

Company Registration No. 07534901 (England and Wales)

STAPLOE EDUCATION TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2019

STAPLOE EDUCATION TRUST

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STAPLOE EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

N Close
M Banyard
K Carreno
R Carroll
G Greet
D Snashall

Trustees

A Baughan (Appointed 1 October 2019)
A Bevan (Appointed 11 December 2018)
N Close (Chair)
J Humphrey (Vice Chair (Appointed 9 July 2019))
L Lofting
P Sargeant (Appointed 1 October 2019)
J Schumann
D Snashall
C Taylor (Executive Headteacher and Accounting Officer)
C Watkins
S Wright
J Hillier (Resigned 6 February 2019)
C Littlewood (Resigned 22 May 2019)
R McNaughton (Resigned 31 August 2019)

Senior management team

- Executive Headteacher and Accounting Officer	C Taylor
- Operations Director and Company Secretary	L Tomlinson
- Headteacher SVC	J Hampson
- Headteacher KPS	S Taylor
- Headteacher SPS	J Segust
- Headteacher WPS	L Radcliffe

Company secretary

L Tomlinson

Company registration number

07534901 (England and Wales)

Registered office

Soham Village College
Sand Street
Soham
Ely
Cambridgeshire
CB7 5AA

Academies operated

Soham Village College
Kennett Primary School
The Shade Primary School
The Weatheralls Primary School

Location

Soham
Kennett
Soham
Soham

Headteacher

J Hampson
S Taylor
J Segust
L Radcliffe

STAPLOE EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor	Baldwins Audit Services Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire PE1 2SP
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Bankers	Barclays Bank plc 28 High Street Ely Cambridgeshire CB7 4LA
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Solicitors	Stone King LLP Wellington House East Road Cambridge Cambridgeshire CB1 1BH
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STAPLOE EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2019

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

The academy trust operates three primary schools and one secondary school in Cambridgeshire.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of Staploe Education Trust are also the directors of the charitable company for the purposes of company law. 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' indemnities

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000.

Method of recruitment and appointment or election of trustees

The revised articles require that the trust shall have not less than three Trustees, with no maximum. Up to 6 Directors are appointed by the Members and up to 4 Academy Directors appointed by the Directors from nominations made by our school advisory bodies. If the Directors do not approve the appointment of any or all nominees, then the Directors may appoint other individuals as Academy Directors. The Executive Headteacher is also a Director of the Trust. The Board contains Trustees with a range of skills and experience and care is taken to ensure this balance remains when recruiting new Trustees.

Policies and procedures adopted for the induction and training of trustees

The Trust subscribes to a professional service for induction, support, development and training of trustees.

Organisational structure

The Trust has five committees at Trust level: Trust Board, Risk and Audit Committee, Infrastructure Committee, Trust Review Committee and the School Performance Committee. The Risk and Audit Committee provides scrutiny across all areas of financial and performance management. The functions delegated to Infrastructure Committee include exercising powers and duties in respect of finance, premises, HR, health and safety, and ICT strategy. The Trust Review Committee agrees payment of discretions and performance management decisions. The Trust Performance Committee provides scrutiny of KPIs across all trust schools. The Executive Headteacher is the Accounting Officer for the Trust and the Operations Director is the Chief Finance Officer and Company Secretary. The Trust has three School Advisory Bodies to support each school, or school cluster.

Arrangements for setting pay and remuneration of key management personnel

There are no remunerated non-executive roles in the Trust. School senior leaders, including the Executive Headteacher (CEO), the head of Primary; Heads of school and other members of the school senior teams have pay ranges set with reference to the schools' ISR. External advice is taken when any new role is established. School leaders are awarded performance increments in line with the Trust's appraisal policy. These processes and decisions are moderated by the Trust Review Committee.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	6
Full-time equivalent employee number	6.00

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	6
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	1,976
Total pay bill	9,277,902
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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Related parties and other connected charities and organisations

The trust is not part of any connected organisations.

Details of related party transactions are disclosed in note 24 to the financial statements.

Objectives and activities

Objects and aims

The Academy Trust's objects are:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum;
- to promote for the benefit of the inhabitants of the area in which the Academies are situated and the surrounding areas the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants;
- to promote in the areas in which the Academy is located the physical, intellectual and social development of primarily but not exclusively children under five especially those who are socially and economically disadvantaged; and
- to develop the capacity and skills of those inhabitants of the areas in which an Academy or a Special Academy is located who are socially and economically disadvantaged in such a way that they are better able to identify, help and meet, their needs and to participate more fully in society.

The aims of the Trust are expressed in its Vision & supported by the Trust's mission statement.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Objectives, strategies and activities

The Trust has, as its core purpose, the provision of outstanding education. It has defined its expectations for its academies through the following criteria:

Effectiveness of Leadership & Management

- We are ambitious for ourselves and our students and articulate high expectations and a strong drive to improve throughout the Trust.
- We ensure that governance continually strengthens accountability and the evaluation of impact, underpinned by effective management of resources.
- We expect that, through the subject and wider curriculum, students will articulate fundamental British values and develop high standards of personal responsibility, a positive caring attitude towards other people, an understanding of their social and cultural traditions and an appreciation of the diversity and richness of other cultures.

Quality of Teaching, Learning and Assessment

- Our aim is to provide a rich and engaging experience which provides an exceptional foundation for lifelong achievement. Skilful and imaginative high quality teaching, together with effective assessment and feedback, mean that students' learning, within and beyond the classroom is rapid.
- We have high expectations of all students, particularly in the development of essential skills and their capacity to learn independently and respond positively to feedback.

Personal Development, Behaviour and Welfare

- Our aim is that all students thrive and develop confidence and independence in learning in a fully inclusive, secure and welcoming environment. We seek to embed this ethos in all areas of school life.
- We expect all students to be self-motivated, self-regulation and supportive of each other.
- It is our ambition that all students promote our community spirit and school ethos.

Outcomes for all pupils

- Our aim is that all students learn well and make excellent progress.
- We want disadvantaged students to achieve at least as well as other students.
- We want students with additional educational needs to make good progress.
- We expect all students to be exceptionally well prepared for the next stage in their education.

The Trust seeks to deliver its main objectives through the provision of robust school improvement plans and through a comprehensive development plan for the business operations of the Trust. The plans are monitored closely by school advisory bodies and Trust Committees, and scrutinized through Risk and Audit. The Board receives reports from the advisory bodies, committees and from Risk and Audit, and intervenes when required to ensure that strategies to achieve the Trust's objectives are effective.

With regard to the Trust's charitable activities, the Trust's academies undertake the following significant activities for the benefit of the local inhabitants, including those are socially and economically disadvantaged:

- Letting of schools facilities for cultural and sporting activities.
- Numerous partnerships with charitable organisations and other local agencies to support the local community through targeted partnership interventions.
- Outreach work for example through the provision of a community choir; support for non-English speaking families, including provision of English lessons.
- Employer engagement activities and business contacts.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Public benefit

The key benefit delivered by the trustees is the provision of high quality education to all its pupils in all four schools. Trustees have paid due regard to the published guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Strategic report

Achievements and performance

At the heart of the Trust's work is the children and young people it serves and the communities in which they live. Principally, the Trust provides a vehicle for collaboration between its schools and seeks to broker partnerships beyond the Trust.

Despite very tight budgets in 2018 -19, the Trust prioritised spending which would add the most value to the learning of children in its schools. The Trust's schools benefitted from various funds provided by the Social Mobility Opportunity Area in East Cambs and Fenland which addressed barriers to learning, for instance, early speech and language and mental health. Opportunity Area funds also supported leadership development and wider school improvement work. The Trust was able to realise savings through further review of contracts, for instance a change to its catering contract. Although total funds appear to have reduced by £2,660,977 as a result of fixed asset depreciation and a doubling of the local government pensions scheme deficit, the Trust available cash funds saw a modest year end increase.

