

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020



BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

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BURY ST EDMUNDS ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	S Boor C Pamplin I Cox
Trustees	V Neale S Boor C Pamplin, Vice Chairman A Wilkinson C Quinn, Chair (resigned 1 July 2020) E White I Cox
Company Registered Number	07697600
Company Name	Bury St Edmunds Academy Trust
Registered and Principal Office	Beetons Way Bury St Edmunds Suffolk IP32 6RF
Company Secretary	A Bryant
Accounting Officer	V Neale
Senior Leadership Team	Mrs V Neale, Headteacher (County Upper School) Mr Ian Kearns, Headteacher (Westley Middle School) Mr S Palmer, Headteacher (Horringer Court Middle School) Miss H Brookman, Headteacher (Tollgate Primary School)
Independent Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Bank Plc Bury St Edmunds Suffolk IP33 3AH
Solicitors	Birketts Providence House 141-145 Princes Street Ipswich IP1 1QJ

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 30 JUNE 2020

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Bury St Edmunds Multi Academy Trust ("the Charitable Company" or "the Trust") for the period to 30 June 2020. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates primary, middle and upper schools serving mainly the town of Bury St Edmunds and the surrounding villages, although some parents opt to send their children from further afield. The Academies have a combined PAN of 500, excluding sixth form, giving capacity of 1840 and had a roll of 1862, excluding sixth form, in the census of October 2020. The working number for the sixth form is 240 and in the October census, there were 256 in the sixth form.

On 1 July 2020 the Trust joined Unity Schools Partnership based in Suffolk. This Report details procedures in place prior to this transfer.

Structure, Governance and Management

Constitution

The 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. The Trustees of Bury St Edmunds Academy Trust are also the Directors of the Charitable Company for the purposes of company law. Within this report the terms Trustee and Director are interchangeable. The Charitable Company includes the following Academies:

- Tollgate Primary School
- Horringer Court Middle School
- Westley Middle School
- Bury St Edmunds County Upper School

The operation of The Trust's Academies and employment of staff are the responsibility of the Trustees. The Trust retains control of Academy budgets and finances, and monitors these through its main Trust Board. Each Academy has a Local Governing Body (LGB) who supports the Trust Board in the monitoring of their Academy within agreed budgets. Within this Report, the term Trustee refers to a member of the Board of Trustees and the term Governor to a member of an LGB.

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

Members' Liability

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

Trustees' and Officers' Indemnities

The Trust has secured insurance cover through Zurich. The policy protects Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business, and provides cover up to £25,000,000. The Trustees, Governors and Officers indemnity element is a maximum of up to £5,000,000 in any one claim.

Method of Recruitment and Appointment or Election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Lead Headteacher is an ex officio member of the Board of Trustees. The Articles of Association make provision for 5 Trustees plus the Lead Headteacher.

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 JUNE 2020

Policies and Procedures Adopted for the Induction and Training of Trustees and Governors

The Trust is committed to providing adequate opportunities for Trustees and Governors to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides internal training led by Trust and School staff and also links with a number of local training providers.

All new Trustees and Governors have an induction programme, according to their need, which includes introductory sessions, mentoring, formal training courses, and a tour of their School. This process will involve a meeting with the Chair of Trustees or Chair of the LGB as necessary, selected students and staff. All Trustees and Governors are provided with a handbook plus copies of policies and procedures documents that are appropriate to the role they undertake as Trustees and Governors with particular emphasis on the committee work that they will undertake.

Organisational Structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees meets on at least 6 occasions per year and is responsible for the strategic direction of the Trust. The Trustees are responsible for setting strategic policy, adopting an annual plan and budget, monitoring The Trust by the use of those budgets and making major decisions about the direction of The Trust, capital expenditure, senior staff appointments and executive pay.

The Governors within their LGB's which meet on at least 3 occasions as a full governing body each year are responsible for implementing strategic policy, ensuring the appropriateness of annual budgets and capital expenditure projects for their Academy and monitoring performance against that budget and authorised capital limits. Governors are members of one or two sub-committees, the terms of reference for which are reviewed annually, who report to the Board of Trustees.

The Academy Senior Leadership Teams (SLTs) control the Academies at an executive level implementing policies and reporting to their LGB. Each SLT is responsible for the day to day operation of their Academy, in particular organising staff, resources and students. They are responsible for the authorisation of spending in accordance with the agreed spending limits within financial regulations and agreed budgets and for the appointment of staff, below senior leadership level i.e. Deputy and above, following vetting and safeguarding recruitment processes.

The Lead Headteacher is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Trust. The Lead Headteacher manages the Trust on a daily basis supported by the Heads of School in the other Academies. This group looks across the Trust and aligns local SLT and LGB activity to the strategic aims of the Trust as a whole. This group meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Board of Trustees as required for approval.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the appropriate sub-committee and ratified by the Board of Trustees.

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TRUSTEES' REPORT (CONTINUED)
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Trade Union Facility Time

The Trust has no employees that are Trade Union Representatives.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees and LGB's being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which a Trustee or a Governor may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee or Governor may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Trust did not cooperate with any related party during the period in pursuit of its charitable activities and does not have a formal sponsor.

Engagement with Employees (Including disabled persons)

The Trustees recognise that our employees are fundamental and core to our business and delivery of high-quality education. Our success depends on attracting, retaining and motivating employees. The Trustees factor the implications of decisions on employees and the wider workforce, where relevant and feasible. Where appropriate, the Trust consults on matters such as policy, pay, health, safety and welfare with the relevant support staff and teaching trades unions.

