

**SCHOLARS ACADEMY TRUST**  
**(A company limited by guarantee)**

**ANNUAL REPORT & CONSOLIDATED FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**Registered Number 08515149 (England and Wales)**

**SCHOLARS ACADEMY TRUST**  
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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<b>Members</b>	J Berry OBE JP J Bryars M Kapur OBE R Green M Johal (Appointed 14 January 2020)	
<b>Trustees</b>	J Berry* OBE JP N Benton H Elliott* (Resigned 25 August 2020) M Johal* (Resigned 12 November 2019) R Padgett* S Richards* (Chair) P Thompson I Hassell OBE nee Sandhu OBE L Bruce (Appointed 24 November 2020) * denotes members of the Finance and Personnel Committee	
<b>Company Secretary</b>	H Gurton (Resigned 28 August 2020) A Breeze (Appointed 14 September 2020)	
<b>Senior Management Team:</b>		
<b><i>Launde Primary School</i></b>		
Executive Head Teacher	I Hassell OBE nee Sandhu OBE	
Head of School	K Priddey	
KS1 Foundation Leader	H Stewart	
KS2 Leader	C Johnston	
<b><i>Glenfield Primary School</i></b>		
Head Teacher	K Martin	
Deputy Head Teacher	S Kaur	
Assistant Deputy Head Teacher	N Quinn	
<b>Principal and Registered Office</b>	New Street Oadby Leicester Leicestershire LE2 4LJ	
<b>Academies operated</b>	<b>Location</b>	<b>Head Teacher</b>
Launde Primary School	Oadby	I Hassell OBE nee Sandhu OBE
Glenfield Primary School	Glenfield	K Martin
<b>Company Registration Number</b>	08515149 (England and Wales)	
<b>Independent Auditor</b>	RSM UK Audit LLP Chartered Accountants Rivermead House 7 Lewis Court Enderby Leicestershire LE19 1SD	

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**REFERENCE AND ADMINISTRATIVE DETAILS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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<b>Bankers</b>	Lloyds Bank plc 56 Chestnut Avenue Oadby Leicestershire LE2 5JG
<b>Solicitors</b>	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

**SCHOLARS ACADEMY TRUST**  
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**TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the period ended 31 August 2020. The annual report serves the purposes of both a trustees' report, and a director's report under company law.

The trust operates two primary academies in Leicestershire. Its academies have a combined pupil capacity of 1080 and had a roll of 1039 in the school census dated January 2019.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Scholars Academy Trust are also Directors of the Charitable Company for the purposes of company law and Trustees for the purposes of charity legislation. The articles of association require the members of the Charitable Company to appoint at least four Trustees to be responsible for the statutory and constitutional affairs of the Charitable Company and the management of the Academy.

Details of the Trustees who served throughout the period 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 he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before he/she ceases to be a member.

**Trustees' Indemnities**

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £3,000,000 in total per year on any one claim.

**Method of recruitment and appointment of Trustees and Governors**

The Members were appointed on the constitution of the Trust and they in turn appoint the Trustees. Trustees are recruited through a rigorous process of interviews to ensure that they have the relevant skill set required to oversee the Trust and hold leaders to account. Governors are appointed through nomination and election (staff and parent governors), in addition there are Trust appointed governors. Terms of office for Governors are for a period of four years.

**Procedures for the induction and training of Trustees and Governors**

The training and induction provided for new Trustees and Governors will depend on their existing experience. Where necessary, induction will provide training on charity and educational legal and financial matters. All new Trustees and Governors will be given a tour of the Academy Trust i.e. both schools. All Trustees and Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. New Trustees and Governors will undertake training that is tailored specifically to their personal needs. This year Trustees and Governors have continued to undertake training relevant to their needs, this has included induction for new governors, developing the role of the Chair of governors, Ofsted, academy finance training, safeguarding, SEN, pupil premium and sports' premium awareness sessions.

**Organisational structure**

A unified management structure is utilised to run the Academy Trust. The structure now consists of different levels, Members, Trustees, Governors and The Head Teacher/Senior Managers. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

**SCHOLARS ACADEMY TRUST**  
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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

The Trustees are responsible for setting general policy, approving the annual budget, monitoring the Trust by the use of budgets, making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

The Governors of each school manage the strategic direction of the school by adopting an annual school development plan and have a key focus on standards. They, in turn are accountable to the Trustees. The Governors of each school hold the senior staff to account and ensure that standards are improving.

Senior leaders have the delegated powers to manage the strategic direction of the schools on a day to day basis in line with the scheme of delegation. The executive headteacher manages the senior leaders in the schools to ensure that the standards in each school are maintained.

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

Pay and remuneration for key management staff is set out in Academies pay policy for Teachers which is annually reviewed and ratified by Trustees. The pay policy sets out the framework for making decisions on all teachers' pay including key management staff. The policy has been developed to comply with current legislation and the requirements of the School Teachers' Pay and Conditions Document (STPCD) and has been consulted on with staff and/or the recognised trade unions. The pay policy underpins the Academies Performance Management Policy which provides the opportunity for all staff to discuss their performance and development needs in relation to their job role and pay progression. Where eligible for pay progression, the recommendation made by the appraiser is based on the assessment of their performance against the agreed objectives. The final decision lies with the personnel committee, made up of Trustees, and is based on the statutory criteria and guidance set out in the STPCD and the relevant teacher standards. No remuneration payments are made to Trustees.

**Trade union facility time**

In the previous year there have been four members of staff who have had the responsibility for Union activity. They have the time allocated to undertake union activity should they wish to do so but in 2019/20 there was no time requested. All policies were consulted upon but no responses were given by the staff.

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering:

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	

**Percentage of time spent on facility time**

Percentage of time - %	Number of employees
0	

**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	£0
Provide the total pay bill	£0
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0

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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0%
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**Connected organisations**

Scholars Academy Trust is a 'Multi Academy Trust - MAT' which includes two schools, Launde Primary School and Glenfield Primary School. The primary aim of the MAT is to ensure all pupils achieve their academic potential.

The Academy Trust also has a trading subsidiary Oadby Learning Partnership Limited, which started trading on 7 June 2015, however the designation of the Teaching School status began in 2011 providing the provision of teaching resources and training to other local schools in the area. The profits of the subsidiary company are donated to the Academy Trust.

**OBJECTIVES AND ACTIVITIES**

**Object and aims**

The vision statement below is incorporated within the core principal object of the Charitable Company (i.e. the operation of Scholars Academy Trust) which is to provide education for pupils of different abilities between the ages of 4 and 11.

**Objectives, strategies and activities**

The main objectives of the Academy Trust are within the vision statement and are summarised below:

- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the Academy Trust by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements; and
- to conduct the Academy Trust's business in accordance with the highest standards of integrity, probity and openness.

The Academy Trust's main strategy is encompassed in its vision statement.

These key value statements will guide us as we work towards our aim and are linked to the key goals specified below:

**Vision**

To ensure that Scholars Academy Trust is a recognised centre of educational excellence where our children and teachers will achieve exceptional outcomes.

**Mission – what do we need to do to get there?**

Our mission is to draw on the individual strengths of each academy school in the Trust to build good practice and ensure that outstanding teaching and learning is at the heart of everything we do. Children will achieve excellent academic outcomes in a safe and nurturing environment and be empowered to make decisions about their lives and their contribution to society. We will nurture our staff professionally and foster positive relationships with our parents and the wider community.

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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Our Values**

1. **Focus: children at the core of everything we do.** Our overriding aim is to ensure that the success and wellbeing of all children educated within the MAT so that they fulfil their potential. We believe that if children do not benefit, it is not worth doing.
2. **Outcomes: Measuring our results, ensuring that children achieve to their full potential.** Only the best will do for our children. We constantly review our results in all areas of learning, including non-academic. We support staff to grow, develop and challenge themselves to take educational risks to support the best outcomes.
3. **Inclusion: a voice for everyone and everyone is heard.** It is important that both adults and children are involved in the teaching process and opinions valued.
4. **Diversity:** We value the strengths and enrichment that working in a diverse community brings to enhance educational learning and understanding.
5. **Quality: excellence through innovation, creativity and continuous improvement.** Quality teaching and learning will be our key priority, striving for excellence in creative and mature ways. No complacency.
6. **Collaboration: together we are stronger.** We passionately believe schools should work in partnership to pool resources, expertise and skills to provide the best for all children.
7. **Challenge: providing peer to peer support as critical friends.** There is an expectation of staff providing professional support, challenge and development as critical friends to each other in order to gain continuous improvement and maximise outcomes for children.
8. **Innovation: to be at the forefront of educational innovation and excellence.** To use our links to the Teaching School to ensure we are at the forefront of educational research, innovation and excellence. The MAT will develop and nurture high quality leadership in order to ensure innovation leads to continual improvement in learning for all pupils.

**Integrity, transparency and fairness in all we do is an important part of our everyday work.**

**Volunteers**

At both schools volunteers are used to support children's learning. This is to ensure that children have access to adults beyond the school staff and that they appreciate that other adults can also support children's learning. Volunteers also have the benefits, as often the volunteers are wanting to further their own education and being in school gives them that valuable experience that enhances their experiences. Volunteers go through a rigorous selection process so that both school and the volunteer benefit from the experience.

**Public benefit**

'Public benefit' is the legal requirement that every organisation set up for one or more charitable aims must be able to demonstrate that its aims are for the public benefit if it is to be recognised, and registered, as a charity in England and Wales.

The four underlying principles for the Charity are as follows;

- It must be clear what the benefits are
- The benefits must be related to the aims
- Benefits must be balanced against any detriment or harm
- The aims at Scholars relate to the educational outcomes of its pupils.

The Trust aim to promote the positive benefits to the public through the education provided ensuring value for money. For more details see value for money statement identified further in the report. The outcomes within schools demonstrate the aims as being met as the children are achieving success well beyond the national average by the time they leave primary school.

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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**STRATEGIC REPORT**

**Achievements and performance**

**Data 2019/20**

There is no external data for the academic year 2021/20 due to school closures as a result of Covid 19 pandemic. However, both schools were on track to achieve good outcomes

**Launde Primary School**

Launde children have continued to have good outcomes and have built upon the previous year's results in both KS1 and 2. Results in phonics and foundation are equally pleasing. The overall outcomes are as a result of staff working collaboratively within and across year groups to ensure that the teaching and curriculum meets the needs of the children and prepares them for the wider world.

**Glenfield Primary School**

Once again Glenfield have achieved excellent results at the end of KS2 and have shown good improvements from the previous year in KS1, phonics and foundation outcomes.

There is a significant drive by both schools to reach the Trust's objective of each child achieving their academic potential through hard work and dedication.