Trust Activity

The Trust revised its mission statement in January 2019 in order to reflect the evolution of its ambition and the Trust's confidence to articulate the values which drive its purpose. In June 2019 the Trust produced a statement which defined its strong safeguarding culture. Together, these statements have provided all stakeholders with a renewed understanding of the Trust's high expectations and strong moral purpose. In December 2019 the Trust produced a paper outlining its school improvement strategy with reference to Toby Greany's Research Report (2018) for the DfE Sustainable Improvement in multi-school groups. This paper was sent to the DfE in answer to questions about central capacity for school improvement also raised in the February 2019 review meeting with the office of the Regional Schools Commissioner.

Mission Statement

Our Trust provides a well-rounded education for the children of our community through every phase of their school journey. The Trust consists of four schools, and each has its own identity driven by the core values and vision of the Trust. Together, our four schools provide a high quality pre-school, primary and secondary learning environment for children, with a strong ethos of achievement, rich curriculum experiences and inspiring opportunities. We also provide a highly ethical culture of support and collaboration within, and between, all the schools, and all staff benefit from creative, research-led teaching and professional development. Together with parents and carers, we work to tackle the barriers children face in their learning and development, so that every child will aim high, remain safe and thrive. Based at the heart of our community, we contribute to the creation of excellence in education through partnership.

Our Safeguarding Culture

Our family of schools has a strong and effective safeguarding culture. Safeguarding is particularly effective because everyone is expected to know and understand about safeguarding. Everything we do, and the ways in which we behave, all contribute to a strong culture of safeguarding on our Trust.

We have a shared vision for safeguarding.

Everyone involved with our schools is expected to share a common purpose to protect children and adults from harm, and to create an environment in which individuals thrive. This responsibility sits with our staff, our parents, our governors, our community, even our students. Everyone is expected to be informed about safeguarding. Everyone has a responsibility to be alert and become curious if something doesn't seem quite right.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Everyone is expected to behave in a way which contributes to a safe and happy learning environment. This means that all adults and young people are expected to treat others with respect and not behave in anyway which might cause harm to anyone else. Anyone who needs to raise a concern can feel confident that it will be taken seriously and handled appropriately.

Safeguarding is everyone's job.

Our school leaders work hard to make sure that our schools are safe and happy environment in which children and young people can learn and develop. They make sure that all safeguarding policies and procedures are fit for purpose and that they are communicated clearly so that everyone understands what is expected of them. Curriculum and learning are regularly reviewed to keep pace with changing risks and the needs of our pupils. Leaders are not afraid to tackle difficult issues in order to maintain a high quality, safe learning environment.

Together we develop good knowledge of local risks and help our pupils learn how to keep themselves safe.

Safeguarding leaders develop expertise about safeguarding and share their learning across the Trust. Our safeguarding leaders deal with every concern in a professional and proportionate manner. They make sure that their records are well organised and carefully maintained so that important details are not missed. They are tenacious in following up concerns. They work well with external agencies to make sure that partnerships strengthen our safeguarding work.

We work hard to get the right help available to our children and young people as early as possible. We try hard to identify any cause for concern and to put help in place before it gets worse.

Everyone involved in our governance is trained and informed about safeguarding. They use their knowledge to make sure that our safeguarding procedures are compliant. They check that our systems of external, self and peer review are working well, so that we can be checked and challenged to reach the highest possible standards of care.

Everyone involved in our governance makes sure that we are open and held to account for the quality of safeguarding.

Key performance indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. Funds have been used to support the leadership structure at The Weatheralls in their objectives to improve outcomes for pupils. The Board is mindful to ensure that spending against the receipt of the General Annual Grant (GAG) is appropriate and levels of reserves are monitored carefully to ensure they are not excessive. The Trust's approach is that in general terms the income received in any one year is spent for the benefit of those children in the school that year, whilst recognising the need to balance resources over time.

As the majority of funding is based on pupil numbers in the four schools this is also a key performance indicator. Pupil numbers in the secondary school have increased above LA forecast figures, with the school remaining popular for out of catchment families. Pupil numbers in the three primary schools are rising with new forms of entry joining The Shade. Both The Shade and The Weatheralls are experiencing increased pupil numbers entering the nursery classes which is expected to follow into reception stage.

The Trustees are kept aware of employee matters particularly with respect to staff leavers. Generally there is a lower staff turnover across the Trust schools and these tend to be linked to promotions and family relocations. The Trust values its staff and is committed to the appropriate professional development of every individual.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Educational Performance

All the Trust's schools are in the district of East Cambridgeshire, which is a government priority area for social mobility. None of the Trust's schools are selective. 2019 outcomes at Soham Village College were once again above average, placing the school in the top 20% of all schools nationally, including selective schools and those serving more advantaged communities. Disadvantaged students at Soham Village College did as well as non-disadvantaged students nationally. Although there is still more to be done to support disadvantaged students, this is a pleasing milestone. It is the result of several years' investment of the Pupil Premium Grant, high quality first teaching and focused learning support.

Outcomes at The Weatheralls improved slightly in 2019 but were weak. An Ofsted inspection in October 2019 recognised the considerable improvement journey the school had undertaken and the success of school leaders, with the support of staff and governors, since the school had joined the Staploe Education Trust in 2017. Although overall, Ofsted found that the school requires improvement, inspectors found that Early Years, behaviour and attitudes, personal development and leadership were already good.

The inspection report identifies that children have longstanding gaps in learning. This is the legacy of some poor teaching but also the result of a weak curriculum and widespread unmet additional learning needs. The challenge for school leaders and the Trust is to plug those gaps. The Trust has invested heavily in The Weatheralls Primary School, providing additional financial and human resource alongside leadership capacity. However, The Weatheralls is a primary school which is not full and whose funding falls far below NFF, in a county where there is considerable pressure on the High Needs block. The finance needed to catch-up and accelerate the learning of every child is simply not there.

The DfE, in partnership with the Opportunity Area have put together a funded improvement plan for The Weatheralls which enables the school to access expertise from the Maths and English hub and which will support the development of the foundation curriculum. This has been a welcome development.

Notwithstanding that the improvement work is slower than we would wish, The Trust has demonstrated its long – term commitment to its community and anticipates that the children and young people currently in school at The Weatheralls are increasingly able to make good progress. In previous years, according to Fisher Family Trust data, children from The Weatheralls Primary School have made much weaker progress in Soham Village College than those from other catchment primary schools. It is the Trust's intention to change that reality for those children.

December 2019 will be the first time that Kennett Primary School will appear in the performance tables because our numbers have previously been too small to be statistically valid. The unusually mobile class of 2019 is the first to be over ten pupils, several of which arrived at Kennett in Key Stage 2 for unhappy reasons. The class had an exceptional number of additional needs which meant that not all pupils were able to learn well. Nonetheless, those pupils benefited in other important ways from their time at Kennett. Progress in all other year groups in Kennett Primary School in 2018 -19 was good.

The Shade Primary School thrived in 2018 -19. The school's new Headteacher provided a clear sense of purpose and quickly earned the respect of stakeholders. The development of reading and Talk 4 Writing were central areas of focus. The school was inspected on 29 January 2019. Ofsted found that the leadership had maintained the good quality of education in the school and identified the many strengths and new developments which contributed to that judgement.

Reports for the individual schools are detailed within this report.

Governance and Leadership

Governance has continued to be effective ensuring that the Trust maintains its clarity of vision and purpose, underpinned by active management of risk, robust accountability and oversight of financial performance.

The Board conducted a full self –review in June 2019 using the 21 questions for multi-academy trusts produced by APG and NGA in 2015. The Board regularly reviews the skills of the trustees and has successfully appointed new trustees to complement existing strengths on the Board.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The Board annually considers its governance structures. These are now mature and effective. Each committee owns and manages its own risks and opportunities visibly. There is smooth flow between committees and routes for escalation are clear. As a result of this review there were two changes to our governing committees. First, it was decided that the governance and accountability for Pupil Premium and Sports Premium grants would sit with a subcommittee of the school performance committee able to look at the use of funds and evaluate the impact of action on student outcomes. Second, the Board decided to run a finance committee separate to its infrastructure committee in order to provide enough time for the scrutiny of management accounts and financial plans. The Infrastructure committee continues to meet termly to receive a report from the finance committee, but will now focus principally on the impact of our ICT and facilities spend; Health & Safety and HR to ensure that our trust strategy and processes provide the very best quality service to our schools and children. This move also reflects the investment the Trust has made in high quality support for school management.