The Trust provides information to employees generally by way of email, memoranda and staff meetings. Information is channelled via leadership meetings and staff briefings. Employees are encouraged to familiarise themselves with Ofsted reports, available from the Trust website and student progress and attainment statistics, when they are made available.

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitude and abilities. In the event of employees becoming disabled then every effort is made to retrain them in order that their employment within the Trust may continue.

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

The Trustees have implemented clear policies and procedures for dealing fairly with suppliers. Formal orders are placed and agreed payment terms always adhered to. To ensure service continuity during and after the current coronavirus outbreak the Trust has followed the guidelines of the Government Procurement Policy Note (PPN) that sets out information and guidance for public bodies on payment of their suppliers.

The Trustees consider pupils and parents to be their "customers". Whilst pupils encounter engagement on a daily basis, engagement with parents is carried out through regular newsletters and face to face meetings.

Objectives and Activities

Objects and Aims

The principal object and aim of the Trust is the operation of a family of Academies to provide free education and care for pupils of different abilities between the ages of 3 and 18. We aim specifically to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values.

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TRUSTEES' REPORT (CONTINUED)
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Objectives, Strategies and Activities

During the period the Trust has worked towards these aims by:

- ensuring that every child enjoys the same high-quality education in terms of resourcing, tuition and care;
- raising the standard of educational achievement of all pupils;
- developing resilient, resourceful students;
- adapting and applying skills for flexible life-long learning;
- improving the effectiveness of each School by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended; and
- conducting the Trust's business in accordance with the highest standards of integrity.

Our success in fulfilling our aims can be measured by:

- the continued popularity of our Academies
- the high standards maintained
- the Ofsted report received in 2019-2020 for the only Academy to be inspected
- the extra-curricular programme offered and taken up by a large number of students

Public Benefit

In setting our objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic Report

Achievements and Performance

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left their School.

Specific achievements were as follows:

- The 'Good' rating achieved by Horringer Court middle school in its Ofsted Inspection in March 2020
- Above average attainment at KS2, 4 and 5
- National awards for computing, graphic design, international activity, music and PE and an international award for art and design
- Very low level of NEETs and very high proportion of students accepted onto their first-choice destination at 16+ and 18+.

Key Performance Indicators (KPI)

The Trustees receive regular information at each meeting to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets.

Financial

As funding is based on pupil numbers this is a KPI. A further KPI is staffing costs as a percentage of total recurring income. For 2019/20 this was 74.7% against set parameters of 76%. The Board of Trustees is confident that staffing levels are closely monitored to agreed Full Time Equivalent and staffing structures all approved by them.

They also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the Board.

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TRUSTEES' REPORT (CONTINUED)
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Non-Financial

The Board reviews through its termly reports from the Lead Headteacher, data on attendance, pupil numbers, pupil attainment and progress together with reports on curricular matters, premises, safeguarding and main Trust events. Where applicable, data is referenced against local and national averages.

Going Concern

After making appropriate enquiries, the Trustees believe that Bury St Edmunds Academy Trust should transfer its operations, assets and liabilities into Unity Schools Partnership. This transfer took place on 1 July 2020. Further details regarding the basis of accounts preparation can be found in the Statement of Accounting Policies.

Since 1 July 2020 the Trust joined Unity Schools Partnership based in Suffolk. The benefits of joining Unity Schools Partnership have already been valuable with the Trust providing support in areas such as long-term budget planning. The Bury St Edmunds Academy Trust looks forward to working with Unity Schools Partnership to ensure the quality of education provided for young people continues to be of a high standard.

Promoting the Success of the Charitable Company

Trustees have an obligation to act in a way most likely to promote the success of the Charitable Company. Details regarding engagement with employees, suppliers, parents, pupils and other connected parties have been covered in separate notes within the Trustees' Report. The obligation to assess the likely consequences of decisions in the longer term is noted within the reserves policy below as Trustees balance the needs of current and future cohorts.

The Trustees have identified reputational and ethical areas as key risks and their actions in these areas are covered within Principal risks and uncertainties later within this Strategic Report.

Financial Review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the period ended 30 June 2020 the Trust received £9,932,440 (2019: £12,413,058) of GAG and other income. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education.

During the period the Trust spent a total of £10,468,152 (2019: £12,115,768) including capital projects. The Trust brought forward from 18/19, £135,795 of unrestricted funds. The unrestricted funds carry forward for 19/20 is £139,809. Restricted funds excluding capital and pensions brought forward from 18/19 were £293,917 and carried forward at 30 June 2020 were £572,236.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £3,164,000 (2019: £2,416,000). This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Finance Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £139,809 (2019: £135,795).

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 30 June 2020 was £767,893 (2019: £429,712).

The cash balance of the Trust has remained very healthy, with a balance at 30 June 2020 of £989,096 (31 August 2019: £1,544,353).

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TRUSTEES' REPORT (CONTINUED)
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Investment Policy

An Investment Policy was re-adopted by the Board of Trustees in March 2020.

