

Company Registration No. 07977368 (England and Wales)



**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

# FARINGDON LEARNING TRUST

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# FARINGDON LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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|   |   |                                      |
|---|---|--------------------------------------|
| <b>Company name</b>                       | Faringdon Learning Trust (from 24 September 2020)<br>Previously known as Faringdon Academy of Schools   |                                      |
| <b>Members</b>                            | Bob Wintringham<br>Liz Holmes as Chair of Trustees<br>Oxford Diocese Board of Education<br>David Wilson   |                                      |
| <b>Trustees</b>                           | Duncan Millard (CEO and Accounting Officer)<br>Liz Holmes (Chairperson)<br>Christine Price-Smith<br>Ian Wright<br>Paul Turner<br>Anthony Cook<br>Paul Walker (Resigned 8 June 2021)<br>Helen Turner (co-opted Director) (Resigned 24 November 2020)<br>Mark Greenwood<br>Sarah Church (Appointed 18 November 2020)<br>Carrie Insley (Appointed 15 December 2020)<br>Jason St John Nicolle (Appointed 27 January 2021) |                                      |
| <b>Senior management team</b>             |   |                                      |
| - Chief Executive Officer                 | Duncan Millard  |                                      |
| - Chief Operational Officer               | Anne Lynn   |                                      |
| - Director of Education                   | Louise Warren   |                                      |
| - Headteachers                            | As listed below   |                                      |
| <b>Company secretary</b>                  | Siobhan Vinall (resigned 7 September 2020)<br>Sandra Green (appointed 8 September 2020)   |                                      |
| <b>Company registration number</b>        | 07977368 (England and Wales)  |                                      |
| <b>Academies operated</b>                 | <b>Location</b>   | <b>Head</b>                          |
| Buckland C of E Primary School            | Buckland  | Louise Warren                        |
| Faringdon Community College               | Faringdon   | Phil Bevan                           |
| Faringdon Junior School                   | Faringdon   | Sharon Farrell                       |
| Faringdon Infant School                   | Faringdon   | Sally Robins                         |
| John Blandy Primary School                | Southmoor   | Sarah Thompson and<br>Suzanne Elliot |
| Longcot and Fernham C of E Primary School | Faringdon   | Clare Mellor                         |
| Shrivenham C of E Controlled School       | Shrivenham  | Judith Scutt                         |
| Watchfield Primary School                 | Watchfield  | Georgina Wintle                      |
| <b>Independent auditor</b>                | Critchleys Audit LLP<br>Beaver House<br>23-38 Hythe Bridge Street<br>Oxford<br>OX1 2EP  |                                      |

# FARINGDON LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### **Bankers**

Lloyds Bank plc  
The Brunel Centre  
82 Regent Street  
Swindon  
Wiltshire  
SN1 1JZ

### **Solicitors**

Stone King LLP  
13 Queen Square  
Bath  
BA 2HJ

Veale Wasbrough Vizards LLP  
Narrow Quay House  
Narrow Quay  
Bristol  
BS1 4QA

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 3 to 18 serving a catchment area in Oxfordshire. It has a pupil capacity of 3255 and had a roll of 2878 and 61 FTE nursery places in the school census on 1st October 2020.

| Academy School  | Capacity as listed in Funding Agreement | Pupils on Roll (Oct 20 census)      |
|---|---|-------------------------------------|
| Faringdon Community College                           | 1550 (including 200 6th form)           | 1356 (1189 Y7-Y11 and 167 6th form) |
| Faringdon Infant School                               | 242 (216 3-7yrs and 26 nursery)         | 234 and 17 nursery                  |
| Faringdon Junior School                               | 250                                     | 336                                 |
| Buckland VC Church of England Primary School          | 115 (105 4-11yrs and 10 nursery)        | 106 and 11 nursery                  |
| John Blandy Primary School                            | 315                                     | 237                                 |
| Longcot & Fernham VC Church of England Primary School | 127 (119 4-11 yrs and 8 nursery)        | 139 and 3 nursery                   |
| Shrivenham VC Church of England Primary School        | 210                                     | 187                                 |
| Watchfield Primary School                             | 446 (420 4-11yrs and 26 nursery)        | 343 and 27 nursery                  |
| <b>Total</b>  | <b>3255</b>                             | <b>2878 + 61 (FTE) nursery</b>      |

#### 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 Trust was previously known as Faringdon Academy of Schools until 24th September 2020 when it changed its name to Faringdon Learning Trust.

