

Registration number: 10428979

Exeter Learning Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2020

Thompson Jenner LLP
Statutory Auditor
1 Colleton Crescent
Exeter
Devon
EX2 4DG

Exeter Learning Academy Trust

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 11
Governance Statement	12 to 15
Statement on Regularity, Propriety and Compliance	16
Statement of Trustees' Responsibilities	17
Independent Auditor's Report on the Financial Statements	18 to 20
Independent Reporting Accountant's Report on Regularity	21 to 22
Statement of Financial Activities incorporating Income and Expenditure Account	23 to 24
Balance Sheet	25
Statement of Cash Flows	26
Notes to the Financial Statements	27 to 49

Exeter Learning Academy Trust

Reference and Administrative Details

Members	Mr A Burrows Mr R Edwardson Ms C Quick (resigned 7 August 2020) Mrs A Boyce (appointed 7 August 2020)
Trustees (Directors)	Mrs D Buckingham Mrs A Boyce (resigned 22 July 2020) Mr B Cook Mr S Thornhill Ms S Curtis (appointed 20 January 2020) Mr P Walker (appointed 19 May 2020) Ms A Whittaker (appointed 20 January 2020)
Chief Executive Officer	Ms R Shaw (appointed 1 September 2019)
Senior Management Team	Ms R Shaw, Chief Executive Officer (appointed 1 September 2019) Mrs D Buckingham, Director of Teaching & Learning Ms P Woodbridge, Chief Financial Officer
Principal and Registered Office	St Thomas Primary School Union Street Exeter Devon EX2 9BB
Company Registration Number	10428979
Auditors	Thompson Jenner LLP Statutory Auditor 1 Colleton Crescent Exeter Devon EX2 4DG
Solicitors	Tozers Broadwalk House Southernhay West Exeter Devon EX1 1UA

Exeter Learning Academy Trust

Trustees' Report for the Year Ended 31 August 2020

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period September 2019 to 31st August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates four primary academies in the South West England. Its academies have a combined pupil capacity of 1295 and had a roll of 1198 in the school census on 3rd October 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 Exeter Learning Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Exeter Learning Academy Trust.

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

Members' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased by the Academy Trust, from the Risk Protection Arrangement, to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £10,000,000.

Method of Recruitment and Appointment or Election of Trustees

On incorporation, the first Trustees of the newly formed Academy were appointed for a term of four years from the date of incorporation.

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 12 Trustees, appointed under Article 50; and
- a minimum of 2 Parent Trustees elected or appointed under Articles 53-[56]/[56B] in the event that no Local Governing Bodies are established under Article 100a or if no provision is made for at least 2 Parent Local Governors on each established Local Governing Body pursuant to Article 101A.

The Academy Trust may also have any Co-opted Trustee appointed under Article 58.

Exeter Learning Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Trustees are appointed for a four year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academies and a chance to meet staff and pupils. All Trustees are provided with copies of those policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees.

Induction is tailored to the needs of individual Trustees.

There is a Trustees' and Head Teachers away day organised each year which includes training sessions to keep the Trustees updated on relevant developments impacting on their roles and responsibilities. We also buy in to Babcock LDP Governors' Support Services.

Organisational Structure

The Board of Trustees meets at least four times a year. The Board has established an overall framework for the governance of the Academy through the Resources and Finance Committee, the Audit and risk Committee and the Education, Inclusion and safeguarding Committee. The Board has established the terms of reference of each of these committees and monitors their performance by receipt of their minutes and regular written reports for ratification where necessary under the Trust's Scheme of Delegation. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

In addition, committees are formed on an ad hoc basis where required to cover other matters such as Exclusions.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Trust and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, and to appoint the Chief Executive Officer.

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

The Members and Board of Trustees have devolved responsibility for day to day management of the Trust to the Chief Executive Officer, the Chief Financial Officer and the Director of Teaching and Learning (until July 2020), who make up the senior leadership team (SLT) of the Trust.

The SLT controls the Trust at an executive operational level, implementing the policies laid down by the Trustees and reporting back to them.

Some spending control is devolved to Headteachers and Local Governing Bodies, who are authorised in line with the Scheme of Delegation. Headteachers are responsible for the appointment of all staff except Headteachers who are appointed by the Trust Board.

Exeter Learning Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

The Multi Academy Trust comprises four primary schools:

- Alphington Primary School
- Bowhill Primary School
- Ide Primary School
- St Thomas Primary School

Each school is an Academy in its own right forming part of the chain of academies within the Exeter Learning Academy Trust, with a single Board of Trustees overseeing the whole academy chain.

The Chief Executive Officer is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Pay Policy sets out the remuneration of the key staff. A remuneration committee is part of the Finance and Resources Committee and each school has its own remuneration committee. Teachers' Pay and Conditions standards are used as well as job evaluation and performance appraisal outcomes against targets.

Trade union facility time

Under the provisions of the Trade Union (Faculty Time Publication Requirements) Regulations 2017, Exeter Learning Academy Trust can confirm the following in respect to Schedule 2 of the Regulations

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
	1.0

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1.0
1% to 50%	Nil
51% to 99%	Nil
100%	Nil

Percentage of pay bill spend on facility time

Total cost of facility time	Nil
Total pay bill	Nil
Percentage of the total pay bill spend on facility time	Nil

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	Nil
---	-----

Exeter Learning Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Related Parties and other Connected Charities and Organisations

The Trust is not aware of any ongoing related parties or other connected charities or organisations

Objectives and Activities

The principle object and activity of the Trust is to advance for the public benefit education in the United Kingdom. At Exeter Learning Academy Trust, we do this by aiming to get the best for, and from, each child. We offer a broad curriculum for children and have a strong emphasis on inclusion to ensure children reach their full academic, creative and physical potential. We have a strong set of social and moral values that help our children to appreciate their roles as citizens in society.