In addition to its focus on school performance, particularly the rate of improvement at The Weatheralls, the Board paid particular attention to the mental health and well-being of staff across the Trust; the provision for support for children and young people's mental health and the implementation of a financial plan which would ensure the sustainability of the Trust and its work. The Board determined that it should strengthen the role of school advisory bodies in order to better gather and address the views of stakeholders.

Opportunity Area Initiatives

The Trust implemented eight evidence-based projects funded through the Opportunity Area. These projects focussed on removing barriers to social mobility: speech and language; mental health and higher order thinking skills to be delivered through Philosophy for Children.

The Opportunity Area agreed to fund three projects which support the Trust's objectives for

1. early intervention in speech and language (Early Years)
2. support for pupils with Special Educational Needs through a review of SEND and support to develop provision and provide resources through a graduated approach
3. Review of SEMH provision along with support from a YMCA practitioner to provide tools and advice to develop awareness and support of SEMH.

In addition, the Opportunity Area has funded packages to support the recruitment of new teachers in our schools, particularly offering enhanced professional development opportunities for prospective new teachers in our district. The Opportunity Area funded a number of places on courses leading to professional leadership qualifications which were taken up by teachers from the Trust's schools.

Operations and Estates

The Trust invested strategically to deliver high quality support to its schools through well developed and integrated services. Contract review led to a re-tender for catering services which led to increased revenue. The Trust realised a cost saving on its printing contract of £10 000 per annum.

Following a successful CIF (Capital Improvement Fund) bid a new classroom at Kennett Primary School has given the school a much improved learning environment for the staff and children.

At Soham Village College, a decision was taken reluctantly to fence the school field and thereby significantly reduce the risk of harm and damage.

Following a flood in a disused old stable block at Soham Village College, insurance funds helped enable the restoration of the ground floor as an attractive classroom.

Following a successful CIF bid, a new fire alarm system was installed at The Weatheralls Primary School to enable the whole school to function on a single integrated system.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Community Benefit

The Trust has worked closely with St Andrew's Church in Soham to support a successful bid made to the National Heritage Lottery Fund to develop the large, central Church building as an educational hub for children and families. Maths in Church activities were well received and further such projects are the subject of a current bid. The Trust has also worked with the Church to devise a strategy enabling the Church to draw-down funds to provide much-needed support in the community, for instance to meet the needs of disadvantaged families and families where English is not their home language.

In addition to our regular community lettings and participation in numerous community events, plans are now complete for Soham Village College to host a weekly Park Run.

Future priorities for the Trust include:

- Further development of curriculum to meet the needs of all pupils, including disadvantaged and SEND students;
- Continued improvement in provision at The Weatheralls, particularly to plug historical gaps in learning;
- Strengthening work to support good mental health and well-being for our children and young people and for our staff; and
- Extending our reach as an educational provider of parental first choice, making a positive contribution to system-wide improvement.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Soham Village College

Soham Village College continues to perform well above the national average for the Progress 8 measure.

	School 2018-19
Progress 8	0.44
English element	0.38
Maths element	0.07
English Baccalaureate element	0.56
Open element	0.59
Progress 8: disadvantaged students	-0.01

In their most recent report, Ofsted found Soham Village College to be a good school with outstanding features.

Ofsted's summary of key findings: This is a good school.

- The head of school provides highly effective leadership focused on rapid, long-term, sustainable improvement. Senior leaders have created a culture of high expectations.
- The executive headteacher, senior leaders and governors are highly ambitious for the school. They have a very accurate view of the school's strengths and weaknesses.
- The way in which the school promotes pupils' personal development and welfare is outstanding. Rightly, governors are proud of the range of support given to pupils on a one-to-one basis.
- Procedures to safeguard pupils are robust. The work to support pupils, including the most vulnerable, is outstanding.
- Leaders' work to improve the quality of teaching has been effective. Teaching is now good, with areas of outstanding practice.
- Last year, the progress made by Year 11 pupils from their different starting points was significantly above average.
- The vast majority of pupils make good progress across the curriculum.
- Leaders and teachers track individual pupils' progress rigorously. They ensure that there is a swift response to any identified issues.
- The progress of disadvantaged pupils has improved significantly and is now broadly in line with all pupils nationally. However, there are still some differences in the attainment of disadvantaged pupils and their peers.
- There are strong relationships between pupils and staff, and pupils say that this helps them make better progress.
- Most teachers work effectively to support pupils' literacy and numeracy skills. However, some teachers do not address pupils' spelling or punctuation errors sufficiently.
- Pupils behave well in lessons. On the rare occasions where teaching is less effective, a small minority of pupils disrupt the learning of others.
- Pupils move around the large and complex site quickly to ensure that they are punctual for their lessons. Break times and lunchtimes are civilised occasions.
- Overall, attendance is significantly higher than the national figure. However, leaders quite rightly have identified the persistent absence of some groups as a continued focus.
- Parents are overwhelmingly positive about the school. Ninety-seven per cent of parents who completed the Parent View survey would recommend the school to another parent.

The school has an improvement plan in place for 2019-20 which continues to focus on the areas that Ofsted advised that the school needs to improve further:

Improve the quality of teaching, learning and assessment by:

- Sharing the very best practice in the school more widely to improve the small amount of teaching that is less effective.
- Eradicating the low-level disruption displayed by a very small minority of pupils.
- Addressing pupils' spelling or punctuation errors, especially for those pupils with low prior attainment.
- Further diminish the differences in the attainment of disadvantaged pupils and other pupils by maintaining high aspirations for accelerating their progress, particularly in the core subjects.
- Embed leaders' work to improve pupils' attendance, especially the attendance of disadvantaged pupils.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Performance Data for the Trust Primary Schools

	National 2019	Kennett	The Shade	The Weatheralls
Good Level of Development - End of Foundation Stage	72%	83.30%	77.80%	70%
Year 1 Phonics Screening	82%	78.60%	90%	66%
Year 2 Phonics Retake	56%	100%	50%	58%
Year 2 End of Key Stage Attainment (% reaching expected standard)	Reading 75% Writing 69% Maths 76% RW&M 65%	Reading 78.6% Writing 78.6% Maths 78.6% RW&M 64.3%	Reading 83.3% Writing 76.7% Maths 86.7% RW&M 73.3%	Reading 68% Writing 63% Maths 72% RW&M 56%
Year 2 End of Key Stage Attainment (% reaching greater depth)	Reading 25% Writing 15% Maths 22% RW&M 11%	Reading 14.3% Writing 21.4% Maths 21.4% RW&M 7.1%	Reading 23.3% Writing 6.7% Maths 16.7% RW&M 6.7%	Reading 20% Writing 17% Maths 26% RW&M 12%

	National 2019	Kennett	The Weatheralls
Year 6 End of Key Stage Attainment (% reaching expected standard)	Reading 73% Writing 79% GPS 78% Maths 79% RW&M 65% Average Score: Reading Test 104 GPS Test 106 Maths Test 105	Reading 61.5% Writing 46.2% GPS 100% Maths 23.1% RW&M 15.4% Average Score: Reading Test 103.2 GPS Test 100.7 Maths Test 96.5	Reading 59% Writing 67% GPS 53% Maths 54% RW&M 41% Average Score: Reading Test 100 GPS Test 101 Maths Test 100
Year 6 End of Key Stage Attainment (% reaching higher standard)	Reading 14% Writing 12% GPS 11% Maths 11% RW&M 4%	Reading 23.1% Writing 0% GPS 7.7% Maths 0% RW&M 0%	Reading 27% Writing 20% GPS 36% Maths 27% RW&M 11%
Year 6 End of Key Stage Progress Data	Sufficient progress is at least Reading -5 Writing: -7 Maths: -5	Reading +3.7 Writing: -2.6 Maths: -3.7	Reading -3.5 Writing: -1.4 Maths: -4.2

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Kennett Primary School

Following the Ofsted visit in June 2018, Kennett Primary School continues to be judged as a good school. The leadership team has maintained the good quality of education in the school since the last inspection. It has addressed the areas for improvement arising from the previous inspection.