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise the Trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Trust and the individual Schools are exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at LGB level and discussed at Board meetings. The principal risks facing the Trust are outlined below; those facing the Trust at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of academy schools, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- the Trust has considerable reliance on continued Government funding through the ESFA and whilst there has been a small injection of additional funding this will not be enough to counteract the rise of the minimum wage and teachers' pension contributions or any other additional costs that the Government may choose to introduce;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the Schools is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the Schools is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - the Trustees have appointed Schools Choice to carry out a programme of internal scrutiny which includes independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low;

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 JUNE 2020

- COVID-19 – the disruption to the Schools during the 2019/20 academic year brought a reduction in external income and a number of additional costs, not all of which were recoverable from Government. It is planned to open in Autumn term 2020 with new restrictions around class sizes and social distancing among other things. The risk of a School having to close due to localised infections has been mitigated by extensive risk assessment planning and amended working practices; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Trust is the annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust has continued to strengthen its risk management process throughout the period by improving the process and ensuring staff awareness.

Fundraising

The Trust only held small fundraising events during the period in support of charities. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events. All fundraising undertaken during the year was monitored by the Trustees.

Streamlined Energy and Carbon Reporting

Greenhouse gas emissions and energy use data for the period 1 September 2019 to 30 June 2020 - UK:

Energy consumption used to calculate emissions (kWh) 2,158,487

Energy consumption break down (kWh)

• Gas,	1,586,952
• electricity,	530,243
• transport fuel - owned transport	30,949
• transport fuel - employee vehicles	10,343

Scope 1 emissions in metric tonnes CO2e

Gas consumption	291.79
Owned transport - mini-buses	7.86
<u>Total scope 1</u>	<u>299.65</u>

Scope 2 emissions in metric tonnes CO2e

Electricity	123.62
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Scope 3 emissions in metric tonnes CO2e

Business travel in employee owned vehicles	2.56
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Total gross emissions in metric tonnes CO2e 425.84

Intensity ratio

Tonnes CO2e per pupil 0.23

Quantification and Reporting Methodology:-

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 JUNE 2020

Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

- Less travel and more video conferencing
- Movement sensors on all lighting so the light turn off automatically when room not in use.
- Turning heat off after a couple of hours in the morning, rather than leaving it on all day when appropriate.

Plans for Future Periods


In future, the Schools currently comprising the Bury St Edmunds Academy will form part of Unity Schools Partnership and will follow, and contribute to, its plans for future periods.


Provision of Information to Auditors

Insofar as the Trustees are aware:

There is no relevant audit information of which the Charitable Company's Auditors are unaware; and the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees, on 26 Nov 2020 and signed on its behalf by:


.....
iCox (Nov 26, 2020, 10:22am)
Trustee


.....
V Neale
Accounting Officer

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher of County Upper, 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 Bury St Edmunds 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 Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the period.

Attendance during the period at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
V Neale	7	7
S Boor	7	7
C Pamplin, Vice Chairman	7	7
A Wilkinson	6	7
C Quinn, Chair	7	7
E White	7	7
I Cox	7	7

The Board of Trustees meets as a whole and does not have separate committees, the entire Board will act as the Finance Committee. Its purpose is to monitor the annual budget, review management accounts and their performance against financial resources. It also reviews the investment plans regularly of the Trust. During the year the Trust appointed a new Trustee and elected her as Chair.

During the period the Board of Trustees has been working towards a clear division of Members and Trustees. Each Local Governing Body (LGB) has a finance and general working group which reports to the Board of Trustees termly. The Board of Trustees acts as the Finance and General Purpose Committee meetings are convened at the same time as the Trust Board meetings as shown in the table above. The Committee monitors the budget across each campus and the Trust as a whole. It sets the Trust budget and approves that for each campus. Whilst it is a challenge to run a balanced budget in difficult times, this has been successfully achieved.

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As Accounting Officer, the Headteacher of County Upper has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer has delivered improved value for money during the period by:

- carefully tendering for additional capital work during the year;
- using benchmarking effectively against similar sized Trusts; and
- applying joint purchasing of necessary ICT equipment across all campus's.

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 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 Bury St Edmunds Academy Trust for the period 1 September 2019 to 30 June 2020 and up to the date of approval of the Annual Report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2019 to 30 June 2020 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The 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 Board of Trustees 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;
- identification and management of risks.

The Board of Trustees has decided to employ Schools Choice as internal auditor.

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

Income control, monitoring and review, governance, insurance, tax, inventory, payroll, purchasing, petty cash, data security, planning cycle and budget and day to day record keeping.

BURY ST EDMUNDS ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Internal Auditor has carried out their schedule of work as planned.

On a termly basis, the Internal Auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The internal auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of the work undertaken.

Review of effectiveness


As Accounting Officer, the Headteacher of County Upper has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

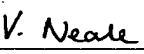
- the discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the Internal Auditor;
- the work of the external Auditors;
- the work of the executive managers within the Trust who have responsibility for the development 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 Board of Trustees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the Board of Trustees on 26 Nov 2020

and signed on their behalf by:


.....
I Cox (Nov 26, 2020, 10:22am)
Trustee


.....
Vicky Neale (Nov 20, 2020, 10:26am)
V Neale
Accounting Officer

BURY ST EDMUNDS ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

V. Neale

*****Vicky Neale (Nov 26, 2020, 10:26am)*****

V Neale

Accounting Officer

Date: 26 Nov 2020

BURY ST EDMUNDS ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 30 JUNE 2020

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

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


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

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

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

Approved by the Board of Trustees on 26 Nov 2020

and signed on its behalf by:


.....
iCox (Nov 26, 2020, 10:22am)
Trustee

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BURY
ST EDMUNDS ACADEMY TRUST**

Opinion

We have audited the financial statements of Bury St Edmunds Academy Trust (the 'Trust') for the period ended 30 June 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 30 June 2020 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis 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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - Basis of Preparation

We draw attention to note 1.6 in the financial statements, which describes the basis of preparation of the financial statements. The Trust transferred its operations, assets and liabilities to Unity Schools Partnership on 1 July 2020 and has ceased operating. As required by UK accounting standards, the Trustees have prepared the financial statements on the basis that the Academy Trust is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. All assets and liabilities were transferred to Unity Schools Partnership at their respective carrying amounts upon transfer. Our opinion is not modified in respect of this matter.