The trustees of Faringdon Learning Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

##### Members' liability

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

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2021*

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### Trustees' indemnities

There were no provisions required for third party indemnity. In accordance with normal commercial practice, the academy trust purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business.

### Method of recruitment and appointment or election of trustees

During this reporting period, the board of trustees retained a structure of 12 appointments comprising:

- 3 – Trustees appointed by the Oxfordshire Diocese Board of Education.
- 8 – Trustees appointed by Members.
- 1 – CEO; ex-officio
- an option of 2 - Co-opted Directors.

Members may appoint up to 8 trustees, but the total number of trustees who are employees of the academy trust (including the Chief Executive Officer) must not exceed one third of the total number of trustees.

The trustees may appoint up to two co-opted Directors. A 'co-opted Director' means a person who is appointed to be a trustee by being co-opted by trustees who have not themselves been so appointed. The trustees may not co-opt an employee of the company as a co-opted trustee if the number of trustees who are employed by the company (including the CEO) would thereby exceed one third of the total number of trustees.

Trustees are appointed in accordance with the revised Articles of Association (see link below) which became applicable on conversion. When a new trustee is required the following process is followed:

- Diocese appointed trustee – the Trust will liaise with the Oxfordshire Diocese Board of Education to seek suitable nominations. Whilst it remains a Diocese responsibility to appoint, in practice, this process will be collaborative to ensure that the new appointee has the appropriate skills and experience to discharge his/her responsibilities.
- Member appointed trustee – in the first instance, the Trust will advertise via the newsletters of all 8 schools and through the 8 Trusts local governing bodies. Additionally, the Trust will approach Academy Ambassadors if we require a replacement trustee with specific professional skills that we are unable to recruit from the local communities.

As a vacancy becomes available, the trustees review existing experience and thereafter seek to recruit a new appointee with the appropriate competency for the role.

<https://faringdonlearningtrust.org/wp-content/uploads/2020/06/articles-of-association.pdf>

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2021*

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### Policies and procedures adopted for the induction and training of trustees

Faringdon Learning Trust continues to develop its in house Governor Services offer which has been developed to meet the needs of our multi academy trust. Recognition of the expertise and experience within the trust's executive leadership and across our governance structure has enabled us to strengthen our governance support and development offer. To ensure we retain an outward looking perspective the trust has continued to embrace and signpost external training opportunities which underpin or strengthen our internal offer. We have continued to invest in the development of good governance across the trust through an induction programme for trustees, chairs of local boards and school governors. The role of the Trust Secretary has continued to evolve to reflect changing needs across the trust. To ensure that the Trust remains current, we continue to procure membership of the National Governance Association which enables all trustees access to independent advice on all aspects of multi-academy trust governance. All Chairs and Clerks have access to The Key for School Governors which we continue to subscribe to.

In June we started to use GovernorHub for all governance activity which will continue to strengthen and grow understanding of governance.

The provision of an in-house clerking service for all of the Local Governing Bodies and Trust committees has provided the trust with the means to deliver a more consistent level of provision. All clerks are line-managed by the Trust Secretary and this helps ensure that we can deliver a coherent approach to governance, thereby ensuring effective discharging of delegated functions as well as an improved means of standardising and aligning policies and procedures where appropriate.

New Trustee Resources and Checklist is used for all new Trustees joining the board, and is completed in conjunction with the Chair of Trustees.

The Trust Secretary holds the master record of Company policies, acts as Clerk to the Trustees and maintains the Trust Scheme of Delegation. Our approach to governance continues to be recognised as initiative.