Our vision: Creating our Future Together

Our Values: Loyalty Equality Aspiration Resilience Nurture

Our Rationale: To build on and strengthen existing relationships between schools by making a commitment to school to school support and ensuring a more effective self-improvement structure in order to meet our aims.

Our Aims: Working together to ensure aspirational outcomes for all learners in the trust by:

- Maximising achievement
- Collaborating to share best practice
- Challenging and supporting each other
- Being forward thinking and outward looking
- Creating opportunities to improve the quality of provision
- Equipping learners to reason and think creatively

We are keen to continue to grow the Trust in future years within the Exeter area. We will promote our school ethos and support mechanisms to other schools and continue to work in partnership with schools across the city.

The Trust Board is accountable, through its executive officers for the capacity, standards, outcomes (especially vulnerable children) and safeguarding in each member school. The Trust firmly believes a model for school effectiveness is one that builds capacity and creates self-improving schools.

Our Trust strategy aims to promote these features by:

- Good and outstanding schools supporting others and growing capacity for school improvement.
- Schools supporting each other in collaborative partnerships – using strengths across schools.
- Building internal school improvement capacity and resilience.
- Demanding high standards of teaching to ensure all pupils make good progress and pupils from disadvantaged backgrounds achieve age related expectations.
- Taking swift, decisive action where school performance and provision needs to be improved.

Exeter Learning Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Objectives, Strategies and Activities

The Trust's main strategy is to create and promote a happy and enriching learning environment by working in partnership with parents and the community that will inspire children to achieve high standards. The Trust hopes that by celebrating the children's achievements, helping them fulfil their potential, respecting their differences and encouraging kindness, consideration and respect for each other and their environment, we will foster self-esteem and provide a sound foundation for their future life. The Trust will offer a broad and balanced curriculum and a large range of extra-curricular activities.

Currently our strategic objectives are shown below:

1. Enhancing governance for the Trust and all academies. Ensuring the Trust Board and its Committees have sufficient skills and resources, act in the best interests of the Trust and demonstrate clarity of vision, sound financial management practices and effective oversight to achieve the best possible outcomes.
2. Local Governing Bodies: Ensure LGBs receive guidance and support to provide required strategic governance and assurance to the Trust Board.
3. School Recruitment: The Trust will consider expansion when it is prudent to do so.
4. School Improvement: We will support all existing and future academies to achieve improved school effectiveness and progress for pupils. We will monitor and review schools and provide challenge and support to achieve improvements.
5. Teaching and Learning: We will ensure our academies provide the best teaching and learning and will support our teachers and pupils to achieve the best possible outcomes. Teaching will be at least good whilst aiming for outstanding. Progress will be at least good through clear analysis and intervention.
6. Finance and Services: We will ensure sound financial policies, procedures and controls are in place to enable robust financial governance. We will review services provide to schools and develop central, shared support services where appropriate, to minimise cost and maximise central support across schools. We will identify and manage opportunities to bid for additional funding for specific projects.
7. Professional Development: The Trust will ensure continuing professional development opportunities for staff to ensure they have the right skills to further improve teaching and learning and support each other to develop. Outstanding teachers will be identified and supported to share their expertise across the Trust. A central performance management model will be provided across the Trust.
8. Partnerships: We will build on existing partnerships to support our schools to develop school effectiveness, teaching and learning, and business opportunities.
9. Marketing: We will develop our marketing strategy and publish our ethos, plans and performance, with regular updates, to enable us to clearly show progress, opportunities and to attract other schools to join our Trust.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit, education in Exeter and the surrounding areas. In particular, but without prejudice to the generality of the foregoing, by estimating, maintaining, managing and developing schools, offering a broad curriculum for all.

Exeter Learning Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Achievements and Performance

The academic year started well and in the Autumn Term 3 of the Trust schools had Ofsted inspections where they all retained their 'Good' status. All schools received particularly favourable comments on their support of their pupils social and emotional wellbeing. Across the Trust, English, maths, early years and special educational needs leaders met to share good practice and quality assurance visits took place to evaluate each school's curriculum. Schools were making good progress towards their performance targets and the Trust was showing improved pupil outcomes.

In March, everything changed for schools as COVID-19 enveloped the country, but this did not deter us from wanting to ensure our children were safe, educated and able to develop socially and emotionally.

Due to the COVID-19 pandemic, pupils across the country did not have statutory assessment in EYFS, Phonics, KS1 and KS2 and therefore there is no statutory performance data that can be reported for 2020. However, at the point that schools closed in March 2020, all schools within the Trust were on track to improve their KS2 results from 2019. In particular, the % of children achieving reading, writing and maths combined at the end of KS2 was predicted to rise from 55% in 2019 to 67% in 2020.

Trust wide educational priorities over the year focused on:

- Increasing the number of children in all year groups achieving at least age-related expectations in reading, writing and maths combined
- Ensuring there was a consistent approach to appraisal that supported the improved attainment of pupils
- Clarifying expectations within the Early Years curriculum to ensure children had the skills and knowledge needed to access the National Curriculum as they started year 1
- Ensuring each school had a curriculum that provided clear guidance on the progression and acquisition of skills and knowledge and enabled pupils to revisit and build on prior learning as they progressed through the school.

Despite the impact of the pandemic on our normal operations, the schools continued to work hard to ensure these priorities were met with a particular focus on ensuring that their curriculum was well planned, documented and resourced. Staff training to support new initiatives continued to take place either socially distanced or virtually and the schools continued with their school improvement plans whilst also meeting the changing demands of the pandemic.

On Wednesday 18th March 2020 the Government announced that schools would close just two days later to all children with the exception of pupils who were vulnerable or had a key worker parent.