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BURY ST EDMUNDS ACADEMY TRUST (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Trustees' Report including the Strategic Report, the Governance Statement and the Accounting Officer's Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our Report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law 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 Trustees' Responsibilities Statement, 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BURY
ST EDMUNDS ACADEMY TRUST (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This Report is made solely to the Trust's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Trust's Members those matters we are required to state to them in an 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 Trust and its Members, as a body, for our audit work, for this Report, or for the opinions we have formed.

Gary Miller (Senior Statutory Auditor)
for and on behalf of
Price Bailey LLP

Chartered Accountants
Statutory Auditors
Causeway House

1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

Date: 26 November 2020

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BURY ST EDMUNDS ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 22 January 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bury St Edmunds Academy Trust during the period 1 September 2019 to 30 June 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Bury St Edmunds Academy Trust's Accounting Officer and the Reporting Accountant

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 30 June 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by 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 Trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance,
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity, propriety and compliance.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BURY ST EDMUNDS ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 30 June 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Price Bailey LLP

Date: 26 November 2020

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 30 JUNE 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	2	24,724	230,215	95,050	349,989	1,737,824
Charitable activities	3	220,677	9,085,454	-	9,306,131	10,395,032
Other trading activities	4	236,894	38,815	-	275,709	276,425
Investments	5	611	-	-	611	3,777
Total income		482,906	9,354,484	95,050	9,932,440	12,413,058
Expenditure on:						
Charitable activities	6	459,264	9,314,981	693,907	10,468,152	12,115,768
Total expenditure		459,264	9,314,981	693,907	10,468,152	12,115,768
Net income /(expenditure)		23,642	39,503	(598,857)	(535,712)	297,290
Transfers between funds	17	(19,628)	(46,184)	65,812	-	-
Net movement in funds before other recognised gains/(losses)		4,014	(6,681)	(533,045)	(535,712)	297,290
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(463,000)	-	(463,000)	(979,000)
Net movement in funds		4,014	(469,681)	(533,045)	(998,712)	(681,710)
Reconciliation of funds:						
Total funds brought forward	17	135,795	(2,122,083)	33,410,790	31,424,502	32,106,212
Net movement in funds	17	4,014	(469,681)	(533,045)	(998,712)	(681,710)
Total funds carried forward		139,809	(2,591,764)	32,877,745	30,425,790	31,424,502

The Statement of Financial Activities includes all gains and losses recognised in the period.


The notes on pages 23 to 48 form part of these financial statements.

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07697600

BALANCE SHEET
AS AT 30 JUNE 2020

	Note	30 June 2020 £	31 August 2019 £
Fixed assets			
Tangible assets	12	32,835,512	32,929,019
Current assets			
Debtors	13	374,535	540,160
Cash at bank and in hand		989,096	1,544,353
		<u>1,363,631</u>	<u>2,084,513</u>
Creditors: amounts falling due within one year	14	(579,255)	(1,135,600)
Net current assets		<u>784,376</u>	<u>948,913</u>
Total assets less current liabilities		<u>33,619,888</u>	<u>33,877,932</u>
Creditors: amounts falling due after more than one year	15	(30,098)	(37,430)
Net assets excluding pension liability		<u>33,589,790</u>	<u>33,840,502</u>
Defined benefit pension scheme liability	23	(3,164,000)	(2,416,000)
Total net assets		<u><u>30,425,790</u></u>	<u><u>31,424,502</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	17	32,877,745	33,410,790
Restricted income funds	17	572,236	293,917
		<u>33,449,981</u>	<u>33,704,707</u>
Restricted funds excluding pension liability	17	33,449,981	33,704,707
Pension reserve	17	(3,164,000)	(2,416,000)
Total restricted funds	17	<u>30,285,981</u>	<u>31,288,707</u>
Unrestricted income funds	17	<u>139,809</u>	<u>135,795</u>
Total funds		<u><u>30,425,790</u></u>	<u><u>31,424,502</u></u>

The financial statements on pages 20 to 48 were approved by the Trustees, and authorised for issue on 26 Nov 2020 and are signed on their behalf, by:



 ICGX (Nov 26, 2020, 10:22am)
 Trustee

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(282,683)	1,413,604
Cash flows from investing activities	20	(272,574)	(1,402,609)
Change in cash and cash equivalents in the period	22	(555,257)	10,995
Cash and cash equivalents at the beginning of the period	21	1,544,353	1,533,358
Cash and cash equivalents at the end of the period	21, 22	<u>989,096</u>	<u>1,544,353</u>

The notes on pages 23 to 48 form part of these financial statements

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Bury St Edmunds Academy Trust meets the definition of a public benefit entity under FRS 102.