**Annual Key Performance Indicators For Scholars Academy Trust**

**Teaching and learning**

- Pupils to achieve to their full potential, making positive progress from their starting point
- 100% of teaching and learning to be good or better
- No inadequate teaching / number of cause for concern
- Pupils to have access to a broad range of experiences across the curriculum

**Welfare, personal development, behaviour**

- School attendance to be above national average
- To secure a safe, stimulating environment
- All children to have access to opportunities beyond the curriculum, e.g. residential, school visits, theatre trips etc.
- To understand and be prepared for life in multicultural Britain
- Number of exclusions
- Numbers of children with multi agency involvement
- Numbers of children on the child protection register

**Leadership and management**

- All vacancies to be filled with good quality teachers
- To ensure appropriate CPD to grow and nurture own staff for succession planning
- Staff attendance maintained at 95% plus
- All schools to be good or better in two years as categorised by Ofsted

**Governance**

- 100% of skills coverage within Trustees Board
- Financial probity: no red flags
- Robust financial parameters maintained in all schools ensuring value for money
- Risk register maintained ensuring appropriate risk management
- Number of complaints

**Health and Safety**

- Number of accidents reported to RIDDOR



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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**Key Performance Indicators Outcomes 2019/20**

KPI	Launde	Glenfield	Additional comments
<b>Teaching and Learning</b>			
Pupils to achieve to their full potential, making positive progress from their starting point	As a result of the Covid lockdown the children did not undertake the national tests. However, based on the evidence up until March it was certain that not only would the high outcomes would be retained but the previous year's results would have been exceeded.		
100% of teaching and learning to be good or better No inadequate teaching / number of cause for concern	Neither school had any cause for concern within the classrooms. Teachers were all teaching effectively. Staff had to change their teaching styles very quickly once lockdown started. Teachers adapted to teaching online effectively and in the majority of cases when the children returned after lockdown they had continued to make good progress. This provides the evidence that the teachers had been effective not only prior to lockdown but also during to give provide the best for the children.		
Pupils to have access to a broad range of experiences across the curriculum	<p>Last year started with enthusiasm and staff were all engaged in looking at how best the revised curriculum could support the children. During the autumn term the children had access to a range of broad experiences to enhance the learning process. Music and art continued to feature at both schools, children having the opportunity to learn a musical instrument such as the samba drumming, guitars etc.</p> <p>Staff worked hard to inspire the children by planning creative ways to teach the children with exciting activities to motivate which are balanced with learning through school visits and access to external visitors. Use of IT is strong within the curriculum and again evident in all books</p> <p>Pupil premium and sports premium were well used to support the learning process for all children.</p> <p>During lockdown teachers continued to ensure children were given access to range of learning opportunities. Teachers supported parents in ensuring that the work sent home was interesting and engaging so that parents did not have the battle with their children to make them work. From the feedback this was generally successful and when it was not additional guidance and advice was provided.</p> <p>Teachers made every effort to cover as much of the curriculum as they could including art, music and physical education.</p> <p>Overall it is felt that the children within Scholars schools have been able to maintain their love of learning and were eager to return back to their school and their friends.</p>		

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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

KPI	Launde	Glenfield	Additional comments
<b>Welfare, personal development and behaviour</b>			
School attendance to be above national average – 95%	96.6% up to March 2020	94.8% up to March 2020	
To secure a safe, secure, stimulating environment	<p>This is taken very seriously at both schools. The staff provide a safe secure stimulating environment as witnessed during lesson observations and learning walks. In addition a governor carried out a safeguarding audit. Pupils are taught how to stay safe online through assemblies and classwork and say that they feel safe in school and bullying is rare. Safeguarding is effective and vulnerable pupils are monitored closely and have mentors. Fire drills and lock down procedures are in place and the children have undertaken practises of both. Both schools have at least 4 DSL. All school visits have risk assessments which include safeguarding. Additional work had to be carried out following the lockdown period. Both schools carried out rigorous risk assessments so that the children and staff that attend during lockdown were safe. This was further extended for the wider opening in June. Feedback was all very positive as staff were fully engaged in this process. During the summer break further work was undertaken to ensure that children and staff returning after the summer felt safe and secure in school.</p>		At the Trust level, there is Trustee for safeguarding. During the year Trustees have attended safeguarding training in child protection and in allegations against staff.
All children to have access to opportunities beyond the curriculum, e.g. residential, school visits, theatre trips etc.	<p><b>September</b> Year 3 – Walk to Uplands Road Park Year 4 – Roman Day at Conkers Year 6 – Twycross Zoo Year 3 – Den Building at Brocks Hill <b>October</b> Year 1 – Stonehurst Farm Year 4 – Conover Hall Residential Year 4 – Beaumanor Hall – Team Building Activities and Bridge Building – Non Conover children Year 2 – Local Walk Year 3 – Gurdwara <b>November</b> Year 5 – National Justice Museum Year 6 – Warning Zone</p>	<p><b>September 2019</b> Year 6 – Harry Potter World Year 5 – Viking Day Year 4 – Roman Day Year 2 -Twycross Zoo S&amp;L – Equestrian Centre <b>October</b> Year 4 – Castleton Residential Year 6 – Leicester City in the Community – Meeting, greeting and putting activities on for the older generation of the community. <b>November</b> Year 4 – Hindu temple visit Year 3 – Gurdwara visit</p>	<p>Schools continued through to March to offer a range of after school clubs as well as opportunities to take part in the sporting competitions.</p> <p>Launde achieved the Gold Mark for their sports engagement and Glenfield were awarded the Silver Mark.</p> <p>Swimming forms part of the curriculum for 2 years in both schools.</p>

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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

<b>KPI</b>	<b>Launde</b>	<b>Glenfield</b>	<b>Additional comments</b>
	<p><b>December</b> Foundation/Year 1 – Curve Theatre – Giraffes Can't Dance Years 2-6 – De Montfort Hall – Aladdin <b>January</b> Year 5 / 6 – Young Voices <b>February</b> Year 5 – Space Centre Year 3 – Science workshops with associate schools <b>March</b> Year 2 / 3 Theatre visits – Billionaire Boy Year 5 – Charlie Contender, Shakespeare workshops whole school, World Book Day Year 3 – Iron Age day at Beaumanor</p> <p><b>Sporting Events</b> School Football Team Trials Cross Country Football Competition Sporting Ambassador Conference – 4 children from Year 6 Change for Life Festival – 10 children from Years 3/4</p>	<p><b>December</b> Year 1-6 – Christmas pantomime – Loughborough Town Hall EYFS-Palmer's garden centre Santa visit S&amp;L -Equestrian centre Yr 6 – Leicester City in the Community – Match of the Day feature. <b>January</b> Year 6 – Warning zone <b>February</b> Year 6 – Islamic Centre 2 x Year 5 – Bake off – Brookevale Community College S&amp;L – Equestrian centre <b>March</b> Year 4- Billionaire boy-Demontfort Hall Year 1&amp; S&amp;L – Animals for parties visit in school Year 5 (4 pupils) – Science visit-Brookvale</p>	
	<p><b>Events/Special Sessions</b> Police Talks –Safety Aspirations Day – Years 5 and 6 Children in Need Playground Leader Training Visit from Emmanuel Jaj Diosing recording Year 3 children visit Rowleys Court to sing to residents</p>		

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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

<b>KPI</b>	<b>Launde</b>	<b>Glenfield</b>	<b>Additional comments</b>
To understand and be prepared for life in multicultural Britain	As part of the everyday work both schools ensure that the children have access to knowledge, understanding and personal development to prepare them for a life in Multicultural Britain. Assemblies, trips and the curriculum all contribute to this. An understanding of tolerance, respect and understanding of each other is nurtured through the work undertaken. This is further reinforced with the work on cultural capital within the curriculum so that children are prepared with the tools for future life in Britain and how they can contribute towards it. During lockdown staff still continued to promote British values through the activities with the children.		
Numbers of children with multi agency involvement	1	13	The numbers are high at Glenfield due to the significant high needs of the children.
Numbers of children on the child protection register	0	7	
<b>Leadership and Management</b>			
All vacancies to be filled with good quality teachers	Both schools had most posts filled. At Launde all staff were directly employed through the school as were the posts within Glenfield. However, some of the PPA cover was filled by supply staff. The quality of teaching was judged to be good and all staff were monitored to ensure that the best teaching was provided.		
To ensure appropriate CPD to grow and nurture own staff for succession planning	1 NQT has engaged with the OLP NQT Programme 2 members of enrolled on the Leadership for all Programme. 1 members of staff have been involved in the OLP Recently Qualified Teacher Programme. Appropriate staff have attended OLP Network Meetings. (Deputies, Mathematics, English, Science, SEND, RE) Subject Lead training both within and from OLP Leading a mentally healthy school as a follow on from Route to resilience	1 NQT have engaged with the OLP NQT Programme. 1 members of staff have completed the Leadership for all Programme. 2 members of staff have been involved in the OLP Recently Qualified Teacher Programme. Appropriate staff have attended OLP Network Meetings. (Deputies, Mathematics, English, Science, SEND, RE) Leading a mentally healthy school as a follow on from Route to resilience	Staff meetings within both schools have focused on the school priorities and have been held each week  Work on moderation across both schools for all year groups as part of teaching school.
	Detailed reports for CPD are presented to governors on a termly basis.  During lockdown there continued to be programme of CPD for all staff at both schools which was managed by Sam Maher. All the raining as completed in weekly basis on line. All staff fully engaged in this and positive feedback was received from it.		
Staff retention to be at 80%	Staff retention at both schools remains 98% both within teaching and support staff.		

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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

<b>KPI</b>	<b>Launde</b>	<b>Glenfield</b>	<b>Additional comments</b>
Staff attendance maintained at 95%+,	Teachers – 97.2% (2019 98%) Teaching Support Staff – 97.5% (2019 97.6%) Administrative Staff – 94.8% (2019 89%) Premises Staff – 97.5% (2019 97.8%) Lunchtimes Staff – 96% (2019 90.5%) Launde Care – 85% (2019 94.8%)	Teachers – 96.9% (2019 96.4%) Teaching support staff – 95.6% (2019 96.9%) Administrative Staff – 62.1% (2019 74.8%) Premises Staff – 99.2% (2019 97.2%) Lunchtimes Staff – 96.6% (2019 97.2%)	Brackets illustrate the previous year  Please note the figures for 2020 are up to the point of lockdown
All schools to be good or better in two years as categorised by Ofsted	Launde - Outstanding	Glenfield - Good	
<b>Governance</b>			
100% of skills coverage within Trustees Board	<p>Overall the Trustees cover the main skills required, however the Trustees will always look for additional talent and ways to add capacity to build additional strength as well as to consider succession planning.</p> <p>Governors at each school also have the skills to consider the day to day running within each establishment. Both Governing Bodies are actively engaged in school activity to ensure they fully understand the day to day work of the school. They ensure they challenge the leaders to satisfy themselves that learning is the best it could be at each school.</p> <p>At Launde the Governing Body has changed considerably over the last year so there is need to develop the skills and understanding further but the willingness and capability are present.</p>		
Financial probity: no red flags	See full MAT audit report		
Robust financial parameters maintained in all schools	<p>The end of year reserves demonstrate that the schools are both in a strong financial position. However, the budget is closely monitored throughout the year to ensure that overall spending stays within the allocated budget.</p> <p>This year the school Governing Bodies have also been scrutinising the school accounts as part of their roles.</p>		The five-year plan is the overall planning of the budget. However, in year monitoring ensures budget stays on track.
Number of complaints	0	0	

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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

KPI	Launde	Glenfield	Additional comments
<b>Health and Safety</b>			
Number of accidents reported to Riddor or reported on line	0	0	

**Other Information**

Oadby Learning Partnership (OLP) is part of the Trust and over the past year has significantly contributed to the educational development of children within other schools. In summary the work has been undertaken on training new entrants to teaching through Launde's partnership with the Scitt programme. The teaching school is also the Appropriate Body and therefore responsible for quality assurance for newly qualified teachers. In 2019/20 OLP had over 60 NQTs to quality assure within Leicestershire, some of the NQTs also attend a NQT programme for development with OLP where the aim is to equip them with the necessary knowledge and skills to support children.