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2021*

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### Organisational structure

The trust has defined the responsibilities of each person involved in the administration of academy finances to avoid the duplication or omission of functions and to provide a framework of accountability for governors and staff. The financial reporting structure is illustrated below:

#### **The Board of Trustees**

The Board of Trustees has overall responsibility for the administration of the trust's finances. The main responsibilities of the Board of Trustees are prescribed in the Master Funding Agreement and respective Supplemental Funding Agreements between the Trust and the DfE and in the Trust's Scheme of Delegation. The main responsibilities include:

- Ensuring that the grant from the DfE is used only for the purposes intended.
- Approval of the annual budget for each school.
- Appointment of the Accounting Officer.
- Appointment of the Chief Financial Officer, in conjunction with the Accounting Officer.

The Board of Trustees has wide discretion over its use of the academy's funds, and is ultimately responsible for the proper stewardship of those funds and for ensuring economy, efficiency and effectiveness in their use – the three key elements of value for money. It must also ensure that it uses its discretion reasonably, and takes into account any and all relevant guidance on accountability or propriety.

#### **The Faringdon Learning Trust's Resources Committee**

The Trust Resources Committee is a committee of the Board of Trustees. The Committee meets at least once per term, but more frequent meetings are arranged as necessary. The main responsibilities of the Resources Committee are detailed in written terms of reference which have been authorised by the Board of Trustees and they include:

- Providing guidance and direction for the annual budget process.
- Agreeing a mechanism for accounting for central trust services and setting the annual contribution from each school.
- The review and authorisation of the annual budget of each school and any subsequent revised budgets submitted in January of each school year.
- The regular monitoring of actual expenditure and income against budget.
- Ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies.
- Authorising the award of contracts and leases over £25,000 per year.
- Authorising changes to the central academy personnel establishment.
- Reviewing the reports of the Audit Committee on the effectiveness of the financial procedures and controls. These reports must also be reported to the full Board of Trustees meeting.

The Committee is directly supported by the finance lead from each local governing body. Local Governing Bodies are responsible for their delegated budgets and, supported by the trust central finance team, they conduct regular monitoring of actual expenditure and income against school budgets. An annual meeting of all LGB Finance Leads and the Chair of the Resources Committee took place in April 2021, to set out clear expectations around the annual budget setting process, look at school benchmarking data as well as budget challenges and Trust wide finance efficiencies.

# **FARINGDON LEARNING TRUST**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2021**

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#### **The Chief Executive Office – Accounting Officer**

Faringdon Learning Trust's Chief Executive Office is the appointed Trust Accounting Officer and has overall personal responsibility for:

- Probity and regularity compliance.
- Prudent and economical academy administration.
- Keeping of proper academy accounts.
- Ensuring value for money and avoiding waste and extravagance across the whole academy.
- Efficient and effective use of available academy resources.

Much of the responsibility is delegated to the Trust Chief Operational Officer to manage on a day-to-day basis.

To secure effective reflection and evaluation of the trust and to enable the appropriate development of the trust's school improvement offer the CEO has worked on the development of a trust-based self-evaluation. With the Trust's Director of Education, the school improvement offer available to our schools has also been revised to respond to the evolving and changing needs of the schools within the trust.

To preserve an outward view of the ever-changing educational picture and secure benchmarking and learning opportunities our Chief Executive Officer, a qualified Ofsted Inspector, continues to provide school improvement support to schools in the region as does our Director of Education who is a National Leader in Education.

The Chief Executive Officer with the Chair of the Board spearheaded a full review of the strategic vision for the trust to determine the key areas of development for our multi academy trust over the next 5 years.

Additionally, within a framework that comprises the academy vision, strategic objectives and academy school improvement plan, approved by the Board of Trustees, each Head Teacher has responsibility for their individual School Development Plans including the setting of their school's individual budget and financial activities. Individual school budgets are approved by their respective Local Governing Body and submitted to the Board of Trustees, via the Trust Resources Committee for approval annually or as required.