The Trust's presentational and functional currency is Pound Sterling.

1.2 Company Status

The Trust is a company limited by guarantee. The Members are noted on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per Member.

The Trust's registered office is Beetons Way, Bury St Edmunds, Suffolk, IP32 6RF.

1.3 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020

1. Accounting policies (continued)

1.4 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020

1. Accounting policies (continued)

1.5 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Going concern

The Trustees assess whether the use of going concern is appropriate i.e whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that since the Trust joined Unity Schools Partnership on 1 July 2020, the Academy is not a going concern and therefore have not adopted the going concern basis of accounting in preparing the financial statements.

1.7 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long term leasehold land	- over the life of the lease (125 years)
Long term leasehold property	- 2% straight line
Furniture and equipment	- 10% straight line
Plant and machinery	- 20% straight line
Computer equipment	- 10% straight line

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

1.8 Taxation

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

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

1.9 Operating leases

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

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at bank and in hand

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

1.12 Liabilities

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

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020

1. Accounting policies (continued)

1.13 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement bases 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 13. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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 14 and 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.14 Pensions

The Trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Trust to the fund in respect of the year.

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

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

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

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

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020**

1. Accounting policies (continued)

1.15 Critical accounting estimates and areas of judgment

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 June 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	24,724	230,215	-	254,939	510,640
Capital grants	-	-	95,050	95,050	1,227,184
Total 2020	24,724	230,215	95,050	349,989	1,737,824
Total 2019	70,241	440,399	1,227,184	1,737,824	

In 2019, income from donations was £510,640 of which £70,240 was unrestricted and £440,400 restricted.

In 2019, income from capital grants was £1,227,184 of which all was in relation to restricted fixed asset funds.

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020**

3. Funding for the Trust's provision of education

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	7,784,170	7,784,170	9,074,281
Other DfE/ESFA grants	-	1,017,184	1,017,184	720,823
	-	8,801,354	8,801,354	9,795,104
Other government grants				
Local Authority grants	-	163,627	163,627	152,102
Other Government grants	-	21,359	21,359	42,115
	-	184,986	184,986	194,217
Other funding				
Other income	3,181	99,114	102,295	143,012
Catering income	217,496	-	217,496	262,699
Total 2020	220,677	9,085,454	9,306,131	10,395,032
Total 2019	278,454	10,116,578	10,395,032	

In 2019, income from DfE/ESFA grants was £9,734,528 of which all was restricted. £60,576 has been reallocated from other government grants to DfE/ESFA.

In 2019, income from other Government grants was £254,793 of which all was restricted. £60,576 has been reallocated from other government grants to DfE/ESFA.

In 2019, income from other sources was £405,711 of which £278,453 was unrestricted and £127,258 was restricted.

4. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Hire of facilities	64,008	-	64,008	62,299
Other income	172,886	38,815	211,701	214,126
Total 2020	236,894	38,815	275,709	276,425
Total 2019	160,290	116,135	276,425	

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4. Income from other trading activities (continued)

In 2019, facilities income was £62,299 of which all was unrestricted.

In 2019, other income was £214,126 of which £97,991 was unrestricted and £116,135 restricted.

5. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income - other foreign investments	611	611	3,777
	<u>611</u>	<u>611</u>	<u>3,777</u>
Total 2019	<u>3,777</u>	<u>3,777</u>	

In 2019, all investment income was unrestricted.

6. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Provision of education:					
Direct costs	6,791,823	-	862,846	7,654,669	9,009,280
Support costs	930,002	957,989	925,492	2,813,483	3,106,488
	<u>7,721,825</u>	<u>957,989</u>	<u>1,788,338</u>	<u>10,468,152</u>	<u>12,115,768</u>
Total 2020	<u>7,721,825</u>	<u>957,989</u>	<u>1,788,338</u>	<u>10,468,152</u>	<u>12,115,768</u>
Total 2019	<u>8,872,280</u>	<u>571,696</u>	<u>2,671,792</u>	<u>12,115,768</u>	

Of the total expenditure, £459,264 (2019 - £477,033) was from unrestricted funds, £9,314,981 (2019 - £10,865,709) was from restricted funds and £693,907 (2019 - £773,026) was from restricted fixed asset funds.

In 2019, direct expenditure consisted of £7,752,547 staff costs and £1,256,733 other costs.

In 2019, support expenditure consisted of £1,119,733 staff costs, £571,696 premises costs and £1,415,059 other costs.

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7. Charitable activities

	30 June 2020 £	31 August 2019 £
Direct costs	7,654,669	9,009,280
Support costs	2,813,483	3,106,488
Total	<u>10,468,152</u>	<u>12,115,768</u>

	30 June 2020 £	31 August 2019 £
Analysis of support costs		
Support staff costs	930,002	1,062,014
Depreciation	668,196	773,028
Technology costs	34,699	44,206
Premises costs	468,108	571,696
Other support costs	636,573	550,951
Governance costs	75,905	104,593
	<u>2,813,483</u>	<u>3,106,488</u>

8. Net income/(expenditure)

Net (expenditure)/income for the year includes:

	30 June 2020 £	31 August 2019 £
Depreciation of tangible fixed assets: - owned or leased by the Trust	668,196	773,028
Auditors' remuneration - audit	16,750	12,300
Auditors' remuneration - other services	15,250	8,215
Under-accrual of other costs paid to Auditor in 2019	8,525	-
Operating leases	<u>28,223</u>	<u>41,699</u>