Within a period of 48 hours all schools across the Trust had identified the children who would be attending school, established online learning platforms for the children who would remain at home and organised rota systems for staff to manage the childcare provision that we had been asked to provide.

On Monday 23rd March we opened our doors to approximately 100 pupils across the Trust and started educating an additional 1100 pupils remotely. This was a significant undertaking to achieve within a few days and staff worked diligently to ensure children had lessons and direct communication with their teacher whilst they were at home. On average 90% of our pupils engaged well with home learning during lockdown. Reading was a priority activity along with additional English and Maths with practical learning in other curriculum areas.

In the Summer Term, schools were asked to admit more pupils from reception, year 1 and year 6. Across the Trust we were able to accommodate reception and year 6 and high numbers of children in with key worker parents or who were vulnerable. In the second half of the Summer Term approximately 35% of pupils were attending school with the remaining 65% continuing to be educated at home.

Exeter Learning Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Throughout the school closure period children with safeguarding concerns were encouraged to be in school and, where this was not possible, regular contact was made in person and by phone. Schools remained open throughout the half term and Easter holidays to provide essential childcare and food hampers were delivered to our vulnerable families. Staff across the trust have worked collaboratively to ensure our schools remain open and our children have access to high quality education both in school and at home. The welfare of our pupils has been paramount and a recovery curriculum is in place ready for the start of the next academic year to help address any gaps in learning.

Key Performance Indicators

The impact of our improvement strategy has been measured by the following KPIs:

- There is evidence that improvement work has had an impact for young people educated within the MAT and attainment and progress was showing a rising trend.
- There is a clear accountability framework for the performance of the Trust that all staff understand, including what happens when key staff under-perform (annual staff surveys are in place to confirm understanding)
- There is a quality assurance system in place to improve consistency and performance.
- Trust-wide school improvement strategies recognise the different interventions needed at each stage of their improvement journey.
- There is school to school support, focused on the needs of individual academies.
- There is evidence of skilled management of Trust Risk indicators.
- Our academies are able to accurately self-evaluate and have a culture of continuous improvement and high aspirations
- High-quality CPD of staff means our academies attract and retain the very best. Cluster groups have been set up to share information across the academies and to develop skills and expertise and recommend staff across schools.
- All academies are financially solvent, have reserves and submit five-year financial plans.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the multi-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 Statement of Accounting Policies.

Financial Review

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE which 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 useful life of the assets concerned, as defined in the Academy's Financial Procedures.

Exeter Learning Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

During the year ended 31st August 20, total expenditure (excluding restricted fixed assets funds and pensions reserves) of £5,848,061 was covered by recurrent grant funding from the DfE, together with other incoming resources of £5,863,756. The excess of income over expenditure for the year excluding restricted fixed asset funds and pensions reserves was £15,695.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 24 to the financial statements.

Key financial policies adopted or reviewed during the year include the Financial Procedures which lay out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The policy of the Trustees is to maintain a level of reserves that will be adequate to provide a stable basis for the continuing activity of the Multi Academy Trust having in mind such factors as fluctuations in anticipated pupil numbers, whilst ensuring that excessive funds are not accumulated. This is assessed over a five year budget period. Limited fluctuations due to pupil numbers is expected and the policy is to maintain end of year reserves no less than one month's operating costs which is £487,000. Reserves are currently higher than the target, spending was conserved in the summer term 2019 during the partial closure due to the Covid pandemic, this allowed £30,000 additional reserves to support any unexpected costs due to the Covid pandemic and the reopening of schools in September 2020. Additional reserves are necessary to support school building improvements, ELAT schools have been unsuccessful in securing any CIF bids to date. In the next five years schools have planned deficits which will be funded from the reserves.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Multi Academy Trust is paying higher employer's pension contributions over a period of years. The higher employer's pension contributions will be met from the Multi Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Multi Academy Trust.

Investment Policy

All funds surplus to immediate requirements may be invested in accordance with the Trust's Investment Policy Statement. The MAT does not currently hold any investments. The policy will be determined as need arises.

Due to the nature of funding, the Trust may at times hold cash balances surplus to its short term requirements. The Trustees may authorise the opening of additional short term bank investment accounts or invest in individual fixed income securities such as Certificates of Deposit, U.K Treasury Bonds, and other similar instruments with an average duration of less than one year to take advantage of higher interest rates. No other form of investment is authorised.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any investment shall therefore be with providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Chief Executive Officer and Business Manager in accordance with the Trust's Investment Policy Statement.

Exeter Learning Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Principal Risks and Uncertainties

Comprehensive risk analysis is undertaken at the Trust Audit and Finance Committee meetings and recommendations for improvements made to the Trust Executive Board.

The main risks identified in the March 2020 Risk Register are:

1. Receive less income than budgeted due to reduced national funding
2. Receive less income than expected due to falling pupil numbers
3. Overall performance decreasing
4. Schools not improving significantly after targeted school improvement support
5. Increasing staff absence
6. Insufficient development of Trust results in lower budgets and negative view of Trust
7. Facilities and equipment in need of repair/replacement and insufficient funds to cover

Fundraising

The Trust undertakes fundraising on an ad-hoc basis by Trust employees. The Trust has not engaged the services of professional fundraisers during 2019/20. The Trust has also not worked with commercial participators or professional fundraisers as the level of fundraising during 2019/20 was minimal.

Any fundraising would confirm to recognised standards and be monitored.

Any complaints regarding fundraising would be dealt with by the Chief Executive Officer.

Plans for Future Periods

The current plans for the future include:

- Building a robust infrastructure including the permanent appoint of key staff.
- Refining and developing trust wide systems to enable effective school improvement.
- Developing the breadth of skills of the trustees and ensuring the accountability structures have a positive impact.
- Raising standards and achieving good attainment and progress in all the academies.
- Developing the MAT so that systems are more sustainable and key roles can be developed.