Continuing professional development is a key part of the work undertaken by OLP and in the last year CPD opportunities for teachers at all levels of their career were available. Leadership development programmes for subject leaders and for senior leaders took place. Within the latter many of the participants achieved a senior management role within the year of taking part in the training. Subject network meetings have been very successful and provide a strong supportive system for subject leads to develop capacity within their own schools. Conferences were held for headteachers, deputy heads and NQTs all of which supported their work and their professional development. Research and development underpin much of the work by the teaching school and OLP champion the approach within all its programmes.

Succession and talent management is being developed not only within the local area but supported across Leicestershire.

National Leaders of Education are deployed to support schools, this includes carrying out school reviews or to develop teaching and learning. During 2019/20 12 schools were supported by NLEs through the school improvement offer and other schools through reviews.

Last year OLP was involved in the DFE school improvement programme and 4 NLES supported schools at tier 1, 2 and 3. However the work was halted due to the national lockdown in March.

Oadby Learning Partnership however continue to take a lead on a number of initiatives with Leicestershire as well as representing Leicestershire teaching schools within the East Midlands teaching school alliance.

Key performance indicators overall look at the value for money that the Academy Trust provides, this is scrutinised by the Trust Board.

The Trustees meet within committees, both Finance and Education, to ensure that the above KPIs are scrutinised and checked against national benchmarking to ensure that the performance of the school is on track to achieve outstanding within an Ofsted context. Benchmarking occurs as available so that the company can see value for money against similar schools and academies both academically and financially. The Education Committee will do this at least three times per year and the Finance Committee will consider this 6 times and this in turn is evaluated within full Trustees meetings at 3 times per annum.

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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Other Information (continued)**

**Financial review**

The vast majority of the MAT's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2020 and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE and such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The Academy Trust held fund balances at 31 August 2020 of £3,761,009 (2019: £3,976,779) comprising £409,394 (2019: £202,466) of restricted funds (excluding pension reserve), £4,570,532 (2019: £4,671,873) of restricted fixed asset funds, £1,262,083 (2019: £1,231,440) of unrestricted general funds and a pension reserve deficit of £2,481,000 (2019: £2,129,000).

Total incoming resources decreased to £5,070,077 (2019: £5,297,333) with the Trust benefiting from an uplift in GAG funding as a result of increased funding per student. In the prior year the Trust benefited from the receipt of a £300,000 capital grant from Leicestershire County Council to support the hall extension work which began during the Summer of 2019. Total resources expended amounted to £5,234,847 (2019: £5,301,336) leading to a net expenditure result for the year of £164,770 (2019: £4,003).

The Trust's cash flow position is good with a closing balance of £2,114,818 (2019: £1,783,005). As in the prior year, the Trust has managed to provide a cash neutral result which underlines management's focus on running a balanced cash position whilst at the same time investing within school infrastructure and resources.

As at 31 August 2020, the net assets and total funds of the Trust were £3,761,009 (2019: £3,976,779), including fixed assets of £4,570,532 (2019: £4,493,443) and a pension scheme liability of £2,481,000 (2019: £2,129,000). The assets were used exclusively for providing education and the associated support services to the students of the Academies within the Trust. Whilst the pension scheme liability has increased during the year, the Trustees do not consider that this presents the Trust with any current liquidity problems. The Trustees consider that the overall balance sheet position represents a strong and stable platform from which the Trust can develop and grow.

As at 31 August 2020, the Trust had net current assets of £1,671,477 (2019: £1,612,336) including cash at bank of £2,114,818 (2019: £1,783,005). The Trustees therefore consider that the Trust has sufficient resources to cover its liabilities.

**Key financial performance indicators**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Total incoming resources	5,070,077	5,297,333
Net expenditure	(164,770)	(4,003)
Net current assets	1,671,477	1,612,336
Cash at bank	2,114,818	1,783,005
Net cash provided/(used in) from operations	547,834	(215,397)

**SCHOLARS ACADEMY TRUST**  
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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Financial and risk management objective and policies**

The Academy Trust has prepared a risk register to identify and prioritise the major risks facing the MAT. Control procedures, target dates and those accountable have also been identified. The register is monitored internally and reviewed annually by the Board of Trustees. Each section is looked at for compliance and evaluated against the controls. The policies which are set by the Board of Trustees with respect to financial and risk management are implemented and communicated by the head teacher.

**Reserves policy**

The Academy Trust's "free reserves" are its funds after excluding restricted funds. "Unrestricted reserves" are therefore the resources the Academy has or can make available to spend for any or all of the Academy Trust's purposes once it has met its commitments and covered its other planned expenditure. More specifically "free reserves" represent income to the Academy Trust which is to be spent at the Trustees' discretion in furtherance of any of the Academy Trust's objects but which is not yet spent, committed or designated.

The Trustees review the reserve levels of the Academy Trust in Finance Committee meetings which take place six times per year. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £1,262,083 (2019: £1,231,440). The Academy Trust currently has plans that any reserves as at 31 August 2020 will be carried forward for use against building work that is being applied for under the condition funding process.

The overall aim within each school and Trust is to have a reserve which you would cover expenditure for at least 3 – 6 months if the need arose in line with the reserves policy.

The Academy Trustees are aware of the significant pension fund deficit for the Local Government Pension Scheme (LGPS). This however does not mean that this is an immediate liability as employer contributions have been set at a level which responds to the deficit level and will be reviewed every 3 years to ensure that this continues to be the case.

The Academy Trust has restricted fixed assets fund, with a balance of £4,570,532 (2019: £4,671,873) which is in respect of fixed assets and capital expenditure of the Academy Trust, which is not available for general purpose of the charity and will only be realised by disposing of the tangible assets.

**Investment policy**

At present, the Academy Trust does not hold significant funding to warrant additional investment but this is always under review at both governor and trustee level. Currently, the balance outlined above is held within our main school bank accounts and the balance is planned for improvements to the school buildings at Launde and outdoor provision at Glenfield. The reserves have also been used to invest in capacity building within Scholars.

**Plans for future periods**

The Academy Trust will continue striving to improve the levels of performance of its pupils at all levels. The Trust will work with stakeholders to ensure that there is a continuing improvement in standards across the schools. It will have to respond to local and national changes as required but is well set up to do this. Building plans are in place for Launde and the Trustees are reviewing further provision for the pupils. The Trustees are also actively considering how the Trust could expand over the coming year.



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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**Principal risks and uncertainties**

The risks faced by the Academy Trust are outlined in the Risk Register and whilst there is an annual assessment undertaken, the Trustees and Governors are continually monitoring any risks associated with the Academies.

The Trustees have set procedures (contained within the Financial Manual and the Risk Register - Strategic and Reputational Risks) on internal controls which cover the following:

- the type of risks the Academy Trust faces;
- the level of risks which they regard as acceptable;
- the likelihood of the risks materialising;
- the Academy Trust's ability to reduce the incidence and impact on the operations of risks that do materialise;
- the costs of operating particular controls relative to the benefits obtained;
- ensuring the Strategic Management Team implement the Trustees' policies and identify and evaluate risks for the Trustees' consideration;
- employees understand that they have responsibility for internal control as part of their accountability for achieving objectives;
- embedding the control system in the Academy Trust's operations so that it becomes part of the culture of the Trust;
- developing systems to respond quickly to evolving risks arising from factors within the Academy Trust and to changes in the external environment; and
- including procedures for reporting failings immediately to appropriate levels of management and the Trustees together with details of corrective action being undertaken.

The Trustees have assessed the major risks to which the Academy Trust is exposed; in particular, those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances and systems are in place to mitigate those risks. The Trustees assessed risks that the Trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance and updated the Risk Register, however, this is looked at termly. They monitor systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. The Academy Trust has an effective system of internal financial controls.

The risk register is considered at each meeting and all risks are discussed during the year. However the following were the prime concerns during 2019/20.

The Trust as always reviewed all aspects of the risk register and though Covid was not on the original register it was discussed as risk in the public and financial risk.

**Public risk**

In terms of the public profile, quality of service was a priority. This was considered important because if confidence fell in either school it could have a negative impact.

Sub risk	Likelihood	Rating Low Medium High	Risk Consequences	Controls in place to support RAG rating
Quality of service	Low	Low	A school within the MAT receives an unfavourable Ofsted Parents confidence in the Trust ability to run schools	Teaching and learning being monitored at all levels within schools, timely reports given to governors and trustees Effective communication with parents about activity within the schools so that they are constantly kept up-to-date with practice

**SCHOLARS ACADEMY TRUST**  
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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**School action**

The Trustees ensure that the public profile of the schools were reported on positively, newsletters from the governing bodies were produced to keep parents informed about the governance. Senior leaders sent out regular school newsletters to keep all parents informed on school activity during the Covid lockdown. The quality of the work sent home was monitored and feedback reviewed by senior managers. Over the period of lockdown this was all favourable. Phone calls were made to all parents during this period to ensure that leaders could ensure that communication was effective and checked to see if children or parents required additional support which was provided if needed.

Prior to lockdown the children were on track to be successful.

An additional element of public profile that was considered alongside the quality of service were the standards in teaching and learning and stated earlier the quality of work.

<b>Sub risk</b>	<b>Likelihood</b>	<b>Rating Low Medium High</b>	<b>Risk Consequences</b>	<b>Controls in place to support RAG rating</b>
Trust failure to maintain high standards the progress and attainment	Medium	Medium	Loss of confidence in schools by local community and stakeholders i.e. parents	Pupil achievement regularly monitored and additional support provided within schools Strategies constantly reviewed to ensure improvements in teaching and learning Individual targets set through performance management process Progress meetings held both individually and year groups Scrutiny and challenge by governors and trustees Headteachers meet to discuss progress and action for continual improvements

**School action**

Senior managers continued to report to governors and trustees on a regular basis on outcomes for all age groups but this was based prior to lockdown in the same way as previous years. However, with lockdown the engagement with children was different but the teachers continued to provide high quality work which was monitored by senior leaders. If it found to be lacking, support was provided to staff and quickly rectified.

Prior to lockdown the collective findings of monitoring were reported termly, firstly to governors and then Trustees. Senior leaders are challenged about their findings and asked what strategies are in place when anything is not quite up to the required standard. Performance management targets were set with standards in mind to ensure that teachers are fully aware of their responsibility in this area and consequently the outcomes have been good or better in all classes. At the beginning of March all staff were on track to achieve their targets.

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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Principal risks and uncertainties (continued)**

**Finance risk**

Funding in schools are generally low and being part of Leicestershire has led to the authority being one of the lowest funded in England. As a result, finances are under consideration as part of the risk register.