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9. Staff

a. Staff costs

Staff costs during the period were as follows:

	2020 £	2019 £
Wages and salaries	5,609,628	6,795,319
Social security costs	541,732	628,223
Pension costs	1,519,542	1,391,019
	<u>7,670,902</u>	<u>8,814,561</u>
Agency staff costs	50,923	57,719
	<u><u>7,721,825</u></u>	<u><u>8,872,280</u></u>

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

In 2019, £25,000 was paid to 1 employee in relation to termination payments as agreed by the Board of Trustees.

c. Staff numbers

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

	2020 No.	2019 No.
Teachers	147	155
Administration and support	145	159
Management	11	11
	<u>303</u>	<u>325</u>

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Teachers	119	123
Administration and support	70	67
Management	11	12
	<u>200</u>	<u>202</u>

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9. Staff (continued)

d. Higher paid staff

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

	30 June 2020 No.	31 August 2019 No.
In the band £60,001 - £70,000	1	2
In the band £70,001 - £80,000	-	2
	<u> </u>	<u> </u>

e. Key management personnel

The key management personnel of the Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer contributions) received by key management personnel for their services to the Trust was £280,028 (2019 - £263,678).

10. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The Lead Headteachers and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Lead Headteachers and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2020 £	2019 £
V Neale	Remuneration	65,000 - 70,000	75,000 - 80,000
	Pension contributions paid	0 - 5,000	0 - 5,000
E White	Remuneration	20,000 - 25,000	15,000 - 20,000
	Pension contributions paid	5,000 - 10,000	0 - 5,000

During the period ended 30 June 2020, no Trustee expenses have been incurred (2019 - £NIL).

11. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5,000,000 (2019: £5,000,000) on any one claim. The cost of this insurance is included in the total insurance cost.

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12. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2019	36,374,216	292,800	461,047	564,630	37,692,693
Additions	516,478	31,602	3,478	23,131	574,689
At 30 June 2020	<u>36,890,694</u>	<u>324,402</u>	<u>464,525</u>	<u>587,761</u>	<u>38,267,382</u>
Depreciation					
At 1 September 2019	3,893,118	221,455	162,230	486,871	4,763,674
Charge for the period	538,843	17,824	76,102	35,427	668,196
At 30 June 2020	<u>4,431,961</u>	<u>239,279</u>	<u>238,332</u>	<u>522,298</u>	<u>5,431,870</u>
Net book value					
At 30 June 2020	<u>32,458,733</u>	<u>85,123</u>	<u>226,193</u>	<u>65,463</u>	<u>32,835,512</u>
At 31 August 2019	<u>32,481,098</u>	<u>71,345</u>	<u>298,817</u>	<u>77,759</u>	<u>32,929,019</u>

13. Debtors

	30 June 2020 £	31 August 2019 £
Due within one year		
Trade debtors	55,330	94,632
VAT recoverable	20,800	51,119
Prepayments and accrued income	298,405	394,409
	<u>374,535</u>	<u>540,160</u>

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14. Creditors: Amounts falling due within one year

	30 June 2020 £	31 August 2019 £
Salix loans	7,332	7,332
Trade creditors	38,420	344,459
Other taxation and social security	130,468	152,713
Other creditors	233,812	150,733
Accruals and deferred income	169,223	480,363
	<u>579,255</u>	<u>1,135,600</u>
	30 June 2020 £	31 August 2019 £
Deferred income at 1 September 2019	151,223	216,386
Resources deferred during the period	158,719	151,223
Amounts released from previous periods	(151,223)	(216,386)
	<u>158,719</u>	<u>151,223</u>

Resources deferred in the year relate to contributions towards future educational visits, and ESFA funding received in advance for the 2020/21 academic year.

15. Creditors: Amounts falling due after more than one year

	30 June 2020 £	31 August 2019 £
Salix loans	<u>30,098</u>	<u>37,430</u>

Included within other loans are 3 salix loans provided to the Trust by the Department for Education. The loans are repayable in instalments every six months and bear no interest. The amount due within one year is £7,332 (2019: £7,332) due in 2 - 5 years is £28,198 (2019: £29,328) and due in more than 5 years is £1,900 (2019: £8,102).

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16. Central services

The Trust has provided the following central services to its Academies during the period:

- Minibus hire, music tuition, grounds maintenance, legal and professional fees, insurance.

The Trust charges for these services on the following basis:

Actual usage basis or per pupil basis depending upon the nature of the expenditure being recharged.

The actual amounts charged during the period were as follows:

	30 June 2020 £	31 August 2019 £
County Upper School	18,551	97,724
Westley Middle School	39,485	34,190
Horringer Court Middle School	48,217	45,588
Tollgate Primary School	33,235	50,638
Total	139,488	228,140