Funds Held as Custodian Trustee on Behalf of Others

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

Exeter Learning Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Auditor

Insofar as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 19/01/21 and signed on its behalf by:



.....
Mr B Cook
Trustee

Exeter Learning Academy Trust

Governance Statement

Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Exeter Learning Academy Trust has an effective and appropriate system of control, financial and otherwise. 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 Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Exeter Learning 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 four times during the year. Attendance during the year at meetings of the board of trustees was as follows:

TRUSTEE NAME	Attended	Out of a possible
Brian Cook (Chair)	8	8
Ann Boyce (Vice Chair) (resigned 22/07/20)	8	8
Debbie Buckingham	8	8
Stephen Thornhill	5	8
Amanda Whittaker	5	5
Suzannah Curtis	4	5
Paul Walker	2	2
Rachel Shaw	8	8

The **Audit and Finance Committee** is a sub-committee of the main Board of Trustees. The committee met regularly to consider the matters within its remit, including budgetary and financial matters, and to consider the internal auditor's reports.

Attendance at meetings in the year was as follows:

TRUSTEE NAME	Attended	Out of a possible
Stephen Thornhill (Chair)	2	3
Brian Cook	3	3
Suzannah Curtis	2	3
Rachel Shaw as CEO	3	3
Pauline Woodbridge as CFO	3	3

Exeter Learning Academy Trust

Governance Statement (continued)

The Academy Trust recognises the need to review the effectiveness of the Board of Trustees on an annual basis. The Board have developed a director skills matrix and the next self-evaluation will take place in 2021. An external review of governance was carried out by Thompson Jenner in July 2018.

Review of Value for Money

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

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

- Strengthening financial oversight and governance to ensure costs are adequately controlled including the use of robust internal controls.
- The provision of centralised services to the 4 schools, thereby benefitting from economies of scale across the Academy Trust.

A further review of internal procedures in order to optimise the efficient use of resources is planned for Spring 2021

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. 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 Exeter Learning Academy Trust for the period 1st September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st 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.

Exeter Learning Academy Trust

Governance Statement (continued)

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 has considered the need for a specific internal audit function and has decided to appoint Thompson Jenner LLP as the external auditor, with an additional internal auditor role and requirement to perform additional checks. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems.:

On a termly basis, the auditor reports to the board of trustees, through the Audit and Finance Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Review of Effectiveness

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

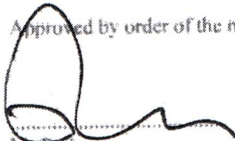
- the work of the internal and external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework


Exeter Learning Academy Trust

Governance Statement (continued)

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

Approved by order of the members of the Governing Body on 19/01/21 and signed on its behalf by:


.....
Mr B Cook
Trustee


.....
Ms R Shaw
Accounting officer
Chief Executive Officer

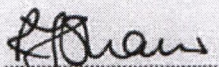
Exeter Learning Academy Trust

Statement on Regularity, Propriety and Compliance

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

I confirm that I and the academy trust Governing Body 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 Governing Body and ESFA.



Ms R Shaw
Accounting officer

Date: 19.01.21

Exeter Learning Academy Trust

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare 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:

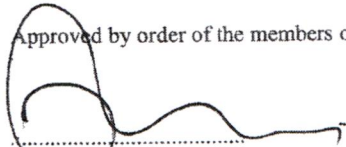
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] 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 with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board on 19/01/21 and signed on its behalf by:


Mr B Cook
Trustee

Exeter Learning Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Exeter Learning Academy Trust

Opinion

We have audited the financial statements of Exeter Learning Academy Trust (the 'Academy') for the year ended 31 August 2020, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, 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 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2020 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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 Academy'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 (covers the Reference and Administrative Details, the Trustees' Report and the Governance Statement)

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

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

We have nothing to report in this regard.

Exeter Learning Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Exeter Learning Academy Trust (continued)

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 (incorporating the Strategic Report and the Directors' Report) Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustee's Report Trustees' Report been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report and financial statements Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 18], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control.

Exeter Learning Academy Trust

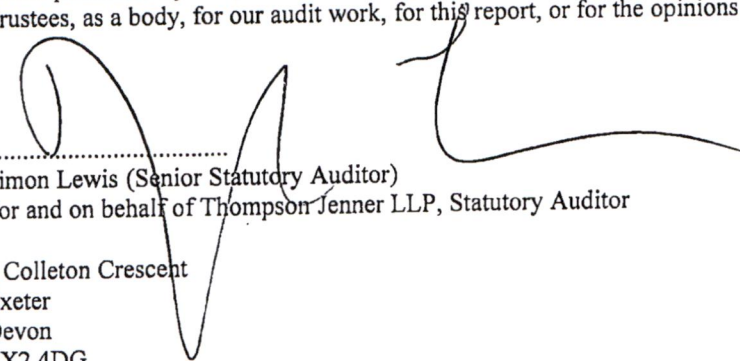
Independent Auditor's Report on the Financial Statements to the Members of Exeter Learning Academy Trust (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Academy to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Academy audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Academy's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's trustees 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 Academy and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Lewis (Senior Statutory Auditor)
For and on behalf of Thompson Jenner LLP, Statutory Auditor

1 Colleton Crescent
Exeter
Devon
EX2 4DG

Date: 25/1/21

Exeter Learning Academy Trust

Independent Reporting Accountant's Report on Regularity to Exeter Learning Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 25 April 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Exeter Learning 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.

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

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 19 December 2016 and the Academies Financial Handbook extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Inspection and review of documentation providing evidence of governance procedures.
- Evaluation of the system of internal control for authorisation and approval.
- Performing substantive tests on relevant transactions.

Exeter Learning Academy Trust

**Independent Reporting Accountant's Report on Regularity to Exeter Learning
Academy Trust and the Education & Skills Funding Agency (continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 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.