#### **The Chief Operational Officer (COO) – Chief Financial Officer (CFO)**

The COO also holds the position of CFO for the Trust, they work in close collaboration with the Accounting Officer through whom they are responsible to the Board of Trustees. The COO also has direct access to the Board of Trustees, the Trust Resources Committee and the Trust Independent Audit and Risk Committee. The main responsibilities of the COO are:

- The day to day management of financial issues including the establishment and operation of a suitable accounting system.
- The management of the academy financial position at a strategic and operational level within the framework for financial control determined by the Board of Trustees.
- The maintenance of effective systems of internal control.
- Ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the academy.
- The preparation of monthly management accounts.
- Ensuring forms and returns are sent to the DfE in line with the timetable in the DfE guidance.

#### **Other Staff**

Other members of staff, primarily, the Trust Finance Manager, Finance Officers, Finance Assistants and budget holders at each school, will have some financial responsibilities and these are detailed in the Faringdon Learning Trust's Financial Regulations Manual (reviewed annually). All staff are responsible for the security of Trust property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the Trust's financial procedures.

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 AUGUST 2021*

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

Faringdon Learning Trust agreed under TUPE to continue to operate within the School Teachers Terms and Conditions of Employment document and the terms and conditions of employment as set out in the National Joint Council for Local Government Services. Accordingly, all positions within the trust are set within the groups relevant to the size of an individual establishment, the size of the trust as a whole or in the case of non-teaching posts to reflect the level and range of responsibilities a post holder is expected to discharge.

When a post is established the grade and relevant salary ranges which will be applied is determined in accordance with those documents and as and when required are referred for evaluation to the Oxfordshire Multi Academy Trust Job Evaluation Moderation Panel.

The appointment process for the Chief Executive Officer, Director of Education and Chief Operations Officer all adhered to the principles the trust has established. To enable a comprehensive review of Executive Leadership of the trust initially all appointments to these roles were made on an interim basis. A wide range of trust leadership structures were looked alongside a salary benchmarking exercise of similar posts within the education sector prior to approval of the new structure being given by the board.

The trust continues to utilise a review period to validate the continued requirements for a post and re set the salary range for the post before posts are advertised. Responsibility for this is split between the trust board and local governing bodies.

The Trust Resources Committee hold the delegated responsibility for reviewing and authorising the salary range which can be offered for most senior appointments across the trust and recommend salary ranges for the approval by the board in the case of all executive leadership positions and Headteacher and Deputy Headteacher positions within our schools. It is through this committee's oversight that the Trust ensures consistency of practice and prevention of salary creep.

As per the trust's pay policy all staff are subject to an annual performance management review based on the trust's appraisal policies, for teachers this links salary progression to performance.

The Trust's board through its directors and the Chief Executive Officer take an active role in the recruitment of all senior posts and the annual appraisal of all senior post holders. The outcome of all senior appointments and the annual appraisal process is reported to the Trust Resources Committee and when appropriate to the board.

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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### Trade union facility time

#### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period

Full-time equivalent employee number

-

-

#### *Percentage of time spent on facility time*

Percentage of time

Number of employees

0%

-

1%-50%

-

51%-99%

-

100%

-

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

Total cost of facility time

-

Total pay bill

-

Percentage of the total pay bill spent on facility time

-

#### *Paid trade union activities*

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

-

### Engagement with employees

The trust takes pride in representing and reflecting the aspirations of the local community. FLT prides itself on being an equal opportunities employer and is committed to providing equality and social inclusion for all. The trust is pleased to receive applications for employment from disabled people and ensures that such applications receive a positive consideration. The trust operates a policy whose aim is to ensure that unlawful or otherwise unjustifiable discrimination does not take place in any aspect of our operations, especially in the recruitment, training, career development and promotion opportunities for all staff. The Trust is sensitive to the considerable investment of time and energy that staff make into the education of pupils and the need for staff to manage this along with a work life balance for themselves and their families, it continues to look at ways to support all staff in addressing any strain including availability of an employee assist programme of support for all staff.