<b>Sub risk</b>	<b>Likelihood</b>	<b>Rating Low Medium High</b>	<b>Risk Consequences</b>	<b>Controls in place to support RAG rating</b>
Income risk	Medium	Medium	National funding is cut Number of pupils on roll falls Additional funding is not secured for school	Monitoring the national funding and ensuring that the five-year plan takes account of potential cuts and expenditure Ensuring the number of pupils is kept high through appropriate marketing and ensuring schools retain the good and outstanding status To constantly look out for additional funding and spend accordingly

**School action**

As part of the half termly monitoring income and expenditure is monitored. Senior leaders, governors and trustees look at the income and spending profiles to ensure that spending is within the planned and acceptable levels. Any discrepancies are explored and rectified. Numbers of pupils in school are looked at to guarantee the income and this is related to the quality of service that the schools provide.

The key financial risk was around expenditure as a result of Covid, staff absences were beginning to impact on expenditure. However due to lockdown this altered but other income concerns arose, i.e. payment for staff who salaries relied on generated income. This was solved through the furlough scheme. Additional income for expenditure related to Covid also supported the income levels of the budget.

**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, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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**TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Fundraising**

Both schools carry out charitable work for local and national events. The work is focused on curriculum development in terms of enterprise but more importantly is undertaken to ensure children have a greater awareness of the world around them and to have an understanding that there are people and children less fortunate than them. Children will often plan events to raise funds which are for external causes such as Children in Need, Red Nose Day, Christmas Jumper Day and MacMillan Cancer research. Children participate on a voluntary basis with parents informed about how they can support their child to carry out the charitable work without it being an extra expense to them, for example children use their pocket money or give up treats they might have otherwise had towards the fund raising. The number of events are planned so that no additional burden is added to either staff or parents to raise funds.

The only funds requested from parents are the voluntary contributions towards school trips as other fund raising is for external causes as stated above and only carried out by the children and not the wider public. We aim not be intrusive or demand money from parents for school or other activities. In the last year there have been no complaints with regards to fund raising as parents see the importance of raising awareness to appreciate the wider world.

**Funds held as Custodian trustee on Behalf of others**

There are no funds held as Custodian Trustee on behalf of others.

**Auditors**

RSM UK Audit LLP has indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed in the absence of an Annual General Meeting.

**Statement as to disclosure of information to auditors**

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report is approved by order of the Board of Trustees and the Strategic Report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on 24/11/20 and signed on its behalf of:



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**S Richards**  
**Chair of Trustees**

**SCHOLARS ACADEMY TRUST**  
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**GOVERNANCE STATEMENT**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Scope of responsibility**

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

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

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the period. Attendances during the period at meetings of the Board of Trustees were as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of possible</b>
I Hassell OBE nee Sandhu OBE (Head teacher & Accounting Officer)	3	3
J Berry OBE JP	2	3
P Thompson	3	3
R Padgett	3	3
S Richards (Chair)	3	3
H Elliot	2	3
M Johal	1	1
N Benton	1	2

The Trustees have overall responsibility for the administration of Scholar's Trust finances. The main responsibilities of the Trust are prescribed in the Funding Agreement between the Trust and the DfE and in the Academy's Financial manual.

The Trust Board has a strategic role in determining the educational and financial priorities of the Scholars Trust, ensuring that the financial resources delegated to it are used effectively and that adequate internal controls are maintained over these.

**Responsibilities:**

- Ensuring the grant from the DfE is used only for the purpose intended.
- Ensuring that funds from Sponsors are received according to the Trust funding agreement, and are used only for the purpose intended.
- Approval of the Annual Budget
- Appointment of the Principal
- To fulfil the statutory responsibility for the administration of financial management within the Academy.
- To set out in writing the roles and responsibilities of the Trust Board, its committees, the Executive Head and other relevant staff in relation to financial decision making.
- To undertake an annual review of the Finance Regulations Manual to be ratified
- To establish the financial limits of delegated authority to enter into commitments and to authorise invoices and the subsequent payment of these e.g. cheques, BACS).
- To approve the financial procedures within the Academies and ensure that they comply with the Funding Agreement and the Academies Financial Handbook.
- To establish a register of business interests of Members, Trustees, governors, the Executive head and any other staff who have the ability to influence financial decisions, to ensure that it is open to inspection and to oversee its maintenance through an annual review and update.

**SCHOLARS ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Responsibilities (continued):**

- To ensure that the priorities, aims and objectives are outlined in the schools Improvement/Development plan and are costed and clearly linked to the annual Budget Plan.
- To approve the annual Budget Plans and ensure that the annual budget plans are subjected to the Education Funding Agency by the required deadline.
- To determine the level of detail, minimum frequency and general format of financial information to be provided to the Trust and governors, especially in relation to budget monitoring reports.
- To report suspected financial irregularities to the Education Funding Agency without delay, and as necessary convene disciplinary panels to consider the findings of investigations.

The Board of Trustees has a strategic role in the review and management of the Trust and therefore its key responsibilities include setting priorities, including finance spending and deployment of resources for accountability through the:-

- Trust Improvement Plan
- The Schools Self-Evaluation Forms
- The School Prospectuses
- A 5 year financial plan
- The annual budgets
- The School Scheme of Financial Delegation and Internal Finance Procedures
- Curriculum Intent and outcomes

<b>Finance and Personnel Committee</b>	<b>Meetings attended</b>	<b>Out of possible</b>
J Berry OBE JP	6	6
R Padgett	6	6
S Richards	6	6
I Hassell OBE nee Sandhu OBE	6	6
H Elliot	3	6
M Johal	2	3

The Finance and Staffing Committee is an advisory body with no executive powers. However, it is authorised by the Board to investigate any activity within its terms of reference, and to seek any information it requires from staff, who are requested to co-operate with the Committee in the conduct of its enquiries.

The Finance and Staffing Committee is authorised to obtain independent professional advice if it considers this necessary.

**Duties**

The specific duties of the Finance and Staffing Committee shall be to:

- review and set the Annual Budget in detail and to make recommendations to the Trust to secure best value;
- monitor the budget on behalf of the Trust Board and through the termly meetings and minutes of the committee inform the rest of the governing body;
- review schools' internal and external financial statements, reports and audits to ensure that they reflect best practice;
- to approve amendments to the budget and approve virements of funding to meet the need of the school;
- to approve quotations for work based on best value on behalf of the Trust;
- discuss with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor has the fullest co-operation of staff;
- consider all relevant reports by the Finance Officer or the appointed external auditor, including reports on school accounts, achievement of value for money and the response to any management letters;

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**GOVERNANCE STATEMENT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Duties (continued)**

- review the effectiveness of the Trust's internal control system established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner (e.g. risk register);
- explore and process sources of new funding;
- review any report from the Finance Officer in relation to the operation of Trust Buildings and Grounds;
- review new and existing policies relating to the employment and conditions of staff within schools and make recommendations to the Trust;
- consider the staffing needs of the schools and make decisions on appointment as necessary (teaching and support staff) and make recommendations for approval in significant changes in staffing structures; though this may be delegated to individual governing bodies;
- review and monitor the Health and Safety policy statement in order to safeguard the health and wellbeing of students, employees and visitors to their schools, and to make recommendations to the Trust and Governing Bodies;
- ensure the effective implementation and monitoring of performance management on behalf of the Trust;
- review the recommendations of the Executive Headteacher as to salaries, particularly any discretionary awards;
- review the operation of the Trust code of practice for Members, Trustees, Governors and code of conduct for staff.

The Board of Trustees ensures personnel management procedures have been identified, formally approved and documented to cover as a minimum:

- recruitment (including references and police checks);
- performance appraisal and review;
- equal opportunities;
- disciplinary (including absence policies);
- grievance;
- staff expenses.
- consider any other matters where requested to do so by the governing body; and
- report at least once a year to the governing body on the discharge of the above duties.

The Trust ensures that procedures are in place to ensure that employees of the Trust are paid for work done in accordance with their contracts of employment.

In addition, the Board of Trustees ensures the Trust has adequate insurance cover to support its activities as an employer, such as employers' liability insurance, fidelity insurance, trustee indemnity, public liability insurance and so forth.

**POWERS DELEGATED TO THE LOCAL GOVERNING BODY**

**Vision**

- to contribute to the development and carry forward the Trust's vision, in a way appropriate to the specific qualities and community characteristics of the Academy
- To promote and implement the school ethos and vision

**Compliance**

- implementation of actions required to comply with all statutory regulations
- assist the Trustees in complying with the provisions of the Funding Agreements where requested

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**GOVERNANCE STATEMENT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Governance**

- work with the Trust in the appointment of the clerk to the LGB
- assisting in the appointment of staff and parent governors where requested by the Trust
- oversight of the school's activities
- holding the Headteacher and leadership to account for the achievement, quality of teaching, behaviour and safety and leadership and management the school and report termly to the Trust.
- Monitoring and evaluating the outcomes of the academy against the KPIs and report termly to the Executive Head
- to nominate governors to oversee safeguarding and SEN

**Policies**

- work with the trust to set and monitor the curriculum and standards achieved by the school
- implementation of all policies prepared and approved by the Trust
- ensure provision of free school meals to those pupils meeting the criteria
- to comply with and adhere to the terms of any Trust protocol or any guidance issued by the Trust as necessary
- put in place other school specific policies and procedures relevant to the school as required
- to ensure all required policies are on school's website
- to set and review the school's admission policy (in agreement with the Trust)

**Educational Standards**

- work with the Trust to determine the educational targets of the school within the School Development Plan
- work with the Trust to consider and evaluate school performance against key performance indicators set by the Trust
- Monitor and evaluate the outcomes of achievement at the school and report termly to the trust – i.e. through the headteacher and Chair
- The needs of pupils with SEN/or in receipt of pupil premium are met in line with legal requirements

**Appointment**

- work with the Trust to appoint staff including the Headteacher

**HR and Performance Management**

- monitoring local HR activity and policy, including the process for local performance reviews for members of staff(excluding the headteacher or Head of School) and in particular ensuring that it is within the parameters for the school from time to time as established by the Trustees
- comply with all policies dealing with staff issued by Trust
- take account of pay terms set by Trust
- adopt any standard contracts or terms or conditions for the employment of staff issued by the Trust
- manage any claims/disputes with staff members having regard to any advice/recommendations given by the Trust
- manage the CPD of all staff in line with school needs and SDP

**Finances**

- regularly monitoring the school's cashflow and expenditure in accordance with policies determined by the Trustees
- inform the Trust of any need for significant unplanned expenditure and work with the Trust to explore options for identifying available funding
- ensuring compliance with the overall financial plan for the school
- keeping proper accounts and proper records in relation to the accounts
- preparing a statement of accounts in respect of each financial year of the Academy
- observing proper levels of delegation and protocols, in conjunction with the Responsible Officer
- managing a risk register for the Academy



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**GOVERNANCE STATEMENT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Finances (continued)**

- develop a 5 year spending plan in conjunction with the Trust
- provide the Trust with monthly expenditure
- oversee viability of extended school provision
- ensure specific funding eg SEN/pupil premium/sport funding is spent in accordance with legal requirements and reported upon

**Assets and Premises**

- ensure the health and safety of the users of the school's buildings and facilities
- notify the Trust of any changes to fixed assets used by the school
- to develop a 5 year strategy to ensure suitability of buildings/facilities for the curriculum
- annual risk assessments to be given to the Trust

**Services**

- work with the Trust to determine the extent of the services provided to the school by the Trust and how the costs should be allocated
- implementation of Trust's procurement policies insofar as they impact on the school
- seeking value for money and being able to demonstrate that value for money has been achieved

**Media and PR**

- support the Trust and the school in relation to any public relations activities to project the activities of the Trust and the school to the wider community

**Review of value of money**

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

The accounting officer considers how the 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:

- Improving educational results and ensuring that educational standards continue to improve for the benefit of pupils and wider society, and that all pupils have the opportunity to raise their individual levels of attainment.
- Targeted improvement: Keeping its staffing structure under review and deploy staff efficiently to support an improved curriculum, or to target areas of the curriculum in need of development.
- Focus on individual pupils: Continuing to manage the differing needs of pupils, such as those requiring one to one support, and those requiring more stretch.
- Collaboration: Continuing to engage with other educational providers and experts to share delivery or good practice, and to drive up standards for the least cost.
- Quantifying improvements: Providing termly reviews of data are available to evidence the effectiveness of the Trust's strategies, via head teachers' reports and updates – such as pupils' educational attainment, behaviour and attendance records over time
- Financial governance and oversight: The Trust have been advised by the Accounting Officer so that they can challenge decision makers within the Trust on the cost and effectiveness of spending proposals in order to achieve value for money and a regular basis.
- Better purchasing: Informing the Trust checking as to what has been done to get more for its money.
- Fitness for purpose: Services and contracts have been appraised or renegotiated to get the best mix of quality and effectiveness for the least cost.
- Benchmarking: By considering benchmarking its costs against similar organisations to identify areas for making savings.