.....
Simon Lewis

For and on behalf of Thompson Jenner LLP, Chartered Accountants

1 Colleton Crescent
Exeter
Devon
EX2 4DG

Date: 25/1/21

Exeter Learning Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Donations and capital grants	2	6,419	11,225	36,254	53,898
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	97,795	5,550,996	-	5,648,791
Other trading activities	4	196,609	-	-	196,609
Investments	5	712	-	-	712
Total		301,535	5,562,221	36,254	5,900,010
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	304,412	5,949,649	141,460	6,395,521
Net expenditure		(2,877)	(387,428)	(105,206)	(495,511)
Transfers between funds		-	(24,871)	24,871	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	24	-	(156,000)	-	(156,000)
Net movement in deficit		(2,877)	(568,299)	(80,335)	(651,511)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		524,948	(3,069,089)	5,838,353	3,294,212
Total funds/(deficit) carried forward at 31 August 2020		522,071	(3,637,388)	5,758,018	2,642,701

Exeter Learning Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2018/19 Total £
Income and endowments from:					
Donations and capital grants	2	23,087	994	103,444	127,525
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	95,959	5,401,310	-	5,497,269
Other trading activities	4	184,721	-	-	184,721
Investments	5	1,605	-	-	1,605
Total		305,372	5,402,304	103,444	5,811,120
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	117,090	5,929,073	138,004	6,184,167
Net income/(expenditure)		188,282	(526,769)	(34,560)	(373,047)
Transfers between funds		-	(4,764)	4,764	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	24	-	(521,000)	-	(521,000)
Net movement in funds/(deficit)		188,282	(1,052,533)	(29,796)	(894,047)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2018		336,666	(2,016,556)	5,868,149	4,188,259
Total funds/(deficit) carried forward at 31 August 2019		524,948	(3,069,089)	5,838,353	3,294,212

Exeter Learning Academy Trust

(Registration number: 10428979)
Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	12	-	4,094
Tangible assets	13	<u>5,696,371</u>	<u>5,771,727</u>
		<u>5,696,371</u>	<u>5,775,821</u>
Current assets			
Stocks	14	-	1,297
Debtors	15	181,117	188,617
Cash at bank and in hand		<u>937,409</u>	<u>925,925</u>
		1,118,526	1,115,839
Creditors: Amounts falling due within one year	16	<u>(458,196)</u>	<u>(445,448)</u>
Net current assets		<u>660,330</u>	<u>670,391</u>
Total assets less current liabilities		<u>6,356,701</u>	<u>6,446,212</u>
Net assets excluding pension liability		6,356,701	6,446,212
Pension scheme liability	24	<u>(3,714,000)</u>	<u>(3,152,000)</u>
Net assets including pension liability		<u>2,642,701</u>	<u>3,294,212</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		76,612	82,911
Restricted fixed asset fund		5,758,018	5,838,353
Restricted pension fund		<u>(3,714,000)</u>	<u>(3,152,000)</u>
		2,120,630	2,769,264
Unrestricted funds			
Unrestricted general fund		<u>522,071</u>	<u>524,948</u>
Total funds		<u>2,642,701</u>	<u>3,294,212</u>

The financial statements on pages 23 to 49 were approved by the Trustees, and authorised for issue on 19/01/21 and signed on their behalf by:

Mr B Cook
Trustee

Exeter Learning Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	20	36,528	156,064
Cash flows from investing activities	21	<u>(25,044)</u>	<u>36,351</u>
Change in cash and cash equivalents in the year		11,484	192,415
Cash and cash equivalents at 1 September		<u>925,925</u>	<u>733,510</u>
Cash and cash equivalents at 31 August	22	<u><u>937,409</u></u>	<u><u>925,925</u></u>

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1 Accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (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.

Going concern

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

Income

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

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is no unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income

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

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Donations

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

Other income

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

Donated goods, facilities and services

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

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

Donated fixed assets

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Intangible fixed assets

Intangible 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 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:

Asset class	Amortisation method and rate
Software and licences	33.33% straight line

Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, per the table below.

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

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

Asset class	Depreciation method and rate
Buildings	2% straight line
Furniture and Equipment	20% straight line
Computer Equipment	33.33% straight line

Liabilities

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

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Provisions

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

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

Leased assets

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

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

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

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Pension benefits

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

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

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

Fund accounting

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

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

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

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.

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

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.

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 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 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.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2019/20 Total £	2018/19 Total £
Capital grants	-	-	36,254	36,254	103,444
Other donations	6,419	11,225	-	17,644	24,081
	<u>6,419</u>	<u>11,225</u>	<u>36,254</u>	<u>53,898</u>	<u>127,525</u>

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2019/20 Total £	2018/19 Total £
DfE/ESFA revenue grants				
GAG	-	4,473,687	4,473,687	4,447,354
PE Grant	-	74,410	74,410	74,550
Universal Infant Free School Meals	-	197,923	197,923	198,085
Pupil Premium	-	213,170	213,170	231,403
Other DfE Group Grants	-	257,010	257,010	64,999
	-	5,216,200	5,216,200	5,016,391
Other government grants				
SEN	-	85,334	85,334	108,455
Early Years Funding	-	215,468	215,468	173,662
Other Local Authority Grant	-	15,374	15,374	11,359
	-	316,176	316,176	293,476
Non-government grants and other income				
Other income	97,795	18,620	116,415	187,402
Total grants	97,795	5,550,996	5,648,791	5,497,269

4 Other trading activities

	Unrestricted funds £	2019/20 Total £	2018/19 Total £
Hire of facilities	18,480	18,480	32,164
Recharges and reimbursements	13,546	13,546	29,820
Other sales	164,583	164,583	122,737
	196,609	196,609	184,721