The trust engages through various mediums with all its staff throughout the year through regular bulletins, briefings, workshops and training. On a more formal basis, the Trust has not diverged from the core employment terms or conditions agreed with recognised unions for all schools in Oxfordshire and continues to engage with employees through those union channels wherever needed and appropriate as part of the wider Oxfordshire schools' community which includes other academy and local authority maintained schools in the county.

### Engagement with suppliers, customers and others in a business relationship with the academy trust

Faringdon Learning Trust aims to foster strong working relationships with all companies that we engage with. By ensuring that any suppliers and customers understand the Trust's ethos and the individual nature of all of our schools, we hope by working in partnership with them, that all parties will benefit from the relationship that is forged. The Trust follows due process with regard to tendering for contracts, looking where possible to contract for between 3 and 5 years to ensure that any relationship has time to develop.

### Related parties and other connected charities and organisations

The Trust is not part of a wider network such as a soft federation. For further details of related parties and transactions during the year, see notes 11 and 26 of the financial statements.

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2021*

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### Objectives and activities

**Objects and Aims** - taken from the Objects as described in the Articles of Association:

(a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:

- i. Academies other than those designated Church of England, whether with or without a designated religious character; and
- ii. Church of England Academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and in having regard to any advice and following any reasonable directives issued by the Diocesan Board of Education,

but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England; and

(b) as ancillary to (a), and with the written agreement of the Trustees in respect of Academies falling under (a)(ii), to promote for the benefit of the inhabitants of the areas served by the Academies the provision of services for other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

### **Faringdon Learning Trust Vision statement approved by the Board of Trustees:**

The vision for Faringdon Learning Trust is that we will create a seamless educational experience in which every learner thrives.

Our aim to to embed a seamless Trust education experience for all our children under an umbrella of principles we are all committed to and where;

-each school and their team will determine how to meet the needs of their children and are reflective of the communities they serve and

-Trust and Academy Leaders along with Trustees and Governors enable seamless education excellence

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### Objectives, strategies and activities

The Trust's Strategic plan for 2020-21 was:

| <b>Learners first</b>  | <b>Nurture and develop our people</b>  | <b>Strengthen and grow</b>   |
|--|--|--|
| <b>Pupil progress</b> - Ensure seamless continuity for all year groups in their return to school, adapting the curriculum as necessary and ensuring accurate assessments to take each child forwards from their starting point to the academic year. | <b>CPD</b> – Develop the Faringdon Centre for Professional Excellence by auditing development needs across the trust and establishing a bespoke program of training and support from for employees at all levels. By valuing, developing and investing in staff, outcomes improve. | <b>MAT to MAT collaboration</b> - Expand opportunities to allow MAT to MAT collaboration.  |
| <b>Pupil Premium</b> - Establish and begin to embed the PP strategy across the Trust, improving outcomes.  | <b>Employee Benefits</b> - Review and enhance where possible employee benefits and ensure these are effectively promoted in advertisements and internally.   | <b>Expansion</b> - Target and work with non-Trust school leaders (including Governors) to encourage them to join the Trust.  |
| <b>FFT Aspire</b> - Embed the use of FFT Aspire across all schools to evaluate, target set and track pupil progress.   | <b>Staff survey</b> - Undertake a Staff survey and use the feedback to drive further improvements.   | <b>Brand Name</b> - Launch the Trust's new name, brand and website and develop an effective Public Relations strategy.   |
| <b>SEND</b> - Improve the quality of provision and outcomes for SEND pupils.   | <b>Parental survey</b> - Trustees to identify questions they wish to ask parents, through the school's annual questionnaire. Feedback to be used to drive further improvements.  | <b>Benchmarking data</b> - Develop the use of benchmarking data to help schools achieve financial effectiveness.   |
| <b>Phonics</b> - Support Primary schools in providing highly effective phonics teaching.   | <b>Governor Development</b> - Develop Governor sessions to provide a combination of briefing, training and support. Develop the use of lead Trustees to support the delivery of these sessions.  | <b>Faringdon Primary Education</b> - Plan how primary education provision in Faringdon will evolve and strengthen with the development of two primary schools including the relocation of FIS to a new site. |
| <b>Research</b> - Embed research led approaches at the heart of developments across the Trust, using research leads / teams in each school to pioneer this.  |  |  |
| <b>Curriculum</b> - Improve continuity and cohesion in curriculum and pedagogy between KS2 and KS3. Establish a 3-18 educational vision and strategy with a focus on PP and SEND pupils.   |  |  |