Outcomes for pupils at the end of the Early Years Foundation Stage, key stage 1 and key stage 2 have been consistently higher than national averages for several years but in 2019 there was a particularly weak cohort in year 6 and this caused a significant drop in results at the end of KS2. This cohort has been well documented and tracked and had a high % of mobility. Of the 13 pupils only 8 had been in Kennett since reception and of these only 2 had achieved a GLD in reception. This places the progress scores into some context.

Key areas for development 2019-20 include ensuring that:

- Teachers use highly effective questioning to allow pupils to explain their reasoning and understanding of activities and tasks.
- Middle prior attaining pupils receive the same high level of challenge that the most able pupils receive in order to achieve the higher-than-expected standard.
- There is continuity of progress of SEND pupils and effective use of the 'Child Support Plan'.

The Shade Primary School

The Shade Primary School opened in 2013 and continues to grow, children from pre-school to year six now attend. The school has classrooms ready to accommodate the schools further growth into a two form entry primary school.

The Shade's most recent OFSTED inspection in January 2019 confirms that The Shade is a good school. There is a high proportion of good teaching underpinned by good curriculum development.

Over the last year teachers have developed their use of assessment to ensure it is accurate and used to inform planning. Initiatives such as Talk 4 Writing have been introduced and are having a positive impact on children's ability to write at length. A core reading spine has been introduced across the school and in KS2 a whole class reading approach has been introduced and is ensuring children have access to high quality reading materials delivered by skilled teachers.

Key areas for development in 2019-20 include:

- Embedding approaches to teaching spelling, punctuation and grammar.
- Developing a broad, rich curriculum with all subjects showing progression of skills, knowledge and concepts.
- High expectations of handwriting and presentation are reflected across all areas of the curriculum.
- Implement a new broad and balanced PSHE curriculum.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The Weatheralls Primary School

The Weatheralls Primary School joined the Trust on 1 February 2017. Since joining the Trust, The Weatheralls has presented a number of challenges. There was unprecedented sickness absence at a senior level which required mitigation and a high turnover of staff in all roles which led to the Trust reviewing the staffing structure. Teaching and learning was poor and pupils' behaviour was challenging and at times dangerous.

A robust improvement plan for the school has had a significant impact upon securing sustainable improvements in all areas. The Weatheralls can demonstrate that stable leadership and good quality teaching is securing improved standards with rapid improvements to pupil behaviour.

Ofsted inspected the school early in October 2019 have recognised the vast improvements that have been made by the school. The overall outcome was that the school requires further improvement.

Judgements included:

- The quality of education Requires improvement
- Behaviour and attitudes Good
- Personal development Good
- Leadership and management Good
- Early years provision Good

Key areas for improvement were identified as:

- Older pupils have too many gaps in their learning. Leaders need to ensure that these have the support needed to become more fluent in the reading, writing and mathematics skills. This will enable more pupils to meet or exceed the expected standards in reading, writing, mathematics and science.
- Pupils with SEND have not previously had enough support. Leaders need to ensure that the support now in place is effective.
- Subject leaders are beginning to be more effective in supporting teachers to develop their practice. Leaders need to continue to develop their skills in contributing to school improvement.
- The school needs to support parents, so that they in turn can support their own children with their learning. This is especially so in reading as many pupils told us that they do not read or are read to at home.

Key areas for development 2019-20 include:

- For our school curriculum to be ambitious, supporting all children as learners.
- Our curriculum is planned and learning is sequenced to ensure progression of knowledge and skills.
- Teachers demonstrate good knowledge of subjects they teach so that pupils have access to effective teaching.
- Teachers check pupils understanding and adapt their teaching as necessary so that misunderstandings are addressed swiftly.
- Reading is prioritised in order to give pupils access to the full curriculum.
- Pupils develop knowledge and skills across the curriculum and achieve well from their starting points so that attainment at the end of Key Stage 1 and 2 are in line with national outcomes.
- Pupils demonstrate good quality learning so that a greater percentage of pupil's reach ARE and above.
- The school prioritises the achievement of the Year 6 pupils to support their transition onto the next stage of their education.
- Pupils attitudes to their education are positive so that they become motivated learners.
- The school curriculum enhances SMSC so that pupils understand how to become active citizens who contribute positively to the school and its community.
- All staff and pupils create a positive school environment where pupils become responsible and respectful citizens.
- Leaders have a clear and ambitious vision, providing high quality education for all.
- Leaders continue to engage effectively with stakeholders in order support pupils' education.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The Trust is in a sound financial position with pupil roll growing in both the primary schools and the secondary school. The majority of funding is received from the government driven by a formula based largely on the student roll. The Trustees consider expenditure is meeting the key objectives of the Trust. The Trust holds reserves that should be sufficient to deal with emergencies.

At 31 August 2019 unrestricted income funds amounted to £635,300 (2018 - £497,141) and restricted income funds of £534,852 (2018 - £461,736) excluding the pension scheme deficit. The fixed asset fund amounts to £37,745,084 (2018 - £38,547,336) the assets of which are used exclusively for the provision of education.

The deficit of the Academy's share of the Local Government Pension Scheme amounted to £4,376,000 (2018 - £2,306,000). During the year the schemes liability increased by £2,070,000 (2018 - decreased by £519,000).

At 31 August 2019 total reserves amounted to £34,539,236 (2018 - £37,200,213).

Reserves policy

We continue to invest significantly in our schools' infrastructure. However, Trustees are aware of the need to maintain sufficient reserves to cover unexpected expenditure and to help maintain current service provision.

The trustees have agreed that there will not be a limit set on the amount of Unrestricted Funds and Restricted Funds carried forward into reserves.

The trustees recognise that with future funding still being uncertain that it is necessary to build reserves where possible to aid the schools with specific projects in the future to support pupil progress and attainment.

Investment policy

The Trust holds cash at bank; which receives some interest. It has an open minded view to the use of its reserves and will consider different ideas as to how to invest appropriate levels of reserve funds.

Principal risks and uncertainties

The implementation of a new National Funding Formula is expected to bring an uplift to income in 2020/21 however, the impact of this is likely to be limited and may be subject to further phasing to meet national and local affordability pressures. Any further delay in implementation of the NFF has an impact on the Trust's ability to maintain financial balance and will impact adversely on our reserves. The Trustees are concerned that although future changes are expected to direct more money to its schools, the expected changes will only slowly show benefit and may not be significant in the early years. There are in addition significant cost pressures that will result in a need for financial recovery planning at a school level and this could have an adverse impact on our ability to maintain standards. The Trustees will look at all reasonable steps to minimise such risks.

There remains a risk of contractors going into administration or liquidation as the general economy only slowly recovers from recession, so our purchasing policies are wary of this.

A significant new risk emerged in summer 2018 when the Trust became aware that the DfE was pursuing a site in Soham for a secondary free school to be run by St Bede's Inter-Church Trust to meet a forecasted basic need in East Cambridgeshire and to provide places for parents preferring a faith education. All local trusts and Cambridgeshire County Council question the demographic forecasts for Soham and district, and have provided argument for DfE to consider. Should plans proceed to open a second secondary school, there is, in our estimation, a high risk of surplus school places with concomitant financial risk. Financial risks sit alongside wider risks to community cohesion and the risk that the Staploe Education Trust will be hampered in its core mission within its community.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Financial and risk management objectives and policies

The Trust does not consider it has any material financial risk that cannot be met from current reserves.

The Trust has an effective system of internal control, which is detailed below. Where significant financial risk remains Trustees have ensured they have adequate insurance cover.

The Academy manages a risk register and policies for on-going review and monitoring of identified risks.

Fundraising

The Trust does not engage in public fundraising. During 2018/19 the Trust did not engage any external professional fundraisers. Donations in the year totalled £11,200 (2018 - £20,000) the majority of which are donations from the Soham Moor Old Grammar School Fund. Funds were received by all schools within the Trust.

Plans for future periods

In 2019-20 the Trust will in particular deliver:

A plan to bring each of our schools into financial balance over the next three years.