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**GOVERNANCE STATEMENT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Review of value of money (continued)**

- Options appraisal: Different options are considered before making purchases, including an assessment of the costs and benefits of the alternatives. Tendering is used appropriately when required and effectively to get the best deal. This does not mean always choosing the cheapest option.
- Economies of scale: Informed the Trust of the opportunities to work collaboratively with others to reduce and share administration and procurement costs.
- Better income generation: Opportunities have been taken to explore and generate additional and reliable revenue streams.
- Reviewing controls and managing risks: Support the Trust to have organised its internal controls to maximise its use of assets. Management receive regular budget reports, and they act on them to best utilise spare resources and prevent waste. The Trust has checks and measures to manage cash, bank balances and investments effectively.
- Lessons learned: to ensure the Trust continues to appraise and learn from its strategies and decisions to make the budget go further.

**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 Scholars Academy Trust for the year from 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**The Role of the Internal Auditors**

The Trust have agreed that an internal audit of each school and the multi academy Trust will take place each year. It has asked the internal auditors

- to provide assurance on each school and the MAT within your academic (& accounting) year ensuring that the schools are audited at the same time.
- To carry out a full audit each year and not just a health check in each school
- To provide a comprehensive report identifying areas for development or improvement at school and MAT level.

As a consequence of the above the internal auditors were requested to look at all aspects of systems and structures linked to finance and ensure that policies match practice. The auditors spent a total of three days analysing the policies of the MAT, ensuring that these were being followed by the schools. In addition, the daily practice and recording of finances were considered and scrutinised in both schools. Staff including the Executive head, finance officer, office managers were asked questions about the practice and cross referenced with policy.

As a result of this the auditors provided a report highlighting the strengths and areas for improvement for each school to consider and an overall report highlighting the areas that the Trust need to develop or improve. This subsequently informs the work of the accounting officer.

**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 are formal on-going processes for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year from 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**SCHOLARS ACADEMY TRUST**  
(A company limited by guarantee)

**GOVERNANCE STATEMENT (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**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 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 considered the need to have in place a process for independent checking of financial controls, systems, transactions and risks. In fulfilment of this requirement the decision was taken to appoint Leicestershire County Council as Internal Auditors, during which the internal auditors will give advice on financial matters and perform a range of checks on the academy trust's financial systems. Following each visit the internal auditors will provide a report for the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**Review of Effectiveness**

As Accounting Officer, the Head Teacher 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 Finance Committee and a plan to address weaknesses if relevant and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 24/11/20 and signed on its behalf by:

  
I Hassell OBE nee Sandhu OBE  
Accounting Officer

  
S Richards  
Chair of Trustees

**SCHOLARS ACADEMY TRUST**  
**(A company limited by guarantee)**

**STATEMENT ON REGULARITY, PROPERIETY AND COMPLIANCE**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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As Accounting Officer of Scholars Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency ("ESFA") of material irregularity, impropriety and non-compliance with ESFA 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 2019.

I confirm that I and the Academy Trust 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 2019.

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



**I Hassell OBE nee Sandhu OBE**  
**Accounting Officer**

Date: 24/11/20

**SCHOLARS ACADEMY TRUST**  
**(A company limited by guarantee)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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The Trustees who are also the directors of Scholars Academy Trust for the purposes of company law, are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 24/11/20 and signed on its behalf by:

  
\_\_\_\_\_  
**S Richards**  
**Chair of Trustees**

**SCHOLARS ACADEMY TRUST**  
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS  
OF SCHOLARS ACADEMY TRUST**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Opinion**

We have audited the financial statements of Scholars Academy Trust ("the parent charitable company" and its subsidiaries (the 'group')) for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Trust Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies: Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2020 and of the group's 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 Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**Other information**

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

**SCHOLARS ACADEMY TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**  
**OF SCHOLARS ACADEMY TRUST (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Other information (continued)**

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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

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

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 28, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company'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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

**SCHOLARS ACADEMY TRUST**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS**  
**OF SCHOLARS ACADEMY TRUST (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Auditor's responsibilities for the audit of the financial statements (continued)**

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

**Use of our report**

This report is made solely to the 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.

*RSM UK Audit LLP*

**Gareth Jones (Senior Statutory Auditor)**

**For and on behalf of RSM UK Audit LLP, Statutory Auditor**  
Chartered Accountants  
Rivermead House  
7 Lewis Court  
Grove Park  
Enderby  
Leicestershire  
LE19 1SD

Date 10/12/2020



**SCHOLARS ACADEMY TRUST**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
(Including Income and Expenditure Account)

**FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020 Total £	2019 Total £
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	-	28,313	28,313	355,734
Charitable activities:						
Funding for the Academy Trust's educational operations	4	-	4,675,558	-	4,675,558	4,274,975
Other trading activities	5	267,632	97,369	-	365,001	665,126
Investments	6	1,205	-	-	1,205	1,498
<b>Total</b>		<b>268,837</b>	<b>4,772,927</b>	<b>28,313</b>	<b>5,070,077</b>	<b>5,297,333</b>
<b>Expenditure on:</b>						
Raising funds	7	74,776	49,780	-	124,556	300,719
Charitable activities:						
Academy Trust's educational Operations	8	133,122	4,817,219	159,950	5,110,291	5,000,617
<b>Total</b>	7	<b>207,898</b>	<b>4,866,999</b>	<b>159,950</b>	<b>5,234,847</b>	<b>5,301,336</b>
<b>Net income/(expenditure)</b>		<b>60,939</b>	<b>(94,072)</b>	<b>(131,637)</b>	<b>(164,770)</b>	<b>(4,003)</b>
<b>Transfer between funds</b>	18	<b>(30,296)</b>	<b>-</b>	<b>30,296</b>	<b>-</b>	<b>-</b>
<b>Other recognised losses</b>						
Re-measurement of net defined benefit obligations	25	-	(51,000)	-	(51,000)	(659,000)
<b>Net movement in funds</b>		<b>30,643</b>	<b>(145,072)</b>	<b>(101,341)</b>	<b>(215,770)</b>	<b>(663,003)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,231,440	(1,926,534)	4,671,873	3,976,779	4,639,782
<b>Total funds carried forward</b>	18	<b>1,262,083</b>	<b>(2,071,606)</b>	<b>4,570,532</b>	<b>3,761,009</b>	<b>3,976,779</b>

**SCHOLARS ACADEMY TRUST**  
(A company limited by guarantee)

**CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2020**

**COMPANY NUMBER: 08515149**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	14	4,650	-
Tangible assets	15	4,565,882	4,493,443
		<u>4,570,532</u>	<u>4,493,443</u>
<b>Current assets</b>			
Debtors	16	140,369	471,033
Cash at bank and in hand		2,114,818	1,783,005
		<u>2,255,187</u>	<u>2,254,038</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	17	(583,710)	(641,702)
		<u>1,671,477</u>	<u>1,612,336</u>
<b>Net current assets</b>			
		<u>6,242,009</u>	<u>6,105,779</u>
<b>Total assets less current liabilities</b>			
		<u>6,242,009</u>	<u>6,105,779</u>
<b>Net assets excluding pension liability</b>			
		<u>6,242,009</u>	<u>6,105,779</u>
Defined benefit pension scheme liability	25	(2,481,000)	(2,129,000)
		<u>3,761,009</u>	<u>3,976,779</u>
<b>Total net assets</b>			
		<u>3,761,009</u>	<u>3,976,779</u>
<b>Funds of the Academy Trust:</b>			
<b>Restricted of funds</b>			
- Restricted fixed asset fund	18	4,570,532	4,671,873
- Restricted income funds	18	409,394	202,466
- Pension reserve	18	(2,481,000)	(2,129,000)
		<u>2,498,926</u>	<u>2,745,339</u>
<b>Total restricted funds</b>			
		<u>2,498,926</u>	<u>2,745,339</u>
<b>Unrestricted income funds</b>	18	1,262,083	1,231,440
		<u>1,262,083</u>	<u>1,231,440</u>
<b>Total funds</b>	18	<u>3,761,009</u>	<u>3,976,779</u>

The financial statements on pages 32 to 58 were approved by the board of trustees and authorised for issue on 24/11/20 and are signed on their behalf by:

  
**R Padgett**  
 Trustee

**SCHOLARS ACADEMY TRUST**  
(A company limited by guarantee)

**TRUST BALANCE SHEET AS AT 31 AUGUST 2020**


**COMPANY NUMBER: 08515149**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	14	4,650	-
Tangible assets	15	4,565,882	4,493,443
		<u>4,570,532</u>	<u>4,493,443</u>
<b>Current assets</b>			
Debtors	16	151,999	471,992
Cash at bank and in hand		1,970,163	1,593,788
		<u>2,122,162</u>	<u>2,065,780</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	17	(450,685)	(453,444)
		<u>1,671,477</u>	<u>1,612,336</u>
<b>Net current assets</b>			
		<u>6,242,009</u>	<u>6,105,779</u>
<b>Total assets less current liabilities</b>			
		<u>6,242,009</u>	<u>6,105,779</u>
<b>Net assets excluding pension liability</b>			
		<u>6,242,009</u>	<u>6,105,779</u>
Defined benefit pension scheme liability	25	(2,481,000)	(2,129,000)
		<u>3,761,009</u>	<u>3,976,779</u>
<b>Total net assets</b>			
		<u>3,761,009</u>	<u>3,976,779</u>
<b>Funds of the Academy Trust:</b>			
<b>Restricted of funds</b>			
- Restricted fixed asset fund	18	4,570,532	4,671,873
- Restricted income funds	18	407,875	204,247
- Pension reserve	18	(2,481,000)	(2,129,000)
		<u>2,497,407</u>	<u>2,747,120</u>
<b>Total restricted funds</b>			
		<u>2,497,407</u>	<u>2,747,120</u>
<b>Unrestricted income funds</b>	18	1,263,602	1,229,659
		<u>1,263,602</u>	<u>1,229,659</u>
<b>Total funds</b>	18	<u>3,761,009</u>	<u>3,976,779</u>

The Academy Trust has taken advantage of the available exemption under Section 408 of the Companies Act 2006 not to present its own Statement of Financial Activities or Income and Expenditure account.