5 Investment income

	Unrestricted funds £	2019/20 Total £	2018/19 Total £
Short term deposits	712	712	1,605

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

6 Expenditure

	Non Pay Expenditure			2019/20	2018/19
	Staff costs £	Premises £	Other costs £	Total £	Total £
Academy's educational operations					
Direct costs	4,357,078	-	351,387	4,708,465	4,582,966
Allocated support costs	857,673	494,672	334,711	1,687,056	1,601,201
	<u>5,214,751</u>	<u>494,672</u>	<u>686,098</u>	<u>6,395,521</u>	<u>6,184,167</u>

Net income/(expenditure) for the year includes:

	2019/20 £	2018/19 £
Operating lease rentals	4,480	3,303
Depreciation	137,366	126,082
Amortisation of intangible fixed assets	4,094	11,922
Fees payable to auditor - audit	8,450	6,000
- other audit services	<u>2,460</u>	<u>500</u>

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

7 Charitable activities

	2019/20 £	2018/19 £
Direct costs - educational operations	4,708,465	4,582,966
Support costs - educational operations	<u>1,687,056</u>	<u>1,601,201</u>
	<u>6,395,521</u>	<u>6,184,167</u>

	Educational operations £	2019/20 Total £	2018/19 Total £
Analysis of support costs			
Support staff costs	857,673	857,673	760,626
Depreciation	141,460	141,460	138,004
Technology costs	10,398	10,398	22,040
Premises costs	353,212	353,212	336,325
Other support costs	311,555	311,555	334,734
Governance costs	<u>12,758</u>	<u>12,758</u>	<u>9,472</u>
Total support costs	<u>1,687,056</u>	<u>1,687,056</u>	<u>1,601,201</u>

8 Staff

Staff costs

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	3,682,150	3,597,904
Social security costs	297,685	271,434
Operating costs of defined benefit pension schemes	<u>1,186,249</u>	<u>956,467</u>
	5,166,084	4,825,805
Supply staff costs	<u>48,667</u>	<u>99,370</u>
	<u>5,214,751</u>	<u>4,925,175</u>

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

8 Staff (continued)

Staff numbers

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

	2019/20 No	2018/19 No
Charitable Activities		
Teachers	65	68
Administration and support	131	136
Management	11	11
	207	215

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	1
£70,001 - £80,000	1	-

Key management personnel

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employers' national insurance contributions and employers' pension contributions) received by key management personnel for their services to the Academy Trust was £198,848 (2019: £169,174).

9 Central services

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

- Finance, Legal, and HR

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

The Academy Trust has top sliced income from each school based on de-delegated and ESG funding at each school.

The actual amounts charged during the year were as follows:

	2020 £
Alphington Primary School	85,776
Bowhill Primary School	108,216
Ide Primary School	32,794
St Thomas Primary School	46,114
	272,900

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

10 Related party transactions - trustees' remuneration and expenses

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

Mrs D Buckingham (Trustee / Director of Teaching & Learning):

Remuneration: £35,000 - £40,000 (2019 - £35,000 - £40,000)

Employer's pension contributions: £Nil (2019 - £Nil)

Ms R Shaw (Accounting Officer):

Remuneration: £70,000 - £75,000 (2019 -)

Employer's pension contributions: £15,000 - £20,000 (2019 -)

During the year ended 31 August 2020, travel and subsistence expenses totalling £585 (2019 - £Nil) were reimbursed or paid directly to 2 trustees (2019 - 0).

Other related party transactions involving the trustees are set out in note 25.

11 Trustees' and officers' insurance

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

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

12 Intangible fixed assets

	Software £	Total £
Cost		
At 1 September 2019	35,765	35,765
At 31 August 2020	35,765	35,765
Amortisation		
At 1 September 2019	31,671	31,671
Charge for the year	4,094	4,094
At 31 August 2020	35,765	35,765
Net book value		
At 31 August 2020	-	-
At 31 August 2019	4,094	4,094

13 Tangible fixed assets

	Freehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2019	5,767,171	124,133	62,492	5,953,796
Additions	4,727	31,164	26,119	62,010
At 31 August 2020	5,771,898	155,297	88,611	6,015,806
Depreciation				
At 1 September 2019	87,759	43,551	50,759	182,069
Charge for the year	87,215	31,058	19,093	137,366
At 31 August 2020	174,974	74,609	69,852	319,435
Net book value				
At 31 August 2020	5,596,924	80,688	18,759	5,696,371
At 31 August 2019	5,679,412	80,582	11,733	5,771,727

14 Stock

	2020 £	2019 £
Stocks	-	1,297

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

15 Debtors

	2020 £	2019 £
Trade debtors	5,291	19,884
VAT recoverable	46,917	41,453
Prepayments	82,487	66,873
Accrued grant and other income	46,422	60,407
	<u>181,117</u>	<u>188,617</u>

16 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	73,444	91,141
Other taxation and social security	66,109	70,528
Other creditors	819	76
Accruals	87,269	86,413
Deferred income	146,060	127,505
Pension scheme creditor	84,495	69,785
	<u>458,196</u>	<u>445,448</u>

	2020 £	2019 £
Deferred income		
Deferred income at 1 September 2019	127,505	110,991
Resources deferred in the period	146,060	127,505
Amounts released from previous periods	<u>(127,505)</u>	<u>(110,991)</u>
Deferred income at 31 August 2020	<u>146,060</u>	<u>127,505</u>

Deferred income relates almost entirely to Universal Infant Free School Meal money and rates relief received in advance.