Embedding of our approach to school improvement at The Weatheralls Primary School; and continuing the support and challenge through the governance, operational and management structures of The Trust.

Improvement in standards across all our schools as outlined in our Statement of Intent to ensure that outcomes for young people are excellent as a result of very good teaching, learning and assessment; exemplary behaviour and highly positive student attitudes to learning. Each school has a detailed development plan so that appropriate actions can be implemented in a timely fashion.

Effectiveness of Leadership & Management

We are ambitious for ourselves and our students and articulate high expectations and a strong drive to improve throughout our Trust. We ensure that governance continually strengthens accountability and the evaluation of impact, underpinned by effective management of resources.

Quality of Teaching, Learning and Assessment

Our aim is to provide a rich and engaging experience which provides an exceptional foundation for lifelong achievement. Skilful and imaginative high quality teaching means that students' learning, within and beyond the classroom, is rapid. We have high expectations of all students, particularly in the development of essential skills and their capacity to learn independently and respond positively to feedback.

Personal Development, Behaviour and Welfare

Our aim is that all students thrive and develop independence in learning in a fully inclusive, secure and welcoming environment. We seek to embed this ethos in all areas of school life. We expect all students to be self-motivated, self-regulating and supportive of each other. It is our ambition that all students promote our community spirit and ethos of Achieving Excellence with Care.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Outcomes for all students

Our aim is that all students learn well and make excellent progress. We want disadvantaged students to achieve at least as well as other students. We expect all students to be exceptionally well prepared for the next stage in their education.

Infrastructure Improvement Plan

We have agreed an improvement plan to deliver key infrastructure objectives:

- To ensure that we have well managed schools working in partnership to deliver outstanding outcomes
- To ensure the best possible use of resources to deliver high quality and cost effective support to learning and the care of all pupils.
- To embody and promote widely the mission and values of the Trust.

The infrastructure objectives are supported by actions across a range of areas including governance, financial management, contract review and asset management as well as leadership and staff development.

The Trust will actively consider whether it will need to grow in order to be sustainable and effective.

The imperative will be:

- To fulfil our mission more effectively
- To maximise opportunity to raise standards and achieve better outcomes for young people through shared best practise; leadership and flexible deployment of staff across schools.
- To reduce costs and achieve better economies of scale.
- To enable our schools to serve their local communities more effectively.

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been informed on specific matters directly by management. The academy carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The academy has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal Opportunities policy
- Volunteers' policy
- Health & Safety Policy

In accordance with the academy's Equal Opportunities Policy, the academy has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the academy's offices.

Funds held as custodian trustee on behalf of others

No other charity funds are held by Trustees.

STAPLOE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Auditor

In so far as the trustees are aware:

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

Baldwins Audit Services was appointed auditor to the charitable company. A resolution proposing re-appointment will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 10 December 2019 and signed on its behalf by:

N Close
Chair

A handwritten signature in black ink, appearing to read 'N Close', with a stylized flourish at the end.

STAPLOE EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, 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 Staploe Education 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 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
A Baughan (Appointed 1 October 2019)	0	0
A Bevan (Appointed 11 December 2018)	3	4
N Close (Chair)	5	6
J Humphrey (Vice Chair (Appointed 9 July 2019))	5	6
L Lofting	4	6
P Sargeant (Appointed 1 October 2019)	0	0
J Schumann	6	6
D Snashall	5	6
C Taylor (Executive Headteacher and Accounting Officer)	6	6
C Watkins	5	6
S Wright	6	6
J Hillier (Resigned 6 February 2019)	0	2
C Littlewood (Resigned 22 May 2019)	3	5
R McNaughton (Resigned 31 August 2019)	5	6

Key issues addressed by the Board during 2018/19 included:

- Implementation of a new structure for senior leadership across the Trust's primary schools;
- Appointment of a new Operations Director and restructure of the finance team;
- Full review of the Scheme of Delegation;
- Embedding the new governance structure and particularly the effectiveness of the school advisory bodies;
- Implementation of a financial recovery plan and sustainable balanced budget;
- Impact of the sponsorship of The Weatheralls and its school improvement journey; and
- Consideration of staff and pupil mental health and well-being.

STAPLOE EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The Infrastructure Committee is a committee of the main board and oversees finance, premises, HR, health and safety and ICT strategy.

Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
S Bates	2	3
A Baughan	2	3
N Close	1	3
M Cooper	3	3
P Dunham	1	3
J Schumann	3	3
D Snashall	2	3
S Wright	3	3

The Risk and Audit Committee is a committee of the main board and provides scrutiny to financial reporting and internal controls, risk management, external audit and school academic performance.

Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
A Beven	3	3
G Fisher	3	3
J Hiller (resigned February 2019)	1	1
L Lofting	3	3
P Palmer	3	3
C Watkins	2	3

The School Performance Committee is a committee of directors and advisory body members who have expertise in school performance and provide scrutiny of KPIs across all the schools in the Trust.

Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
A Beven	4	4
E Crysell (term of office expired October 2018)	0	2
W Hornby	4	4
J Humphrey	3	4
C Littlewood (resigned May 2019)	2	4
R McNaughton	3	4
P Sargeant (appointed January 2019)	2	2
D Snashall	4	4
C Taylor	4	4

Review of value for money

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

STAPLOE EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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

- Teaching and learning across all the trust schools has continued to improve and with improved performance across the schools evidencing the impact of application resources. This has been secured by a continued review of staffing requirements as vacancies arise, a drive to improve the quality of teachers and teaching in all schools, and effective use of appraisal and capability processes to address under-performance across teaching and non-teaching staff.
- The Academy has worked effectively with partners and focused upon learning from each other, ensuring that we are each able to derive the maximum impact on school improvement through our MAT. The Academy has also reviewed opportunities to make economies of scale and improve the quality of business functions which serve our MAT's.
- The use of effective procurement processes and the close management of contractors has delivered benefits across a range of areas including premises and ICT. Management information systems have been reviewed, and further developed our strategic asset management and planning across our schools.
- The Academy has also built on the effective use of resources across our schools and have been able to deliver a range of support including development of innovative staffing solutions across our primary schools, recycling our older computers either for sale, or for use in our primary schools and cross cover for support staff roles. In this year we have continued to build on the shared roles and joint working arrangements around our SEN support and Home-School support for our schools.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Staploe Education Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

STAPLOE EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The risk and control framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Baldwins Audit Services as internal auditor.

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

- Review of Governors;
- Review of Financial Procedures and Processes;
- Review of Bank Accounts;
- Review of Management Accounts;
- Review of Income;
- Review of Payroll; and
- Review of Filing and Miscellaneous.

On a quarterly basis, the auditor reports to the board of trustees through the through the audit committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees.

During the year this schedule of work was not delivered as planned but this will rectified in the forthcoming year.

Review of effectiveness

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

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

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

Approved by order of the board of trustees on 10 December 2019 and signed on its behalf by:

N Close
Chair



C Taylor
Executive Headteacher and Accounting Officer



STAPLOE EDUCATION TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2019

As accounting officer of Staploe Education Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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



C Taylor
Accounting Officer

10 December 2019

STAPLOE EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

The trustees (who are also the directors of Staploe Education Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2018 to 2019 published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

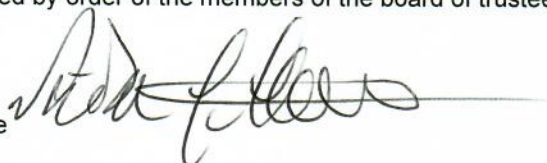
The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 10 December 2019 and signed on its behalf by:

N Close
Chair



STAPLOE EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STAPLOE EDUCATION TRUST

FOR THE YEAR ENDED 31 AUGUST 2019

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

STAPLOE EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STAPLOE EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated 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 the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

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

STAPLOE EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STAPLOE EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Mr Mark Jackson FCA DChA (Senior Statutory Auditor)
for and on behalf of Baldwins Audit Services**

12.12.2019

Statutory Auditor

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

STAPLOE EDUCATION TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STAPLOE EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2019

In accordance with the terms of our engagement letter dated 22 July 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Staploe Education Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Staploe Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Staploe Education Trust's funding agreement with the Secretary of State for Education dated 1 September 2015 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- a review of the activities of the academy, by reference to sources of income and other information available to us;
- sample testing of expenditure, including payroll;
- a review of minutes of Governors' meetings.