The net movement in funds for the Scholars Academy Trust for the year ended 31 August 2020 was a £215,770 deficit (2019: £663,003 deficit).

The financial statements on pages 32 to 58 were approved by the board of trustees and authorised for issue on 24/11/20 and are signed on their behalf by:

  
\_\_\_\_\_  
**R Padgett**  
Trustee

**SCHOLARS ACADEMY TRUST**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash provided/(used) by operating activities	23	547,834	(215,397)
<b>Cash flows from investing activities</b>			
Interest from investments		1,205	1,498
Capital grants from DfE Group and others		19,813	355,734
Purchase of intangible fixed assets		(6,975)	-
Purchase of tangible fixed assets		(230,064)	(155,339)
<b>Net cash generated (used in)/ from investing activities</b>		(216,021)	201,893
<b>Net increase/(decrease) in cash and cash equivalents in the reporting period</b>		331,813	(13,504)
Cash and cash equivalents at the beginning of the year		1,783,005	1,796,509
<b>Cash and cash equivalents at the beginning of the year</b>		2,114,818	1,783,005

**SCHOLARS ACADEMY TRUST**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. Accounting policies**

**General information**

Scholars Academy Trust is a Charitable Company (the Academy Trust). The address of the Academy Trust's principal place of business is given on page 1. The nature of the Academy Trust's operations is set out in the Trustees' Report.

**Basis of preparation**

The financial statements of the Academy Trust, 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Academy Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

The financial statements are presented in sterling which is also the functional currency of the Academy Trust. Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

**Group consolidated financial statements**

The Consolidated Statement of Financial Activities and Consolidated Balance Sheet consolidate the financial statements of the Academy Trust and its subsidiary undertaking Oadby Learning Partnership Limited. The results of the Academy Trust and its subsidiary are consolidated on a line by line basis.

All intra-group transactions, balances and unrealised gains on transactions with the subsidiary are eliminated on consolidation.

The individual Charitable Company financial statements of Scholars Academy Trust are included in these consolidated financial statements and in accordance with FRS102, the Charitable Company has taken advantage of the exemption from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 33 'Related Party Disclosures' – compensation for key management personnel.

All the financial statements are made up to 31 August 2020. The Academy Trust has also taken advantage of the available exemption under Section 408 of the Companies Act 2006 not to present its own Statement of Financial Activities or Income and Expenditure account.

**Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. Following the uncertainty presented by Covid-19, management has reassessed the going concern assumption and confirms that it remains appropriate based on the strong cash and net asset position which enables it to meet its liabilities as they fall due despite the Covid-19 situation. The trustees make this assessment in respect of a period of at least one year from the date of approval for issue of the financial statements and have concluded that the trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the trust's ability to continue as a going concern. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

**SCHOLARS ACADEMY TRUST**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. Accounting policies (continued)**

**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 year is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

Capital grants are recognised when there is entitlement, when performance-related conditions have been met, and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

**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, income from recharge of services, teaching resources and training, contributions to trips, catering income and other income is recognised at fair value of the consideration received or receivable in the year it is receivable and to the extent the Academy Trust has provided the goods or services.

**Donated services and gifts in kind**

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

**Expenditure**

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

**Expenditure on raising funds**

Expenditure on raising funds 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.

**SCHOLARS ACADEMY TRUST**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. Accounting policies (continued)**

***Expenditure on charitable activities***

Charitable activities are costs incurred on the Academy Trust's educational operations to further its charitable aims for the benefit of its beneficiaries, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

***Intangible fixed assets***

Intangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible fixed assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Computer software development	33%
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From previous experience, the Academy Trust's software has on average an expected useful life of 3 years, therefore the trustees consider this rate of write off to be an acceptable rate to use.

***Tangible fixed assets***

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the statement of financial activities as incurred.

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

Long leasehold buildings	2%
Leasehold improvements	5%
Fixtures, fittings and equipment	20%
Computer equipment	33%

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposals, for the assets as if it were at the age and in the condition expected at the end of its useful life.

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.

Assets in the course of construction are included at cost less any identified impairment loss. Cost includes professional fees and other directly attributable costs that are necessary to bring the property to its operating condition. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. Accounting policies (continued)**

**Investments**

The Academy's Trust shareholding in its wholly owned subsidiary, Oadby Learning Partnership Limited, is initially measured at cost and subsequently measured at cost less any impairment. An assessment for impairment is made at each reporting date.

**Liabilities**

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

**Leased assets**

Rentals under operating leases are charged on a straight-line basis over the lease term.

**Financial Instruments**

The Academy Trust has chosen to adopt sections 11 and 12 of FRS102 in full in respect of financial instruments.

*Financial assets and liabilities*

Financial assets and financial liabilities are recognised when the Academy Trust becomes a party to the contractual provisions of the instrument.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

*Derecognition of financial assets and liabilities*

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

**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 part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.



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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. Accounting policies (continued)**

**Short-term Employment Benefits**

Short term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the Academy Trust. The cost of any unused holiday entitlement the Academy Trust expects to pay in future periods is recognised in the period the employees' services are rendered.

**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') which are multi-employer defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 projected unit method. The TPS is an unfunded multi-employer scheme but there is insufficient information available to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The LGPS is a funded scheme and the assets are held separately. 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 reporting date. The amounts charged to net income 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 as other comprehensive income.

Actuarial gains and losses are recognised immediately as other comprehensive income.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by funders or donors, and include grants from the Department for Education Group.

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**2. Critical accounting estimates and areas of judgement**

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

*Critical accounting estimates and assumptions*

The 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.

*Pension scheme*

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

*Critical areas of judgement*

In the opinion of the Trustees there are no critical areas of judgement that would have a significant effect of the amounts already recognised in the financial statements.

**3. Donations and capital grants**

	Unrestricted Funds £	Restricted General Fund £	Restricted Fixed Assets Funds £	Total 2020 £	Total 2019 £
Capital grants	-	-	19,813	19,813	355,734
Other donations	-	-	8,500	8,500	-
	<u>-</u>	<u>-</u>	<u>28,313</u>	<u>28,313</u>	<u>355,734</u>

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**4. Funding for Academy Trust's educational operations**

	Unrestricted Funds £	Restricted General Funds £	Total 2020 £	Total 2019 £
<b>DfE / ESFA revenue grants</b>				
General Annual Grant (GAG)	-	3,904,081	3,904,081	3,722,623
Other DfE/ESFA Grants	-	594,932	594,932	384,832
	-	4,499,013	4,499,013	4,107,455
<b>Other Government grants</b>				
Local authority grants	-	2,328	2,328	4,651
Special education projects	-	165,609	165,609	162,869
	-	167,937	167,937	167,520
<b>Exceptional government funding</b>				
Coronavirus Job Retention Scheme grant	-	8,608	8,608	-
	-	8,608	8,608	-
<b>Total</b>	-	4,675,558	4,675,558	4,274,975

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

The academy furloughed some of its staff under the government's Coronavirus Job Retention Scheme. The funding received of £8,608 relates to staff costs which are included within note 9 as appropriate.

**5. Other trading activities**

	Unrestricted Funds £	Restricted General Funds £	Total 2020 £	Total 2019 £
Hire of facilities	108,492	-	108,492	149,503
Income from recharge of services	14,265	-	14,265	8,490
Contributions to trips	-	47,589	47,589	95,293
Catering income	44,237	-	44,237	77,992
Teaching resources and training	71,714	49,780	121,494	283,008
Other income	28,924	-	28,924	50,840
	267,632	97,369	365,001	665,126

**6. Investment income**

	Unrestricted Funds £	Restricted General Funds £	Total 2020 £	Total 2019 £
Interest from short term deposits	1,205	-	1,205	1,498

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**7. Expenditure**

	Non pay expenditure				
	Staff Costs £	Premises Costs £	Other Costs £	Total 2020 £	Total 2019 £
Expenditure on raising funds	-	-	124,556	124,556	300,719
<i>Academy's educational operations</i>					
- Direct costs	3,268,992	-	219,969	3,488,961	3,474,654
- Allocated support costs	798,005	210,102	613,223	1,621,330	1,525,963
<b>Total expenditure</b>	<b>4,066,997</b>	<b>210,102</b>	<b>957,748</b>	<b>5,234,847</b>	<b>5,301,336</b>

**Net income/(expenditure) for the year includes:**

	2020 £	2019 £
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- audit services – statutory audit	21,235	20,225
- other services	9,375	15,385
Operating lease rentals	6,400	4,433
Net interest on defined pension liability (note 25)	40,000	36,000
Depreciation on tangible fixed assets	157,625	141,875
Amortisation on intangible assets	2,325	667

**8. Charitable Activities : Academy Trust's educational operations**

	2020 £	2019 £
<b>Direct costs – educational operations</b>	<b>3,488,961</b>	<b>3,474,654</b>
<b>Support costs – educational operations</b>	<b>1,621,330</b>	<b>1,525,963</b>
	<b>5,110,291</b>	<b>5,000,617</b>
<b>Allocated support costs:</b>		
Support staff costs	798,005	752,765
Depreciation and amortisation	159,950	142,542
Premises and equipment costs	50,152	82,123
Legal costs – other	470	-
Other support costs	572,348	499,932
Governance costs	40,405	48,601
	<b>1,621,330</b>	<b>1,525,963</b>

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**9. Staff numbers and costs**

**Staff costs**

Staff costs during the year for the Trust and the Group were:

	2020 £	2019 £
Wages and salaries	2,783,789	2,642,797
Social security costs	234,962	219,640
Pension costs	921,977	712,548
<b>Total staff costs</b>	<b>3,940,728</b>	<b>3,574,985</b>
Supply staff costs	126,269	302,122
	<b>4,066,997</b>	<b>3,877,107</b>

**Staff numbers**

The average number of persons (including senior management team) employed by the Trust and the Group during the year were as follows:

	2020 No.	2019 No.
Teachers	44	41
Administration and support	103	117
Management	7	7
	<b>154</b>	<b>165</b>

The average number of persons (including senior management team) employed by the Trust and the Group during the year expressed as full time equivalents were as follows:

	2020 No.	2019 No.
Teachers	39	35
Administration and support	53	58
Management	7	7
	<b>99</b>	<b>100</b>

**Higher paid staff**

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

	2020 No.	2019 No.
£60,001 - £70,000	2	2
£90,001 - £100,000	1	1

The above employees participated in the Teachers' Pension Scheme, a defined benefit pension scheme.

**10. Key management personnel compensation**

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) received by key management personnel for their services to the Academy Trust was £580,750 (2019: £527,149).

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**11. Central services**

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

- Financial services
- Human resources
- Audit and governance

The trust charges for these services on the following basis:

- Flat percentage of 3% (2019: 3%) based on GAG income

The actual amounts charged during the year were as follows:

	2020 £	2019 £
Launde Primary School Academy	65,940	62,626
Glenfield Primary School Academy	45,782	43,652
	111,722	106,278

**12. Trustees' remuneration and expenses**

The Accounting Officer only received remuneration in respect of services provided undertaking the role of Executive Head Teacher under her contract of employment and not in respect of her services as a Trustee. Other Trustees did not receive any remuneration nor received any other benefits from the Academy Trust in respect of their role as Trustees.