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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|  |  |  |
|--|--|--|
| <b>Curriculum sequencing</b> - Work with Curriculum leads, Head teachers and Subject leaders to ensure each school's curriculum is sequenced so that knowledge is remembered and builds over time, to include developing the computing curriculum in particular. |  |  |
| <b>Curriculum Enrichment</b> -develop and enhance a programme of interschool collaboration.  |  |  |
| <b>Ofsted</b> - Support schools expecting Ofsted inspection during the academic year.  |  |  |
| <b>Peer Review</b> - Provide an annual peer review for each school which support their self- evaluation and school improvement planning.   |  |  |
| <b>Mental Health and Well Being</b> - Establish a Mental Health and Well-being strategy across the Trust which supports pupils to be positive, resilient and ready to learn.   |  |  |
| <b>Sixth Form</b> - Work with new Head teacher and Director of KS5 to review curriculum offer and expand sixth form.   |  |  |

### Public benefit

The trustees of Faringdon Learning Trust confirm that they have complied with their duty in Section 17(5) of the 2011 Charities Act to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Faringdon Learning Trust comprises a mixed comprehensive secondary school with a successful 6th Form, a Junior School and an Infant School, 3 Church of England Primary Schools and 2 Primary Schools. Together they offer an excellent educational environment for over 2800 pupils. Our successes are built upon the efforts of a highly qualified, hard-working and enthusiastic staff, well-motivated pupils, very supportive parents and a highly committed Trust Board with a strong connection with the local community. All of our schools have high quality pastoral care systems.

Faringdon Learning Trust has excellent links with other Oxfordshire Schools, Academies and Multi-Academy Trusts, the Defence Academy, and so many more groups in our community. This ensures that we continue to generate better educational programmes for all young people, as well as improving our transitional activities for students who will be coming to Faringdon Community College.

We value highly all contact with parents since we see a successful education being a partnership between parents, students and the school. By working together, we are able to meet our aim of ensuring that all who attend our Academy Schools will find it challenging, stimulating, caring and a happy place to be.

Enabled by our close partnership and community connections, all pupils within member schools are able to participate in a wide variety of sports, clubs, trips and activities.

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2021*

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### Strategic report

#### Achievements and performance

Performance and Key Performance Indicators relate to specific Strategic Priorities which are detailed in the Objectives, Strategies and Activities section.

Faringdon Learning Trust primary output is the delivery of outstanding education to all pupils in our Academy schools. The following information and data summarises the achievement and performance for each academy school from an educational perspective. All data is the result of teacher assessment due to Covid-19 related school closure and external examinations not taking place.

#### Faringdon Community College

Ofsted rating: Good Feb 2019

- **Key Stage 4: GCSE Results 2021 (Centre Assessed Grades after moderation)**
- Progress 8: +0.45
- 5 GCSE grades at 4+ including English and Maths 73.89%
- 5 GCSE grades at 5+ including English and Maths 52.32%

Summary: An unusual but good year for the school who performed well above national standards and increased their progress score again. The challenge for the school continues to be to improve the progress made by disadvantaged pupils, prior lower attaining and SEND pupils.

#### A Level 2021

- Value added +0.33
- Percentage passes at A\*/A 41.2%
- Percentage passes at A\*/B 64%

An increase in results with an increasing overall progress score and the vast majority of subjects showing positive scores. 65% of the cohort went to university, with 43% going to a Russell group.

#### Primary School Summary

End of Key Stage Performance 2020-21 – Only Y6 KS2 teacher assessment data available due to Covid based school closure and no national tests.