STAPLOE EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2019

Conclusion

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



Reporting Accountant

Baldwins Audit Services
Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP

Dated: 12.12.2019

STAPLOE EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2019 £	Total 2018 £
Income and endowments from:						
Donations and capital grants	3	-	7,523	304,857	312,380	380,944
Charitable activities:						
- Funding for educational operations	4	456,884	11,230,765	-	11,687,649	11,014,823
Other trading activities	5	401,907	34,760	-	436,667	380,318
Investments	6	53	-	-	53	1,414
Total		858,844	11,273,048	304,857	12,436,749	11,777,499
Expenditure on:						
Raising funds	7	334,922	7,859	-	342,781	238,890
Charitable activities:						
- Educational operations	9	385,763	11,515,667	1,225,515	13,126,945	12,831,451
Total	7	720,685	11,523,526	1,225,515	13,469,726	13,070,341
Net income/(expenditure)		138,159	(250,478)	(920,658)	(1,032,977)	(1,292,842)
Transfers between funds	21	-	(118,406)	118,406	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	23	-	(1,628,000)	-	(1,628,000)	1,007,000
Net movement in funds		138,159	(1,996,884)	(802,252)	(2,660,977)	(285,842)
Reconciliation of funds						
Total funds brought forward		497,141	(1,844,264)	38,547,336	37,200,213	37,486,055
Total funds carried forward		635,300	(3,841,148)	37,745,084	34,539,236	37,200,213

STAPLOE EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

Comparative year information Year ended 31 August 2018	Notes	Unrestricted Funds £	Restricted funds: General	Fixed asset £	Total 2018 £
Income and endowments from:					
Donations and capital grants	3	-	14,917	366,027	380,944
Charitable activities:					
- Funding for educational operations	4	314,362	10,700,461	-	11,014,823
Other trading activities	5	376,695	3,623	-	380,318
Investments	6	1,414	-	-	1,414
Total		692,471	10,719,001	366,027	11,777,499
Expenditure on:					
Raising funds	7	222,871	16,019	-	238,890
Charitable activities:					
- Educational operations	9	450,251	11,215,722	1,165,478	12,831,451
Total	7	673,122	11,231,741	1,165,478	13,070,341
Net income/(expenditure)		19,349	(512,740)	(799,451)	(1,292,842)
Transfers between funds	21	-	(104,491)	104,491	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	23	-	1,007,000	-	1,007,000
Net movement in funds		19,349	389,769	(694,960)	(285,842)
Reconciliation of funds					
Total funds brought forward		477,792	(2,234,033)	39,242,296	37,486,055
Total funds carried forward		497,141	(1,844,264)	38,547,336	37,200,213

STAPLOE EDUCATION TRUST

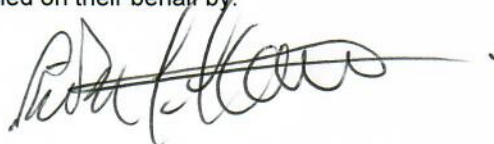
BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	2018 £
Fixed assets			
Tangible assets	14	37,573,638	38,369,543
Current assets			
Stocks	16	19,661	18,124
Debtors	17	369,570	363,575
Cash at bank and in hand		1,541,464	1,376,445
		1,930,695	1,758,144
Current liabilities			
Creditors: amounts falling due within one year	18	(503,651)	(529,611)
Net current assets		1,427,044	1,228,533
Total assets less current liabilities		39,000,682	39,598,076
Creditors: amounts falling due after more than one year	19	(85,446)	(91,863)
Net assets before defined benefit pension scheme liability		38,915,236	39,506,213
Defined benefit pension scheme liability	23	(4,376,000)	(2,306,000)
Total net assets		34,539,236	37,200,213
Funds of the academy trust:			
Restricted funds	21		
- Fixed asset funds		37,745,084	38,547,336
- Restricted income funds		534,852	461,736
- Pension reserve		(4,376,000)	(2,306,000)
Total restricted funds		33,903,936	36,703,072
Unrestricted income funds	21	635,300	497,141
Total funds		34,539,236	37,200,213

The accounts on pages 30 to 56 were approved by the trustees and authorised for issue on 10 December 2019 and are signed on their behalf by:

N Close
Chair



Company Number 07534901

STAPLOE EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	24		214,661		(319,000)
Cash flows from investing activities					
Dividends, interest and rents from investments		53		1,414	
Capital grants from DfE Group		264,540		50,776	
Capital funding received from sponsors and others		40,317		315,251	
Purchase of tangible fixed assets		(343,427)		(292,725)	
Net cash (used in)/provided by investing activities			(38,517)		74,716
Cash flows from financing activities					
Repayment of other loan		(11,125)		4,628	
Net cash (used in)/provided by financing activities			(11,125)		4,628
Net increase/(decrease) in cash and cash equivalents in the reporting period			165,019		(239,656)
Cash and cash equivalents at beginning of the year			1,376,445		1,616,101
Cash and cash equivalents at end of the year			1,541,464		1,376,445

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

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

1.1 Basis of preparation

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

Staploe Education Trust meets the definition of a public benefit entity under FRS 102.

The accounts are prepared in sterling, which is the functional currency of the academy trust. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

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

1.3 Income

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

Grants

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

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.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Donations

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

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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 that require 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, at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life, as follows:

Freehold property	No depreciation on land. Buildings 2%.
Leasehold property	No depreciation on land. Buildings 2%.
Computer equipment	33.33%
Fixtures, fittings & equipment	10%

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.10 Taxation

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

1.11 Pensions benefits

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

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

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

1.12 Fund accounting

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

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

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

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.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

Tangible fixed assets are recognised at cost or valuation, less accumulated depreciation and any impairment. Depreciation takes place over the estimated useful life, down to the assessed residual value. The carrying amount of the academy's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen.

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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Capital grants	-	304,857	304,857	366,027
Other donations	-	7,523	7,523	14,917
	-	312,380	312,380	380,944

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
DfE / ESFA grants				
General annual grant (GAG)	-	9,607,016	9,607,016	9,173,310
Other DfE group grants	-	702,767	702,767	590,000
	-	10,309,783	10,309,783	9,763,310
Other government grants				
Local authority grants	-	911,395	911,395	885,346
Other funding				
Other incoming resources	456,884	9,587	466,471	366,167
Total funding	456,884	11,230,765	11,687,649	11,014,823

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Hire of facilities	19,482	-	19,482	38,912
Catering income	379,415	-	379,415	337,783
Other income - restricted	-	34,760	34,760	3,623
Other income	3,010	-	3,010	-
	401,907	34,760	436,667	380,318

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Short term deposits	53	-	53	1,414

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

7 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2019 £	Total 2018 £
Expenditure on raising funds					
- Direct costs	52,436	-	290,345	342,781	238,890
Academy's educational operations					
- Direct costs	7,838,938	-	427,903	8,266,841	8,073,519
- Allocated support costs	2,097,017	1,848,720	914,367	4,860,104	4,757,932
	<u>9,988,391</u>	<u>1,848,720</u>	<u>1,632,615</u>	<u>13,469,726</u>	<u>13,070,341</u>

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Fees payable to auditor for:		
- Audit	15,500	15,060
- Other services	4,326	9,171
Depreciation of tangible fixed assets	1,139,332	1,165,478
Net interest on defined benefit pension liability	69,000	78,000

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

8 Central services

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

- human resources;
- financial services;
- legal services; and
- educational support services.

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

Payroll and HR support are apportioned according to the payroll headcount. Any allocation of staff time is calculated at a fixed percentage that is reviewed on an annual basis for reasonableness.