I Hassell OBE nee Sandhu OBE, (Executive Head Teacher and Accounting Officer), received remuneration of £94,669 for the year (2019: £92,435) and pension contributions paid by the Academy Trust in the year of £22,418 (2019: £15,233).

During the year ended 31 August 2020, 2 Trustee(s) (2019: 1) claimed expenses or had their expenses met by the Academy Trust. The expenses incurred were in respect of travel expenses and amounted to £49 (2019: £46) and were reimbursed or paid by the Academy Trust.

**13. Trustees' and Officers' Insurance**

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £3,000,000 (2019: £3,000,000) in total per year on any one claim and the cost for the year ended 31 August 2020 was £775 (2019: £544). The cost of this insurance is included in the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**14. Intangible fixed assets**

Group and Trust	Computer software development £	Total £
<b>Cost</b>		
At 1 September 2019	4,100	4,100
Additions	6,975	6,975
At 31 August 2020	11,075	11,075
<b>Amortisation</b>		
At 1 September 2019	4,100	4,100
Charged in year	2,325	2,325
At 31 August 2020	6,425	6,425
<b>Net book values</b>		
At 31 August 2020	4,650	4,650
At 31 August 2019	-	-

**15. Tangible fixed assets**

Group and Trust	Long leasehold buildings and leasehold improvements £	Fixtures, fittings and equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2019	4,980,165	71,219	125,071	5,176,455
Additions	195,863	15,838	18,363	230,064
At 31 August 2020	5,176,028	87,057	143,434	5,406,519
<b>Depreciation</b>				
At 1 September 2019	533,254	53,309	96,449	683,012
Charged in year	120,113	14,029	23,483	157,625
At 31 August 2020	653,367	67,338	119,932	840,637
<b>Net book values</b>				
At 31 August 2020	4,522,661	19,719	23,502	4,565,882
At 31 August 2019	4,446,911	17,910	28,622	4,493,443

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**16. Debtors**

	Group 2020 £	Group 2019 £	Trust 2020 £	Trust 2019 £
Trade debtors	2,320	18,042	2,320	4,192
Amounts due from group undertakings	-	-	12,509	15,343
VAT recoverable	23,429	32,957	23,429	32,957
Prepayments and accrued income	114,620	420,034	113,741	419,500
	<u>140,369</u>	<u>471,033</u>	<u>151,999</u>	<u>471,992</u>

**17. Creditors: amounts falling during within one year**

	Group 2020 £	Group 2019 £	Trust 2020 £	Trust 2019 £
Trade creditors	79,986	182,753	79,776	182,253
Other taxation and social security	54,026	52,382	54,026	52,382
Other creditors	82,629	58,458	82,629	58,458
Accruals and deferred income	367,069	348,109	234,254	160,351
	<u>583,710</u>	<u>641,702</u>	<u>450,685</u>	<u>453,444</u>

**Deferred Income**

	Group 2020 £	Group 2019 £	Trust 2020 £	Trust 2019 £
Deferred income at 1 September 2019	294,780	406,278	117,022	118,426
Amount released in the year	(171,048)	(228,520)	(117,022)	(118,426)
Resources deferred in the year	99,795	117,022	99,795	117,022
Deferred income at 31 August 2020	<u>223,527</u>	<u>294,780</u>	<u>99,795</u>	<u>117,022</u>

At 31 August 2020, deferred income for the Trust was made up of £529 (2019: £17,583) for Academy trips income for trips taking place in the year ending 31 August 2020, £97,729 (2019: £98,272) relating to grants received in advance and £1,537 (2019: £1,167) for other income in advance received.

At 31 August 2020, deferred income for the Group was made up of £529 (2019: £17,583) for Academy trips income for trips taking place in the year ending 31 August 2020, £221,461 (2019: £276,030) relating to grants received in advance and £1,537 (2019: £1,167) for other income in advance received.



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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**18. Funds Group**

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted General Funds</b>					
General Annual Grant (GAG)	202,466	3,904,081	(3,697,153)	-	409,394
Other DfE/ESFA and local authority grants	-	762,869	(762,869)	-	-
Other restricted income	-	105,977	(105,977)	-	-
Pension reserve	(2,129,000)	-	(301,000)	(51,000)	(2,481,000)
	(1,926,534)	4,772,927	(4,866,999)	(51,000)	(2,071,606)
<b>Restricted Fixed Asset Funds</b>					
Assets inherited from local authority (transfer on conversion)	4,121,479	-	(92,244)	-	4,029,235
DfE/ESFA capital grants	550,394	28,313	(67,706)	30,296	541,297
	4,671,873	28,313	(159,950)	30,296	4,570,532
<b>Total Restricted Funds</b>	2,745,339	4,801,240	(5,026,949)	(20,704)	2,498,926
<b>Total Unrestricted Funds</b>	1,231,440	268,837	(207,898)	(30,296)	1,262,083
<b>Total Funds</b>	3,976,779	5,070,077	(5,234,847)	(51,000)	3,761,009
<b>Trust</b>					
	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted General Funds</b>					
General Annual Grant (GAG)	204,247	3,904,081	(3,700,453)	-	407,875
Other DfE/ESFA and local authority grants	-	762,869	(762,869)	-	-
Other restricted income	-	56,197	(56,197)	-	-
Pension reserve	(2,129,000)	-	(301,000)	(51,000)	(2,481,000)
	(1,924,753)	4,723,147	(4,820,519)	(51,000)	(2,073,125)
<b>Restricted Fixed Asset Funds</b>					
Assets inherited from local authority (transfer on conversion)	4,121,479	-	(92,244)	-	4,029,235
DfE/ESFA capital grants	550,394	28,313	(67,706)	30,296	541,297
	4,671,873	28,313	(159,950)	30,296	4,570,532
<b>Total Restricted Funds</b>	2,747,120	4,751,460	(4,980,469)	(20,704)	2,497,407
<b>Total Unrestricted Funds</b>	1,229,659	271,166	(206,927)	(30,296)	1,263,602
<b>Total Funds</b>	3,976,779	5,022,626	(5,187,396)	(51,000)	3,761,009

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**18. Funds (continued)**

**Funds – prior year**

Group	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted General Funds</b>					
General Annual Grant (GAG)	310,671	3,722,623	(3,830,828)	-	202,466
Other DfE/ESFA and local authority grants	-	552,352	(552,352)	-	-
Other restricted income	-	167,653	(167,653)	-	-
Pension reserve	(1,215,000)	-	(255,000)	(659,000)	(2,129,000)
	(904,329)	4,442,628	(4,805,833)	(659,000)	(1,926,534)
<b>Restricted Fixed Asset Funds</b>					
Assets inherited from local authority (transfer on conversion)	4,213,723	-	(92,244)	-	4,121,479
DfE/ESFA capital grants	266,923	355,734	(50,298)	(21,965)	550,394
	4,480,646	355,734	(142,542)	(21,965)	4,671,873
<b>Total Restricted Funds</b>	3,576,317	4,798,362	(4,948,375)	(680,965)	2,745,339
<b>Total Unrestricted Funds</b>	1,063,465	498,971	(352,961)	21,965	1,231,440
<b>Total Funds</b>	4,639,782	5,297,333	(5,301,336)	(659,000)	3,976,779

Trust	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted General Funds</b>					
General Annual Grant (GAG)	312,706	3,722,623	(3,831,082)	-	204,247
Other DfE/ESFA and local authority grants	-	552,352	(552,352)	-	-
Other restricted income	-	95,293	(95,293)	-	-
Pension reserve	(1,215,000)	-	(255,000)	(659,000)	(2,129,000)
	(902,294)	4,370,268	(4,733,727)	(659,000)	(1,924,753)
<b>Restricted Fixed Asset Funds</b>					
Assets inherited from local authority (transfer on conversion)	4,213,723	-	(92,244)	-	4,121,479
DfE/ESFA capital grants	266,923	355,734	(50,298)	(21,965)	550,394
	4,480,646	355,734	(142,542)	(21,965)	4,671,873
<b>Total Restricted Funds</b>	3,578,352	4,726,002	(4,876,269)	(680,965)	2,747,120
<b>Total Unrestricted Funds</b>	1,061,430	498,971	(352,707)	21,965	1,229,659
<b>Total Funds</b>	4,639,782	5,224,973	(5,228,976)	(659,000)	3,976,779

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**18. Funds (continued)**

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

*Restricted general funds:*

This fund represents grants received for the Academy's operational activities and development. This includes the pension reserve which represents the potential liability due by the Academy at the year end.

*Restricted other funds:*

From time to time, additional funds are applied as set out above for specific purposes laid down by the grant provider and to be used in the short term.

*Restricted fixed asset funds:*

This fund represents the net book value of fixed assets that the Academy has purchased out of grants received and have been transferred on conversion.

*Unrestricted funds:*

The unrestricted funds represent funds available to the trustees to apply for the general purposes of the Academy Trust.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the GAG that it could carry forward at 31 August 2020.

In the current year, a transfer was made between unrestricted general funds and restricted fixed asset funds in respect of assets purchased during the year, £30,296 (2019: £(21,965)) was transferred in relation to the Group and the Trust.

**Total funds analysis by Academy**

**Trust**

Fund balances at 31 August 2020 were allocated as follows:

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Launde Primary School Academy	728,740	655,680
Glenfield Primary School Academy	651,720	500,030
Central services	291,017	278,196
	<hr/>	<hr/>
Total before fixed assets and pension reserve	1,671,477	1,433,906
Restricted fixed asset funds	4,570,532	4,671,873
Pension reserve	(2,481,000)	(2,129,000)
	<hr/>	<hr/>
<b>Total</b>	<b>3,761,009</b>	<b>3,976,779</b>
	<hr/>	<hr/>

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**18. Funds (continued)**

**Total costs analysis by Academy**

**Trust**

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

	Teaching and Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding depreciation)	2020 Total	2019 Total
	£	£	£	£	£	£
Launde Primary School Academy	1,824,739	526,458	76,719	442,420	2,870,336	2,818,025
Glenfield Primary School Academy	1,401,353	264,979	58,654	335,927	2,060,913	2,068,738
Central Services	42,900	6,568	-	46,729	96,197	59,628
<b>Academy Trust</b>	<b>3,268,992</b>	<b>798,005</b>	<b>135,373</b>	<b>825,076</b>	<b>5,027,446</b>	<b>4,946,391</b>

**19. Analysis of net assets between funds**

**Group**

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Intangible fixed assets	-	-	4,650	4,650
Tangible fixed assets	-	-	4,565,882	4,565,882
Current assets	1,262,083	993,104	-	2,255,187
Current liabilities	-	(583,710)	-	(583,710)
Pension scheme liability	-	(2,481,000)	-	(2,481,000)
<b>Total net assets at 31 August 2020</b>	<b>1,262,083</b>	<b>(2,071,606)</b>	<b>4,570,532</b>	<b>3,761,009</b>