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 June 2020 £
Unrestricted funds						
General Funds	135,795	482,906	(459,264)	(19,628)	-	139,809
Restricted general funds						
General Annual Grant (GAG)	198,055	7,784,170	(7,604,590)	(32,273)	-	345,362
Other DfE/ESFA revenue grants	50,499	1,017,184	(951,732)	-	-	115,951
Other Government grants	45,363	184,986	(135,684)	(2,215)	-	92,450
Other restricted funds	-	368,144	(337,975)	(11,696)	-	18,473
Pension reserve	(2,416,000)	-	(285,000)	-	(463,000)	(3,164,000)
	<u>(2,122,083)</u>	<u>9,354,484</u>	<u>(9,314,981)</u>	<u>(46,184)</u>	<u>(463,000)</u>	<u>(2,591,764)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Fund	32,929,019	-	(668,196)	574,689	-	32,835,512
DfE/ESFA capital grants	459,884	44,996	-	(499,685)	-	5,195
Other DfE/ESFA revenue grants	21,887	50,054	(25,711)	(9,192)	-	37,038
	<u>33,410,790</u>	<u>95,050</u>	<u>(693,907)</u>	<u>65,812</u>	<u>-</u>	<u>32,877,745</u>
Total Restricted funds	<u>31,288,707</u>	<u>9,449,534</u>	<u>(10,008,888)</u>	<u>19,628</u>	<u>(463,000)</u>	<u>30,285,981</u>
Total funds	<u>31,424,502</u>	<u>9,932,440</u>	<u>(10,468,152)</u>	<u>-</u>	<u>(463,000)</u>	<u>30,425,790</u>

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17. Statement of funds (continued)

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

General Annual Grant (GAG)

This represents funding from the EFA to cover the costs of recurrent expenditure.

Other DfE and ESFA

This represents funding received from the DfE/ESFA which is restricted in nature and includes:

Pupil Premium:

This funding is to be used to raise achievements and improve outcomes for pupils from low income families who are eligible for free school meals.

Special Educational Needs (SEN):

This represents allocated funding for special educational needs pupils.

Early years funding:

This represents funding from the EFA to provide places for 3 and 4-year-old children to attend early years.

Other Government grants

This represents various small grants from local and national Government bodies for the provision of specific services to pupils of the Academies.

Pension reserve

This fund represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Trust on conversion from state controlled schools.

Restricted fixed asset fund

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

Devolved formula capital (DFC)

The Trust is to use the DFC allocation to maintain and improve its buildings and facilities.

Capital Income

This represents grants received or receivable for building improvements.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 30 June 2020.

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17. Statement of funds (continued)

Total funds analysis by Academy

Fund balances at 30 June 2020 were allocated as follows:

	30 June 2020 £	31 August 2019 £
County Upper	98,522	22,585
Tollgate	289,389	164,525
Westley	60,559	14,033
Horringer	263,575	228,569
Total before fixed asset funds and pension reserve	712,045	429,712
Restricted fixed asset fund	32,877,745	33,410,790
Pension reserve	(3,164,000)	(2,416,000)
Total	30,425,790	31,424,502

Total cost analysis by Academy

Expenditure incurred by each Academy during the period was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
County Upper	3,416,806	678,886	207,019	960,675	5,263,386	6,199,432
Tollgate	739,618	116,722	89,344	101,568	1,047,252	1,204,785
Horringer Court	1,037,842	129,406	87,944	197,178	1,452,370	1,654,082
Westley Middle	1,471,557	168,988	198,353	198,050	2,036,948	2,284,443
Trust	6,665,823	1,094,002	582,660	1,457,471	9,799,956	11,342,742

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17. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	323,795	526,689	(477,033)	(237,656)	-	135,795
Restricted general funds						
General Annual Grant (GAG)	170,540	9,099,202	(9,041,300)	(30,387)	-	198,055
Other DfE/ESFA revenue grants	61,453	723,685	(709,428)	(25,211)	-	50,499
Other Government grants	45,724	279,764	(280,190)	65	-	45,363
Other restricted funds	-	556,534	(557,791)	1,257	-	-
Pension reserve	(1,160,000)	-	(277,000)	-	(979,000)	(2,416,000)
	<u>(882,283)</u>	<u>10,659,185</u>	<u>(10,865,709)</u>	<u>(54,276)</u>	<u>(979,000)</u>	<u>(2,122,083)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Fund	32,295,666	-	(773,026)	1,406,379	-	32,929,019
DfE/ESFA capital grants	362,352	1,091,407	-	(993,875)	-	459,884
Other DfE/ESFA revenue grants	6,682	135,777	-	(120,572)	-	21,887
	<u>32,664,700</u>	<u>1,227,184</u>	<u>(773,026)</u>	<u>291,932</u>	<u>-</u>	<u>33,410,790</u>
Total Restricted funds	<u>31,782,417</u>	<u>11,886,369</u>	<u>(11,638,735)</u>	<u>237,656</u>	<u>(979,000)</u>	<u>31,288,707</u>
Total funds	<u>32,106,212</u>	<u>12,413,058</u>	<u>(12,115,768)</u>	<u>-</u>	<u>(979,000)</u>	<u>31,424,502</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 30 June 2020 £	Restricted funds 30 June 2020 £	Restricted fixed asset funds 30 June 2020 £	Total funds 30 June 2020 £
Tangible fixed assets	-	-	32,835,512	32,835,512
Current assets	749,162	572,236	42,233	1,363,631
Creditors due within one year	(579,255)	-	-	(579,255)
Creditors due in more than one year	(30,098)	-	-	(30,098)
Provisions for liabilities and charges	-	(3,164,000)	-	(3,164,000)
Total	139,809	(2,591,764)	32,877,745	30,425,790