The amounts charged during the year were as follows:

	2019 £	2018 £
Soham Village College	367,164	720,636
Kennett Primary School	45,540	57,276
The Shade Primary School	74,940	98,832
The Weatheralls Primary School	131,712	170,887
	<hr/> 619,356	<hr/> 1,047,631

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Direct costs				
Educational operations	-	8,266,841	8,266,841	8,073,519
Support costs				
Educational operations	385,763	4,474,341	4,860,104	4,757,932
	<u>385,763</u>	<u>12,741,182</u>	<u>13,126,945</u>	<u>12,831,451</u>

Analysis of costs

	2019 £	2018 £
Direct costs		
Teaching and educational support staff costs	7,838,938	7,692,519
Staff development	28,356	31,846
Educational supplies and services	273,737	278,020
Other direct costs	125,810	71,134
	<u>8,266,841</u>	<u>8,073,519</u>
Support costs		
Support staff costs	2,097,017	2,058,276
Depreciation	1,139,332	1,165,478
Technology costs	146,818	177,335
Maintenance of premises and equipment	395,389	280,223
Rent, rates and other occupancy costs	313,999	302,013
Catering	476,063	496,235
Finance costs	69,000	78,000
Other support costs	162,280	142,850
Governance costs	60,206	57,522
	<u>4,860,104</u>	<u>4,757,932</u>

10 Governance costs

	Total 2019 £	Total 2018 £
All from restricted funds:		
Amounts included in support costs		
Legal and professional fees	40,380	33,291
Auditor's remuneration		
- Audit of financial statements	15,500	15,060
- Other audit costs	4,326	9,171
	<u>60,206</u>	<u>57,522</u>

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

11 Staff

Staff costs

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	7,417,351	6,978,620
Social security costs	663,457	631,119
Pension costs	1,629,007	1,831,982
Amounts paid to employees	9,709,815	9,441,721
Agency staff costs	268,240	343,827
Staff restructuring costs	10,336	8,000
Amounts paid to staff	9,988,391	9,793,548
Staff development and other staff costs	28,356	31,846
Total staff expenditure	10,016,747	9,825,394

Staff restructuring costs comprise:

Severance payments	10,336	8,000
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Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-contractual severance payments totalling £10,336 (2018: £8,000). Individually, the payments were: £10,336 (2018: £8,000).

Staff numbers

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

	2019 Number	2018 Number
Teachers	126	138
Administration and support	178	188
Management	15	14
	319	340

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

	2019 Number	2018 Number
Teachers	112	114
Administration and support	108	114
Management	15	14
	235	242

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

11 Staff

(Continued)

Higher paid staff

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

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

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by the 6 key management personnel for their services to the academy trust was £538,040 (2018: 17 people received £1,118,312).

12 Trustees' remuneration and expenses

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

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

C Taylor (Executive Headteacher, Accounting Officer and Trustee)

Remuneration £115,000 - £120,000 (2018 - £115,000 - £120,000)

Employer's pension contributions £15,000 - £20,000 (2018 - £15,000 - £20,000)

13 Trustees and officers insurance

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

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

14 Tangible fixed assets

	Freehold property	Leasehold property	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2018	24,768,910	16,651,307	1,006,345	1,862,816	44,289,378
Additions	228,141	-	96,642	18,644	343,427
At 31 August 2019	24,997,051	16,651,307	1,102,987	1,881,460	44,632,805
Depreciation					
At 1 September 2018	3,361,312	903,840	864,784	789,899	5,919,835
Charge for the year	498,957	333,026	119,768	187,581	1,139,332
At 31 August 2019	3,860,269	1,236,866	984,552	977,480	7,059,167
Net book value					
At 31 August 2019	21,136,782	15,414,441	118,435	903,980	37,573,638
At 31 August 2018	21,407,598	15,747,467	141,561	1,072,917	38,369,543

Included in property additions are £151,682 of capitalised costs for works at Soham Village College and £76,456 for works at Kennett Primary School.

15 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Trade debtors	53,392	18,735
Accrued income	156,202	187,538
Bank and cash	1,541,464	1,376,445
	1,751,058	1,582,718
Carrying amount of financial liabilities		
Trade creditors	-	170,328
Accruals	208,544	98,287
	208,544	268,615

16 Stocks

	2019 £	2018 £
Other stock	19,661	18,124

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17 Debtors	2019	2018
	£	£
Trade debtors	53,392	18,735
VAT recoverable	69,714	58,288
Prepayments and accrued income	246,464	286,552
	<u>369,570</u>	<u>363,575</u>
18 Creditors: amounts falling due within one year	2019	2018
	£	£
Other loans	7,310	12,018
Trade creditors	-	170,328
Other taxation and social security	162,904	-
Accruals and deferred income	333,437	347,265
	<u>503,651</u>	<u>529,611</u>
19 Creditors: amounts falling due after more than one year	2019	2018
	£	£
Other loans	85,446	91,863
	<u>85,446</u>	<u>91,863</u>
Analysis of loans		
Not wholly repayable within five years by instalments	56,207	58,458
Wholly repayable within five years	36,549	45,423
	<u>92,756</u>	<u>103,881</u>
Less: included in current liabilities	(7,310)	(12,018)
Amounts included above	<u>85,446</u>	<u>91,863</u>
Loan maturity		
Debt due in one year or less	7,310	12,018
Due in more than one year but not more than two years	7,310	8,351
Due in more than two years but not more than five years	21,929	25,054
Due in more than five years	56,207	58,458
	<u>92,756</u>	<u>103,881</u>

Included in other loans is a loan inherited on conversion of The Weatheralls of £92,756 (2018 - £103,881) from Cambridgeshire County Council. Interest on the loan is charged at 2.72% on the full original value of the loan. Repayments are made monthly over 162 months with the final repayment being in August 2030.

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

20	Deferred income	2019 £	2018 £
	Deferred income is included within:		
	Creditors due within one year	124,893	248,978
	Deferred income at 1 September 2018	248,978	268,333
	Released from previous years	(248,978)	(268,333)
	Resources deferred in the year	124,893	248,978
	Deferred income at 31 August 2019	124,893	248,978

Deferred income relates to a grant received of £54,554 (2018 - £71,250) for Universal Infant Free School Meals for the first term of the next financial year, £28,486 (2018 - £105,199) in relation to future trips, £10,630 (2018 - £10,111) for catering, £11,211 (2018 - £nil) of income to be repaid and other amounts totalling £20,012 (2018 - £62,418).

21 Funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	372,036	9,607,016	(9,467,364)	(121,550)	390,138
Other DfE / ESFA grants	-	702,767	(702,767)	-	-
Other government grants	-	911,395	(911,395)	-	-
Hardship fund	20,142	7,523	(20,645)	-	7,020
Other restricted funds	69,558	44,347	20,645	3,144	137,694
Pension reserve	(2,306,000)	-	(442,000)	(1,628,000)	(4,376,000)
	<u>(1,844,264)</u>	<u>11,273,048</u>	<u>(11,523,526)</u>	<u>(1,746,406)</u>	<u>(3,841,148)</u>
Restricted fixed asset funds					
Inherited on conversion	37,155,065	-	(831,983)	228,141	36,551,223
DfE group capital grants	177,793	304,857	(86,183)	(225,021)	171,446
Capital expenditure from GAG	1,214,478	-	(307,349)	115,286	1,022,415
	<u>38,547,336</u>	<u>304,857</u>	<u>(1,225,515)</u>	<u>118,406</u>	<u>37,745,084</u>
Total restricted funds	<u>36,703,072</u>	<u>11,577,905</u>	<u>(12,749,041)</u>	<u>(1,628,000)</u>	<u>33,903,936</u>
Unrestricted funds					
General funds	497,141	858,844	(720,685)	-	635,300
Total funds	<u>37,200,213</u>	<u>12,436,749</u>	<u>(13,469,726)</u>	<u>(1,628,000)</u>	<u>34,539,236</u>

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

21 Funds

(Continued)

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

Restricted Fixed Asset Funds represent capital funding received from the ESFA and other sources. In accordance with the accounting policies set out in note 1, assets are capitalised where applicable, and depreciation is charged to this fund over the assets' useful economic life. Where costs are not capital in nature they are charged directly to this fund as an expense.

The restricted grant income in the year relates to the provision of education for the children of the academy.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

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 in force on 18 July 2013.

The governors have designated funds for use in a variety of different areas.

