trust transferred £46,000 of deferred income to Ivy Learning Trust.

	31.5.21 £'000	31.8.20 £'000
Deferred income		
Deferred income at 1 September 2020	79	58
Resources deferred in the year	46	49
Amounts released from previous years	(79)	(58)

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Period 1 September 2020 to 31 May 2021**

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

Transferred to Ivy Learning Trust	(46)	-
Deferred income at 31 May 2021	-	79
	<u>          </u>	<u>          </u>

**16. LOANS**

An analysis of the maturity of loans is given below:

	<b>31.5.21</b>	<b>31.8.20</b>
	<b>£'000</b>	<b>£'000</b>
Amounts falling due within one year on demand:		
Other loans	-	1
	<u>          </u>	<u>          </u>

The loan was from Salix, was provided interest-free and was repayable over five years.

**17. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	<b>31.5.21</b>	<b>31.8.20</b>
	<b>£'000</b>	<b>£'000</b>
Within one year	-	3
Between one and five years	-	8
	<u>          </u>	<u>          </u>
	-	11
	<u>          </u>	<u>          </u>

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

			<b>31.5.21</b>	
	Unrestricted	Restricted	Fixed	Total
	fund	funds	asset	funds
	£'000	£'000	fund	£'000
Fixed assets	-	-	-	-
Current assets	-	-	-	-
Current liabilities	-	-	-	-
Pension liability	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

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

				<b>31.8.20</b>
	Unrestricted	Restricted	Fixed	Total
	fund	funds	asset	funds
	£'000	£'000	fund	£'000
Fixed assets	-	-	5,914	5,914
Current assets	374	64	18	456
Current liabilities	(31)	(152)	(1)	(184)
Pension liability	-	(687)	-	(687)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	343	(775)	5,931	5,499
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Period 1 September 2020 to 31 May 2021**

**19. MOVEMENT IN FUNDS**

	At 1.9.20 £'000	Net movement in funds £'000	Transfers between funds £'000	At 31.5.21 £'000
<b>Unrestricted funds</b>				
General fund	343	(294)	(49)	-
<b>Restricted funds</b>				
Fixed asset fund	5,931	(5,931)	-	-
General fund	(88)	39	49	-
Pension reserve	(687)	687	-	-
	<u>5,156</u>	<u>(5,205)</u>	<u>49</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>5,499</u>	<u>(5,499)</u>	<u>-</u>	<u>-</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
<b>Unrestricted funds</b>				
General fund	125	(419)	-	(294)
<b>Restricted funds</b>				
Fixed asset fund	14	(5,945)	-	(5,931)
General fund	1,345	(1,306)	-	39
Pension reserve	-	760	(73)	687
	<u>1,359</u>	<u>(6,491)</u>	<u>(73)</u>	<u>(5,205)</u>
<b>TOTAL FUNDS</b>	<u>1,484</u>	<u>(6,910)</u>	<u>(73)</u>	<u>(5,499)</u>

**Comparatives for movement in funds**

	At 1.9.19 £'000	Net movement in funds £'000	Transfers between funds £'000	At 31.8.20 £'000
<b>Unrestricted funds</b>				
General fund	400	66	(123)	343
<b>Restricted funds</b>				
Fixed asset fund	5,934	(26)	23	5,931
General fund	(58)	(130)	100	(88)
Pension reserve	(551)	(136)	-	(687)
	<u>5,325</u>	<u>(292)</u>	<u>123</u>	<u>5,156</u>
<b>TOTAL FUNDS</b>	<u>5,725</u>	<u>(226)</u>	<u>-</u>	<u>5,499</u>

# **The Crabtree Academy Trust**

## **Notes to the Financial Statements - continued for the Period 1 September 2020 to 31 May 2021**

### **19. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
<b>Unrestricted funds</b>				
General fund	279	(213)	-	66
<b>Restricted funds</b>				
Fixed asset fund	39	(65)	-	(26)
General fund	1,892	(2,022)	-	(130)
Pension reserve	-	(127)	(9)	(136)
	<u>1,931</u>	<u>(2,214)</u>	<u>(9)</u>	<u>(292)</u>
<b>TOTAL FUNDS</b>	<u>2,210</u>	<u>(2,427)</u>	<u>(9)</u>	<u>(226)</u>

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

Restricted general funds represents income and expenditure where there were restrictions imposed as to how the income could be spent. Most such income is in the form of various grants from the DfE, ESFA and the local authority. The largest grant is the General Annual Grant (GAG) which is used for staff costs, educational resources and general costs incurred in the running of the academy trust. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 30 April 2021. Other grants received include Pupil Premium and SEN funding.

Unrestricted general funds represents income and expenditure relating to activities undertaken by the academy trust as part of its charitable activities. Unrestricted general funds can be used at the discretion of the trustees to meet the charitable objectives of the academy trust.

Restricted fixed asset funds represents income and expenditure relating to the purchase or other acquisition of land, buildings and capital equipment.