Analysis of net assets between funds - prior period

	Unrestricted funds 31 August 2019 £	Restricted funds 31 August 2019 £	Restricted fixed asset funds 31 August 2019 £	Total funds 31 August 2019 £
Tangible fixed assets	-	-	32,929,019	32,929,019
Current assets	1,308,825	293,917	481,771	2,084,513
Creditors due within one year	(1,135,600)	-	-	(1,135,600)
Creditors due in more than one year	(37,430)	-	-	(37,430)
Provisions for liabilities and charges	-	(2,416,000)	-	(2,416,000)
Total	135,795	(2,122,083)	33,410,790	31,424,502

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NOTES TO THE FINANCIAL STATEMENTS
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19. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	30 June 2020 £	31 August 2019 £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	(535,712)	297,290
Adjustments for:		
Depreciation	668,196	773,028
Capital grants from DfE and other capital income	(308,836)	-
Interest receivable	(611)	(3,777)
Defined benefit pension scheme adjustment	285,000	277,000
Decrease/(increase) in debtors	165,625	(32,592)
(Decrease)/increase in creditors	(556,345)	102,655
Net cash (used in)/provided by operating activities	(282,683)	1,413,604

20. Cash flows from investing activities

	30 June 2020 £	31 August 2019 £
Interest	611	3,777
Purchase of tangible fixed assets	(574,689)	(1,414,610)
Proceeds from the sale of tangible fixed assets	-	8,224
Capital grants from DfE Group	308,836	-
Repayments of borrowing	(7,332)	-
Net cash used in investing activities	(272,574)	(1,402,609)

21. Analysis of cash and cash equivalents

	30 June 2020 £	31 August 2019 £
Cash in hand	989,096	1,544,353

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NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	Other non- cash changes £	At 30 June 2020 £
Cash at bank and in hand	1,544,353	(555,257)	-	989,096
Debt due within 1 year	(7,332)	7,332	(7,332)	(7,332)
Debt due after 1 year	(37,430)	-	7,332	(30,098)
	<u>1,499,591</u>	<u>(547,925)</u>	<u>-</u>	<u>951,666</u>

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NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments

The 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 Suffolk County Council. Both are multi-employer defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time 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; and
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the period amounted to £937,780 (2019 - £775,423).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

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23. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 30 June 2020 was £336,000 (2019 - £396,000), of which employer's contributions totalled £272,000 (2019 - £322,000) and employees' contributions totalled £ 64,000 (2019 - £74,000). The agreed contribution rates for future years are 24.6 per cent for employers and between 5.5% - 12.5% per cent for employees.

As described in note the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	2.8	2.6
Rate of increase for pensions in payment	2.1	2.3
Discount rate for scheme liabilities	1.5	1.8

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

	2020	2019
	Years	Years
Retiring today		
Males	21.9	21.3
Females	22.7	23.5
Retiring in 20 years		
Males	24.1	22.3
Females	25.6	24.9

As at the 30 June 2020 the Trust had a pension liability of £3,164,000 (2019 - £2,416,000). The sensitivity analysis detailed below would increase/(decrease) the closing defined benefit obligation in the following way:

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020**

23. Pension commitments (continued)

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	(191,400)	(186,000)
Discount rate -0.1%	191,400	186,000
Mortality assumption - 1 year increase	17,400	31,000
Mortality assumption - 1 year decrease	(17,400)	(31,000)
CPI rate +0.1%	174,000	155,000
CPI rate -0.1%	(174,000)	(155,000)

Share of scheme assets

The Trust's share of the assets in the scheme was:

	30 June 2020 £	31 August 2019 £
Equities	3,266,000	2,676,000
Corporate bonds	1,439,000	1,445,000
Property	498,000	1,177,000
Cash and other liquid assets	332,000	54,000
Total market value of assets	5,535,000	5,352,000

The actual return on scheme assets was £79,000 (2019 - £255,000).

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

	30 June 2020 £	31 August 2019 £
Current service cost	(519,000)	(537,000)
Past service cost	-	(27,000)
Interest income	82,000	138,000
Interest cost	(120,000)	(173,000)
Total amount recognised in the Statement of Financial Activities	(557,000)	(599,000)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020

23. Pension commitments (continued)

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

	30 June 2020 £	31 August 2019 £
At 1 September	7,768,000	5,911,000
Current service cost	519,000	537,000
Interest cost	120,000	173,000
Employee contributions	64,000	74,000
Actuarial losses	302,000	1,096,000
Benefits paid	(73,000)	(50,000)
Past service costs	-	27,000
At 30 June	<u>8,700,000</u>	<u>7,768,000</u>

Changes in the fair value of the Trust's share of scheme assets were as follows:

	30 June 2020 £	31 August 2019 £
At 1 September	5,352,000	4,751,000
Interest income	82,000	138,000
Actuarial (losses)/gains	(161,000)	117,000
Employer contributions	272,000	322,000
Employee contributions	64,000	74,000
Benefits paid	(73,000)	(50,000)
At 30 June	<u>5,536,000</u>	<u>5,352,000</u>

24. Operating lease commitments

At 30 June 2020 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Equipment 30 June 2020 £	Equipment 31 August 2019 £
Not later than 1 year	23,485	28,223
Later than 1 year and not later than 5 years	20,497	30,361
	<u>43,982</u>	<u>58,584</u>

BURY ST EDMUNDS ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020

25. Members' liability

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

26. Related party transactions

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustee have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. There were no such related party transactions during the period.

27. Agency arrangements

The academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 30 June 2020 the academy received £15,166 (2019: £14,034) and disbursed £15,166 (2019:£14,034) from the fund.



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Parties involved with this document

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