The following academy is carrying a net deficit on its proportion of the funds as follows:

The Weatheralls Primary School £421,789 (2018 - £438,655).

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

21 Funds

(Continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	573,825	9,173,310	(9,289,211)	(85,888)	372,036
Other DfE / ESFA grants	-	590,000	(590,000)	-	-
Other government grants	-	885,346	(815,788)	(69,558)	-
Trust fund	4,356	-	-	(4,356)	-
Hardship fund	12,786	14,917	(7,561)	-	20,142
Other restricted funds	-	55,428	(41,181)	55,311	69,558
Pension reserve	(2,825,000)	-	(488,000)	1,007,000	(2,306,000)
	<u>(2,234,033)</u>	<u>10,719,001</u>	<u>(11,231,741)</u>	<u>902,509</u>	<u>(1,844,264)</u>
Restricted fixed asset funds					
Transfer on conversion	37,822,697	-	(829,695)	162,063	37,155,065
DfE group capital grants	-	366,027	-	(188,234)	177,793
Capital expenditure from GAG	1,419,599	-	(335,783)	130,662	1,214,478
	<u>39,242,296</u>	<u>366,027</u>	<u>(1,165,478)</u>	<u>104,491</u>	<u>38,547,336</u>
Total restricted funds	<u>37,008,263</u>	<u>11,085,028</u>	<u>(12,397,219)</u>	<u>1,007,000</u>	<u>36,703,072</u>
Unrestricted funds					
General funds	<u>477,792</u>	<u>692,471</u>	<u>(673,122)</u>	<u>-</u>	<u>497,141</u>
Total funds	<u>37,486,055</u>	<u>11,777,499</u>	<u>(13,070,341)</u>	<u>1,007,000</u>	<u>37,200,213</u>

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

21 Funds

(Continued)

Total funds analysis by academy

	2019 £	2018 £
Fund balances at 31 August 2019 were allocated as follows:		
Soham Village College	921,463	808,458
Kennett Primary School	72,688	93,365
The Shade Primary School	506,081	456,574
The Weatheralls Primary School	(421,789)	(438,655)
Central services	91,709	39,135
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	1,170,152	958,877
	<hr/>	<hr/>
Restricted fixed asset fund	37,745,084	38,547,336
Pension reserve	(4,376,000)	(2,306,000)
	<hr/>	<hr/>
Total funds	34,539,236	37,200,213
	<hr/>	<hr/>

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Soham Village College	5,033,971	983,806	219,726	1,215,739	7,453,242	6,966,569
Kennett Primary School	318,423	69,570	6,798	106,144	500,935	436,571
The Shade Primary School	603,621	225,242	15,358	200,032	1,044,253	780,514
The Weatheralls Primary School	1,755,342	376,763	31,855	470,188	2,634,148	2,712,697
Central services	155,937	441,636	-	100,243	697,816	1,008,512
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	7,867,294	2,097,017	273,737	2,092,346	12,330,394	11,904,863
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

22 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	37,573,638	37,573,638
Current assets	635,300	1,123,949	171,446	1,930,695
Creditors falling due within one year	-	(503,651)	-	(503,651)
Creditors falling due after one year	-	(85,446)	-	(85,446)
Defined benefit pension liability	-	(4,376,000)	-	(4,376,000)
Total net assets	635,300	(3,841,148)	37,745,084	34,539,236

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	38,369,543	38,369,543
Current assets	678,977	893,874	185,293	1,758,144
Creditors falling due within one year	(181,836)	(340,275)	(7,500)	(529,611)
Creditors falling due after one year	-	(91,863)	-	(91,863)
Defined benefit pension liability	-	(2,306,000)	-	(2,306,000)
Total net assets	497,141	(1,844,264)	38,547,336	37,200,213

23 Pension and similar obligations

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

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

Contributions amounting to £nil (2018 - £nil) were payable to the schemes at 31 August 2019.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

23 Pension and similar obligations

(Continued)

The Teachers' Pension Budgeting and Valuation Account

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

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

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

A copy of the latest valuation report can be found on the Teachers' Pension Scheme website.

Scheme Changes

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

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful.

The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

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

The employer's pension costs paid to the TPS in the period amounted to £815,586 (2018: £753,555).

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17% - 23% for employers and 5.5% - 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £438,000.

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.

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

23 Pension and similar obligations

(Continued)

Total contributions made	2019 £	2018 £
Employer's contributions	448,000	455,000
Employees' contributions	122,000	120,000
Total contributions	570,000	575,000
Principal actuarial assumptions	2019 %	2018 %
Rate of increase in salaries	2.6	2.7
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	1.8	2.8

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

	2019 Years	2018 Years
Retiring today		
- Males	21.5	22.4
- Females	23.5	24.4
Retiring in 20 years		
- Males	22.4	24
- Females	24.9	26.3

Scheme liabilities would have been affected by changes in assumptions as follows:

	2019	2018
0.5% decrease in discount rate	1,516,000	1,091,000
0.5% increase in salary increase rate	158,000	
0.5% increase in pension increase rate	1,330,000	946,000

Defined benefit pension scheme net liability

Scheme assets	6,955,000	6,116,000
Scheme obligations	(11,331,000)	(8,422,000)
Net liability	(4,376,000)	(2,306,000)

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

23 Pension and similar obligations

(Continued)

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

	2019 Fair value £	2018 Fair value £
Equities	5,216,000	4,832,000
Bonds	904,000	673,000
Property	765,000	428,000
Other assets	70,000	183,000
Total market value of assets	6,955,000	6,116,000

The actual return on scheme assets was £305,000 (2018: £428,000).

Amount recognised in the Statement of Financial Activities

	2019 £	2018 £
Current service cost	784,000	865,000
Past service cost	37,000	-
Interest income	(179,000)	(134,000)
Interest cost	248,000	212,000
Total operating charge	890,000	943,000

Changes in the present value of defined benefit obligations

	2019 £	2018 £
At 1 September 2018	8,422,000	7,979,000
Current service cost	784,000	865,000
Interest cost	248,000	212,000
Employee contributions	122,000	120,000
Actuarial loss/(gain)	1,754,000	(713,000)
Benefits paid	(36,000)	(41,000)
Past service cost	37,000	-
At 31 August 2019	11,331,000	8,422,000

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

23 Pension and similar obligations

(Continued)

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

	2019 £	2018 £
At 1 September 2018	6,116,000	5,154,000
Interest income	179,000	134,000
Actuarial gain	126,000	294,000
Employer contributions	448,000	455,000
Employee contributions	122,000	120,000
Benefits paid	(36,000)	(41,000)
At 31 August 2019	6,955,000	6,116,000

24 Reconciliation of net expenditure to net cash flow from operating activities

	2019 £	2018 £
Net expenditure for the reporting period (as per the statement of financial activities)	(1,032,977)	(1,292,842)
Adjusted for:		
Capital grants from DfE and other capital income	(304,857)	(366,027)
Investment income receivable	(53)	(1,414)
Defined benefit pension costs less contributions payable	373,000	410,000
Defined benefit pension scheme finance cost	69,000	78,000
Depreciation of tangible fixed assets	1,139,332	1,165,478
(Increase) in stocks	(1,537)	(8,049)
(Increase)/decrease in debtors	(5,995)	140,705
(Decrease) in creditors	(21,252)	(444,851)
Net cash provided by/(used in) operating activities	214,661	(319,000)

25 Commitments under operating leases

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

	2019 £	2018 £
Amounts due within one year	58,690	50,316
Amounts due in two and five years	202,932	141,684
Amounts due after five years	332,621	304,746
	594,243	496,746

STAPLOE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

26 Related party transactions

No related party transactions took place in the period of account other than certain trustees' remuneration and expenses already disclosed in note 12.

Owing to the academy trust's operations and the composition of the board of trustees' being drawn from local public and private sector organisation, transactions may take place with organisation in which the academy trust has an interest. All transactions involving such organisation are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

Some of the trustees' have children who are pupils at the academy, consequently there will be transactions between those trustees' and the academy in respect of their children's education. These are on the same basis as other pupils at the academy.

27 Members' liability

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