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Funds

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
GAG	25,604	4,473,687	(4,463,708)	(35,583)	-
PE Grant	52,831	74,410	(52,991)	-	74,250
SEN	-	85,334	(85,334)	-	-
Early Years Funding	-	215,468	(215,468)	-	-
Pupil Premium	4,339	213,170	(217,509)	-	-
Other DfE/ESFA funding	-	257,010	(257,010)	-	-
Universal Infant Free School Meals	-	197,923	(197,923)	-	-
Educational Trips	-	16,155	(22,702)	6,547	-
Other LA Funding	-	15,374	(15,374)	-	-
Other Restricted Income	137	13,690	(11,465)	-	2,362
Devolved Formula Capital	-	-	(4,165)	4,165	-
	<u>82,911</u>	<u>5,562,221</u>	<u>(5,543,649)</u>	<u>(24,871)</u>	<u>76,612</u>
Restricted fixed asset funds					
Inherited Fixed Assets	5,630,303	-	(97,163)	-	5,533,140
GAG Funded Fixed Assets	50,323	-	(16,844)	29,036	62,515
Devolved Formula Capital	127,405	30,254	(17,963)	(4,165)	135,531
School Fund (PTFA)	14,209	6,000	(3,379)	-	16,830
Big Lottery	6,486	-	(3,514)	-	2,972
Tesco Groundworks	1,627	-	(597)	-	1,030
Other capital donations	8,000	-	(2,000)	-	6,000
	<u>5,838,353</u>	<u>36,254</u>	<u>(141,460)</u>	<u>24,871</u>	<u>5,758,018</u>
Restricted pension funds					
Pension Liability	<u>(3,152,000)</u>	<u>-</u>	<u>(406,000)</u>	<u>(156,000)</u>	<u>(3,714,000)</u>
Total restricted funds	2,769,264	5,598,475	(6,091,109)	(156,000)	2,120,630
Unrestricted funds					
Unrestricted general funds	<u>524,948</u>	<u>301,535</u>	<u>(304,412)</u>	<u>-</u>	<u>522,071</u>
Total funds	<u><u>3,294,212</u></u>	<u><u>5,900,010</u></u>	<u><u>(6,395,521)</u></u>	<u><u>(156,000)</u></u>	<u><u>2,642,701</u></u>

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Funds (continued)

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

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
GAG	197,267	4,447,353	(4,589,027)	(29,989)	25,604
PE Grant	28,177	74,550	(49,896)	-	52,831
SEN	-	108,455	(108,455)	-	-
Early Years Funding	-	173,662	(173,662)	-	-
Pupil Premium	-	231,403	(227,064)	-	4,339
Other DfE/ESFA funding	-	64,999	(64,999)	-	-
Universal Infant Free School Meals	-	198,085	(198,085)	-	-
Educational Trips	-	78,900	(80,430)	1,530	-
Other LA Funding	-	11,359	(11,359)	-	-
Other Restricted Income	-	13,538	(21,621)	8,220	137
Devolved Formula Capital	-	-	(15,475)	15,475	-
	<u>225,444</u>	<u>5,402,304</u>	<u>(5,540,073)</u>	<u>(4,764)</u>	<u>82,911</u>
Restricted fixed asset funds					
Inherited Fixed Assets	5,737,756	-	(107,453)	-	5,630,303
GAG Funded Fixed Assets	34,087	-	(12,223)	28,459	50,323
Devolved Formula Capital	76,155	81,224	(14,499)	(15,475)	127,405
School Fund (PTFA)	11,242	12,220	(1,033)	(8,220)	14,209
Big Lottery	6,685	-	(199)	-	6,486
Tesco Groundworks	2,224	-	(597)	-	1,627
Other capital donations	-	10,000	(2,000)	-	8,000
	<u>5,868,149</u>	<u>103,444</u>	<u>(138,004)</u>	<u>4,764</u>	<u>5,838,353</u>
Restricted pension funds					
Pension Liability	<u>(2,242,000)</u>	<u>-</u>	<u>(389,000)</u>	<u>(521,000)</u>	<u>(3,152,000)</u>
Total restricted funds	3,851,593	5,505,748	(6,067,077)	(521,000)	2,769,264
Unrestricted funds					
Unrestricted general funds	<u>336,666</u>	<u>305,372</u>	<u>(117,090)</u>	<u>-</u>	<u>524,948</u>
Total funds	<u>4,188,259</u>	<u>5,811,120</u>	<u>(6,184,167)</u>	<u>(521,000)</u>	<u>3,294,212</u>

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2020 were allocated as follows:

	Total £
Alphington Primary School	235,753
Bowhill Primary School	190,127
Ide Primary School	63,470
St Thomas Primary School	75,392
Central services	<u>33,941</u>
Total before fixed assets and pension reserve	598,683
Fixed Assets	5,758,018
Pension Liability	<u>(3,714,000)</u>
Total	<u><u>2,642,701</u></u>

General Annual Grant

Funds received from the ESFA under the General Annual Grant arrangements for the recurrent expenditure of the Academy as defined in the Funding Agreement.

Other ESFA/DfE Revenue Grants

Funds received from the ESFA for:

Rates - refund of non-domestic rates.

Pupil Premium - funds received to raise the attainment of disadvantaged pupils and close the attainment gap between them and their peers.

PE and Sports Grant - funds to make additional and sustainable improvements to the quality of physical education, activity and sports offered.

Universal Infant Free School Meals (UIFSM) - grant provided by the ESFA to support schools to deliver the legal requirement to offer free school meals to all reception, year 1 and year 2 pupils.

Local Authority - Special Educational Needs (SEN)

Funding received from the ESFA via the Local Authority to support individual students with a SEN Statement.

Local Authority - Nursery Funding

Funding provided to support free nursery hours.

Trips and visits

Funds raised for student trips and visits.

Other Restricted Income

Other restricted income including donations for specific expenditure.