**Trust**

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Intangible fixed assets	-	-	4,650	4,650
Tangible fixed assets	-	-	4,565,882	4,565,882
Current assets	1,263,602	858,560	-	2,122,162
Current liabilities	-	(450,685)	-	(450,685)
Pension scheme liability	-	(2,481,000)	-	(2,481,000)
<b>Total net assets at 31 August 2020</b>	<b>1,263,602</b>	<b>(2,073,125)</b>	<b>4,570,532</b>	<b>3,761,009</b>

**SCHOLARS ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**19. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds – prior year**

**Group**

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	4,493,443	4,493,443
Current assets	1,231,440	750,435	272,163	2,254,038
Current liabilities	-	(547,969)	(93,733)	(641,702)
Pension scheme liability	-	(2,129,000)	-	(2,129,000)
<b>Total net assets at 31 August 2019</b>	<b>1,231,440</b>	<b>(1,926,534)</b>	<b>4,671,873</b>	<b>3,976,779</b>

**Trust**

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	4,493,443	4,493,443
Current assets	1,229,659	563,958	272,163	2,065,780
Current liabilities	-	(359,711)	(93,733)	(453,444)
Pension scheme liability	-	(2,129,000)	-	(2,129,000)
<b>Total net assets at 31 August 2019</b>	<b>1,229,659</b>	<b>(1,924,753)</b>	<b>4,671,873</b>	<b>3,976,779</b>

**20. Capital commitments**

	2020 £	2019 £
Contracted for, but not provided in the financial statements	-	141,299

**SCHOLARS ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**21. Investments**

**Academy Trust**

Scholars Academy Trust has a subsidiary undertaking Oadby Learning Partnership Limited (company limited by guarantee) (company number 08559973). Scholars Academy Trust is the only registered member of Oadby Learning Partnership Limited. Oadby Learning Partnership Limited's registered office address and principal place of business is Launde Primary School, New Street, Oadby, Leicester, Leicestershire, LE2 4LJ. The results of subsidiary undertaking are consolidated in the Group financial statements. The audited financial statements have been filed with the Registrar of Companies. The income and expenditure from the Oadby Learning Partnership relates to Teaching Schools.

The following is a summary of the financial statements of Oadby Learning Partnership Limited for the year ended 31 August 2020 and the year ended 31 August 2019. The principal activities of the company during the year were the provision of teaching resources and training to other local schools in area.

	2020 £	2019 £
<b>Statement of financial position</b>		
Current assets	145,534	203,601
Current liabilities	(145,534)	(203,601)
Net assets	-	-
<b>Teaching School trading account</b>		
	2020 £	2019 £
<b>Income</b>		
<b>Other income</b>		
Other trading activities	124,794	285,531
Investment income	77	150
	124,871	285,680
<b>Expenditure</b>		
<b>Direct costs</b>		
Other direct costs	(115,902)	(270,899)
	(115,902)	(270,899)
<b>Other costs</b>		
Other support costs	(47)	(62)
Share of governance costs	(8,922)	(14,719)
	(8,969)	(14,781)
<b>Total</b>	(124,871)	(285,680)
<b>Surplus from all sources</b>	-	-
<b>Teaching school balance at 1 September 2019</b>	-	-
<b>Teaching school balance at 31 August 2020</b>	-	-

**SCHOLARS ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**22. Commitments under operating leases**

At 31 August 2020, the total of the Group and Trust's future minimum lease payments under non-cancellable operating leases was as follows:

	2020 £	2019 £
Amounts due:		
Within 1 year	3,086	3,335
Between 2 – 5 years	2,237	632
	<u>5,323</u>	<u>3,967</u>

**23. Cash Flow notes**

**a) Reconciliation of net expenditure to net cash inflow from operating activities**

	2020 £	2019 £
Net expenditure for reporting period (as per the Statement of Financial Activities)	(164,770)	(4,003)
Adjusted for:		
Amortisation (note 14)	2,325	667
Depreciation (note 15)	157,625	141,875
Capital grants and donated fixed assets (note 3)	(19,813)	(355,734)
Interest receivable (note 6)	(1,205)	(1,498)
Defined benefit pension scheme finance costs (note 26)	40,000	36,000
Defined benefit pension scheme costs less contribution payable (note 26)	261,000	219,000
Operating cash flows before movement in working capital	<u>275,162</u>	<u>36,307</u>
Decrease/(increase) in trade and other debtors	330,664	(307,548)
(Decrease)/increase in trade and other creditors	<u>(57,992)</u>	<u>55,844</u>
<b>Net cash provided by/(used in) operating activities</b>	<u><u>547,834</u></u>	<u><u>(215,397)</u></u>

**b) Analysis of changes in net debt**

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash	1,783,005	331,813	2,114,818
<b>Total</b>	<u><u>1,783,005</u></u>	<u><u>331,813</u></u>	<u><u>2,114,818</u></u>

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

**SCHOLARS ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**25. Pension and similar obligations**

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

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

Included within other creditors at 31 August 2020 is an amount of £72,326 (2019: £57,777) relating to pension contributions payable.

**Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 2014. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer.

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 except it has been prepared following the Government's decision to pause the operation of the cost control mechanisms at the time when legal challenges were still pending.

The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI

As a result of the valuation, new employer contribution rates were set at 23.68% (including a 0.08% administration levy) of pensionable pay from September 2019 onwards (compared to 16.48% during 2019/20). The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £412,977 (2019: £253,068).

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan so it is accounted for as a defined contribution plan.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £306,000 (2019: £297,000), of which employer's contributions totalled £248,000 (2019: £240,000) and employees' contributions totalled £58,000 (2019: £57,000). The agreed contribution rates for future years are 21.47% per cent for employers and 5.5% to 12.5% per cent for employees.

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



**SCHOLARS ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**25. Pension and similar obligations (continued)**

**Principal Actuarial Assumptions**

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 August 2020 by a qualified independent actuary.

	2020 %	2019 %
Rate of increase in salaries	2.7	3.3
Rate of increase for pensions in payment / inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.8

The assumed life expectations on retirement age 65 are:

	2020 Years	2019 Years
<i>Retiring today</i>		
Males	21.5	21.2
Females	23.8	23.4
<i>Retiring in 20 years</i>		
Males	22.2	22.2
Females	25.2	24.7

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

	Fair value of assets 2020 £	2019 £
Equity instruments	1,887,000	1,713,000
Debt instruments	1,055,000	1,004,000
Property	256,000	236,000
<b>Total fair value of assets</b>	<b>3,198,000</b>	<b>2,953,000</b>

The actual return on scheme assets was £(14,000) (2019: £171,000).

**Amounts recognised in the Statement of Financial Activities**

	2020 £	2019 £
Current service cost	509,000	389,000
Past service cost	-	70,000
Net interest cost	40,000	36,000
<b>Total operating charge</b>	<b>549,000</b>	<b>495,000</b>

**SCHOLARS ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**25. Pension and similar obligations (continued)**

**Changes in present value of defined benefit obligations:**

	<b>2020</b> <b>£</b>
<b>At 1 September</b>	5,082,000
Current service cost	509,000
Interest cost	96,000
Employee contributions	58,000
Benefits paid	(47,000)
Actuarial gain	(19,000)
<b>At 31 August</b>	<u>5,679,000</u>

**Changes in the fair value of Academy Trust's share of scheme assets:**

	<b>2020</b> <b>£</b>
<b>At 1 September</b>	2,953,000
Interest income	56,000
Return on plan assets (excluding net interest on the net defined benefit pension liability)	(70,000)
Employer contributions	248,000
Employee contributions	58,000
Benefits paid	(47,000)
<b>At 31 August</b>	<u>3,198,000</u>

**26. Related party transactions**

**Group and Trust**

Owing to the nature of the Academy Trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a member of the board of trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

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

Key management personal compensation disclosure is included in note 10.

**Trust only**

During the year, Scholars Academy Trust received income of £74,120 (2019: £99,701) from Oadby Learning Partnership Limited.

At the year end, the Trust was owed £12,509 (2019: £15,343) from Oadby Learning Partnership Limited, the Trust's wholly owned trading subsidiary.

During the year, the Trust purchased goods totalling £3,300 (2019: £2,523) from Oadby Learning Partnership Limited.

**SCHOLARS ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**27. Comparative year information**

**Consolidated Statement of Financial Activities for the year ended 31 August 2019**

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total £
<b>Income and endowments from:</b>				
Donations and capital grants	-	-	355,734	355,734
Charitable activities:				
Funding for the Academy Trust's educational operations	-	4,274,975	-	4,274,975
Other trading activities	497,473	167,653	-	665,126
Investments	1,498	-	-	1,498
<b>Total</b>	<b>498,971</b>	<b>4,442,628</b>	<b>355,734</b>	<b>5,297,333</b>
<b>Expenditure on:</b>				
Raising funds	180,730	119,989	-	300,719
Charitable activities:				
Academy Trust's educational operations	172,231	4,685,844	142,542	5,000,617
<b>Total</b>	<b>352,961</b>	<b>4,805,833</b>	<b>142,542</b>	<b>5,301,336</b>
<b>Net income/(expenditure)</b>	<b>146,010</b>	<b>(363,205)</b>	<b>213,192</b>	<b>(4,003)</b>
<b>Transfer between gains</b>	<b>21,965</b>		<b>(21,965)</b>	<b>-</b>
<b>Other recognised losses</b>				
Re-measurement on net defined benefit obligations	-	(659,000)	-	(659,000)
<b>Net movement in funds</b>	<b>167,975</b>	<b>(1,022,205)</b>	<b>191,227</b>	<b>(663,003)</b>
<b>Reconciliation of funds</b>				
Total funds brought forward	1,063,465	(904,329)	4,480,646	4,482,472
<b>Total funds carried forward</b>	<b>1,231,440</b>	<b>(1,926,534)</b>	<b>4,671,873</b>	<b>3,976,779</b>

**SCHOLARS ACADEMY TRUST**  
**(A company limited by guarantee)**

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

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Conclusion**

We have carried out an engagement in accordance with the terms of our engagement letter dated 28 July 2020 and further to the requirements of the Education and Skills Funding Agency ('ESFA') as included in the Academies Accounts Direction 2019 to 2020, to obtain limited assurance about whether the expenditure disbursed and income received by Scholars Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Basis for conclusion**

The framework that has been applied is set out in the Academies Accounts Direction 2019 to 2020 Part 9: Regularity Reporting. We are independent of Scholars Academy Trust in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

**Responsibilities of Scholars Academy Trust's accounting officer and trustees**

The accounting officer is responsible, under the requirements of Scholars Academy Trust's funding agreement with the Secretary of State for Education dated 11 July 2011 and the Academies Financial Handbook extant from 1 September 2017, 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. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of Scholars Academy Trust and appointment of the accounting officer.

**Reporting Accountant's responsibilities for reporting on regularity**

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020.

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 the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**SCHOLARS ACADEMY TRUST**  
(A company limited by guarantee)

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

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Reporting Accountant's responsibilities for reporting on regularity (continued)**

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Financial Handbook 2017 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in Academies Accounts Direction 2019 to 2020.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

**Use of our report**

This report is made solely to Scholars Academy Trust and the ESFA in accordance with the terms of our engagement letter dated 28 July 2020. Our work has been undertaken so that we might state to the Scholars Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Scholars Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

*RSM UK Audit LLP*

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Date 10/12/2020