### **Analysis of fund balances by academy**

Fund balances at 30 April 2021, before the transfer to Ivy Learning Trust, were allocated as follows:

	£'000
Crabtree Junior School	96
Crabtree Infants' School	<u>153</u>
Total before fixed assets and pension reserve	<u>249</u>
Restricted fixed asset fund	5,898
Pension reserve	<u>(851)</u>
Total	<u>5,296</u>

### **Analysis of costs by academy**

Expenditure incurred by each academy during the period was:

# **The Crabtree Academy Trust**

## **Notes to the Financial Statements - continued** **for the Period 1 September 2020 to 31 May 2021**

### **19. MOVEMENT IN FUNDS - continued**

	Teaching and Educational Support Staff Costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs excluding Depreciation £'000	Total £'000
Crabtree Junior School	588	111	24	135	858
Crabtree Infants' School	458	97	21	132	708
<b>Academy Trust</b>	<b>1,046</b>	<b>208</b>	<b>45</b>	<b>267</b>	<b>1,566</b>

### **20. 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 Hertfordshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £28,879 were payable to the schemes at 30 April 2021 (31 August 2020: £28,618) and these liabilities have been transferred to Ivy Learning Trust.

#### **Teachers' pension scheme**

##### **Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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 Crabtree Academy Trust**

## **Notes to the Financial Statements - continued for the Period 1 September 2020 to 31 May 2021**

### **20. PENSION AND SIMILAR OBLIGATIONS - continued**

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 £115,455 (2020: £170,913).

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

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

#### **Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 30 April 2021 was £88,541 (2020: £149,754), of which employer's contributions totalled £71,854 (2020: £122,361) and employees' contributions totalled £16,687 (2020: £27,393). The agreed contribution rates for future years are 22.65% for employers (plus 1.65% for Ill Health Liability Insurance) and a range of 5.5% to 12.5% for employees.

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

The amounts recognised in the Statement of Financial Position are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31.5.21</b>	<b>31.8.20</b>
	<b>£'000</b>	<b>£'000</b>
Present value of funded obligations	-	(1,764)
Fair value of plan assets	-	1,077
	-	(687)
Present value of unfunded obligations	-	-
Deficit	-	(687)
Net liability	-	(687)

The amounts recognised in the Statement of Financial Activities are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31.5.21</b>	<b>31.8.20</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost	147	237
Net interest from net defined benefit asset/liability	8	9
Past service cost	7	-
	162	246

The Crabtree Academy Trust

Notes to the Financial Statements - continued  
for the Period 1 September 2020 to 31 May 2021

20. PENSION AND SIMILAR OBLIGATIONS - continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.5.21	31.8.20
	£'000	£'000
Opening defined benefit obligation	1,764	1,438
Current service cost	147	237
Past service cost	7	-
Contributions by scheme participants	18	27
Interest cost	21	30
Benefits paid	(3)	(3)
Business combinations	(2,104)	-
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	-	(6)
Actuarial (gains)/losses from changes in financial assumptions	177	52
Actuarial (gains)/losses from other experience	(27)	(11)
	<u>-</u>	<u>1,764</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.5.21	31.8.20
	£'000	£'000
Opening fair value of scheme assets	1,077	886
Contributions by employer	71	123
Contributions by scheme participants	18	27
Interest income	13	18
Benefits paid	(3)	(3)
Business combinations	(1,253)	-
Return on plan assets (excluding interest income)	77	26
	<u>-</u>	<u>1,077</u>

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Period 1 September 2020 to 31 May 2021**

**20. PENSION AND SIMILAR OBLIGATIONS - continued**

The amounts recognised in other recognised gains and losses are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31.5.21</b>	<b>31.8.20</b>
	<b>£'000</b>	<b>£'000</b>
Actuarial (gains)/losses from changes in demographic assumptions	-	6
Actuarial (gains)/losses from changes in financial assumptions	(177)	(52)
Actuarial (gains)/losses from other experience	27	11
Return on plan assets (excluding interest income)	77	26
	<u>(73)</u>	<u>(9)</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>31.5.21</b>	<b>31.8.20</b>
Equities	59%	53%
Bonds	26%	35%
Property	11%	9%
Cash	4%	3%
	<u>100%</u>	<u>100%</u>

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	<b>31.5.21</b>	<b>31.8.20</b>
Discount rate	1.95%	1.70%
Future salary increases	3.20%	2.60%
Future pension increases	2.80%	2.20%

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

	<b>Males</b>	<b>Females</b>
Current Pensioners	21.9 years	24.1 years
Future Pensioners	22.8 years	25.5 years

**The Crabtree Academy Trust**

**Notes to the Financial Statements - continued  
for the Period 1 September 2020 to 31 May 2021**

**21. RELATED PARTY DISCLOSURES**

There were no related party transactions for the period ended 31 May 2021.

**22. CENTRAL SERVICES**

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

**23. TRANSFER TO IVY LEARNING TRUST**

		<b>30.04.21 £'000</b>
<b>Tangible fixed assets</b>		
Freehold property	<b>5,827</b>	
Furniture and equipment	<b>32</b>	
Computer equipment	<b>29</b>	
		<b>5,888</b>
<b>Current assets</b>		
Debtors due in less than one year	<b>113</b>	
Cash in bank and in hand	<b>304</b>	
		<b>417</b>
<b>Liabilities</b>		
Creditors due in less than one year		<b>(157)</b>
<b>Pensions</b>		
Pension scheme assets	<b>1,253</b>	
Pension scheme liabilities	<b>(2,104)</b>	
		<b>(851)</b>
<b>Net assets</b>		<b>5,297</b>