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Funds (continued)

Analysis of academies by cost

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) £	Total 2020 £	Total 2019 £
Alphington Primary School	1,271,602	102,466	69,467	273,086	1,716,621	1,718,893
Bowhill Primary School	1,660,364	287,437	70,340	160,356	2,178,497	2,102,927
Ide Primary School	520,700	61,407	35,292	104,617	722,016	689,653
St Thomas Primary School	676,585	61,867	65,206	140,297	943,955	918,879
Central services	144,294	76,533	9,347	462,799	692,973	615,812
Academy Trust	<u>4,273,545</u>	<u>589,710</u>	<u>249,652</u>	<u>1,141,155</u>	<u>6,254,062</u>	<u>6,046,164</u>

18 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	5,696,371	5,696,371
Current assets	522,071	534,808	61,647	1,118,526
Current liabilities	-	(458,196)	-	(458,196)
Pension scheme liability	-	(3,714,000)	-	(3,714,000)
Total net assets	<u>522,071</u>	<u>(3,637,388)</u>	<u>5,758,018</u>	<u>2,642,701</u>

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

18 Analysis of net assets between funds (continued)

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Intangible fixed assets	-	-	4,094	4,094
Tangible fixed assets	-	-	5,771,727	5,771,727
Current assets	524,948	528,359	62,532	1,115,839
Current liabilities	-	(445,448)	-	(445,448)
Pension scheme liability	-	(3,152,000)	-	(3,152,000)
Total net assets	<u>524,948</u>	<u>(3,069,089)</u>	<u>5,838,353</u>	<u>3,294,212</u>

19 Commitments under operating leases

Operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
Amounts due within one year	3,798	2,622
Amounts due between one and five years	<u>5,314</u>	<u>2,420</u>
	<u>9,112</u>	<u>5,042</u>

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

20 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2020 £	2019 £
Net expenditure	(495,511)	(373,047)
Amortisation	4,094	11,922
Depreciation	137,366	126,082
Capital grants from DfE and other capital income	(36,254)	(103,444)
Interest receivable	(712)	(1,605)
Defined benefit pension scheme cost less contributions payable	348,000	333,000
Defined benefit pension scheme finance cost	58,000	56,000
Decrease in stocks	1,297	3
Decrease in debtors	7,500	42,195
Increase in creditors	12,748	64,958
	<u>36,528</u>	<u>156,064</u>
Net cash provided by Operating Activities	<u>36,528</u>	<u>156,064</u>

21 Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	712	1,605
Purchase of tangible fixed assets	(62,010)	(68,698)
Capital funding received from sponsors and others	36,254	103,444
	<u>(25,044)</u>	<u>36,351</u>
Net cash (used in)/provided by investing activities	<u>(25,044)</u>	<u>36,351</u>

22 Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	937,409	925,925
Total cash and cash equivalents	<u>937,409</u>	<u>925,925</u>

23 Members' liability

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

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

24 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 . 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.

Contributions amounting to £84,495 (2019 - £69,785) were payable to the schemes at 31 August 2020 and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.08%).

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

24 Pension and similar obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £525,212 (2019: £341,440).
A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £321,000 (2019 - £325,000), of which employer's contributions totalled £255,000 (2019 - £254,000) and employees' contributions totalled £66,000 (2019 - £71,000). The agreed contribution rates for future years are 17.6 per cent for employers and 5.5 per cent to 9.9 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 an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	3.30	3.70
Rate of increase for pensions in payment/inflation	2.30	2.20
Discount rate for scheme liabilities	1.60	1.90
Inflation assumptions (CPI)	2.30	2.20
RPI increases	<u>3.10</u>	<u>3.20</u>

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

	2020	2019
Retiring today		
Males retiring today	22.90	22.50
Females retiring today	24.10	24.40
Retiring in 20 years		
Males retiring in 20 years	24.30	24.20
Females retiring in 20 years	<u>25.50</u>	<u>26.20</u>

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

24 Pension and similar obligations (continued)

Sensitivity analysis

	At 31 August 2020 £	At 31 August 2019 £
Discount rate +0.1%	6,675,000	5,439,000
Discount rate -0.1%	6,999,000	5,719,000
Mortality assumption – 1 year increase	7,079,000	5,782,000
Mortality assumption – 1 year decrease	6,599,000	5,379,000
CPI rate +0.1%	6,982,000	5,703,000
CPI rate -0.1%	<u>6,692,000</u>	<u>5,454,000</u>

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

	2020 £	2019 £
Equities	1,863,000	1,448,000
Gilts	110,000	86,000
Other bonds	147,000	46,000
Property	248,000	211,000
Cash and other liquid assets	36,000	32,000
Other	<u>717,000</u>	<u>602,000</u>
Total market value of assets	<u>3,121,000</u>	<u>2,425,000</u>

The actual return on scheme assets was £12,000 (2019 - £97,000).

Exeter Learning Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

24 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2019/20	2018/19
	£	£
Current service cost	601,000	586,000
Interest cost	58,000	56,000
Admin expenses	2,000	1,000
Total amount recognized in the SOFA	<u>661,000</u>	<u>643,000</u>

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

	2019/20	2018/19
	£	£
At start of period	5,577,000	4,296,000
Current service cost	601,000	526,000
Interest cost	109,000	114,000
Employee contributions	66,000	71,000
Actuarial (gain)/loss	251,000	560,000
Benefits paid	231,000	(50,000)
Past service cost	-	60,000
At 31 August	<u>6,835,000</u>	<u>5,577,000</u>

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

	2019/20	2018/19
	£	£
At start of period	2,425,000	2,054,000
Interest income	49,000	96,000
Actuarial gain/(loss)	95,000	-
Employer contributions	255,000	254,000
Employee contributions	66,000	71,000
Benefits paid	231,000	(50,000)
At 31 August	<u>3,121,000</u>	<u>2,425,000</u>

25 Related party transactions

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

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 10.