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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### Key performance indicators

| School & Ofsted rating                  |     | Attainment<br>(% reaching the expected standard or above) |         |       |
|---|-----|---|---------|-------|
|   |     | Reading   | Writing | Maths |
| FJS<br>(Good March 2018)                | KS2 | 73%   | 66%     | 68%   |
| Buckland<br>(Outstanding Nov 2016)      | KS2 | 100%  | 92%     | 92%   |
| Shrivenham<br>(Good Jan 2017)           | KS2 | 75%   | 82%     | 82%   |
| John Blandy<br>(Good Nov 2016)          | KS2 | 72%   | 75%     | 78%   |
| Longcot & Fernham<br>(Outstanding 2009) | KS2 | 95%   | 90%     | 90%   |
| Watchfield<br>(Good Oct 2016)           | KS2 | 68%   | 54%     | 37%   |
| FIS<br>(Good Feb 2018)                  |     |   |         |       |

### Going concern

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

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### Protecting the success of the academy trust

As previously mentioned, the Trust's objectives are to advance for the public benefit education in the United Kingdom, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum. Over the course of the academic year schools within the Trust were required to adapt teaching and learning to take account of the Covid-19 restrictions that were put in place in January 2021. Schools rose to this challenge ensuring that all pupils continued to access education through the use of various online platforms as well as production of home working packs.

All schools remained open to ensure that pupils of key workers as well as those in most need continued to be able to attend in person, home visits were also conducted to support the most vulnerable pupils. Schools also provided food for foodbanks and continued to ensure that pupils entitled to free school meals could either access a meal or families were provided with food vouchers.

The safety of staff remained a key priority during this period, with staff shielding, working from home but also detailed risk assessments were put in place to allow staff to work on site to support pupils who attended.

During this time, in line with DfE guidance the Trust's schools continued to plan and updated risk assessments.

#### **Financial review**

The Trust's financial position remains a key concern for trustees and it is still articulated as the trusts top risk. Whilst costs continue to grow, in particular both support and teaching staff costs, the funding per pupil did not keep pace with inflation, some relief has been received in the form of grants to cover increases in teachers' pay and pension costs the long term funding of these specific costs remains uncertain. High needs budgets have also been under significant pressure with many schools within the Trust experiencing an increase in high special needs ratios. As a Trust experiencing continued growth in pupil numbers, the time lag in funding for these pupils when combined with current funding levels presents challenges to schools trying to maintain balanced budgets.

The Trust's reserves as at 31st August 2021 stand at £1,983k (includes unrestricted general funds of £846k, restricted capital funds of £80k and restricted general funds of £1,057k). The majority of the Trust's income, £15,540k comes from ESFA or Local Government funding.

The outcome of two successful Condition Improvement Fund bids for Faringdon Community College and John Blandy Primary School to repair and replace roofs saw much needed capital works amounting to £724K being completed during 2020-2021. For the coming year the Trust was successful in obtaining CIF funding to replace windows a Buckland Primary School. The Trust will however continue to submit bids for the replacement of temporary classrooms and fire alarm upgrade at Faringdon Community College as well as other capital projects for our schools. In addition, works to rectify the issues surrounding the 4-classroom block at Faringdon Junior School were completed during 2020-2021 and the block is now back in use.

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### Reserves policy

Despite growing financial pressure on revenue funding, the Trust has retained a credible reserve position made up of individual school reserves and an element of central reserve that has accrued since expansion in November 2013.

The Trust Resources Committee completed an in depth review of Trust reserves in 2015 in order to develop a Reserves Policy which is designed to assist in the Trusts strategic planning by considering how new projects or activities will be funded, it is also used to inform budget planning and risk management by identifying uncertainty around income streams. This work was further informed by guidance from the ESFA regarding multi-academy trust reserves and clear indication that there is an expectation that Trustees are expected to pool reserves to use them where required. As a minimum, the Trusts seeks to maintain a revenue reserve balance equivalent to at least one-month's salary for the entire trust.

This leads to the conclusion that an individual academy school surplus reserve may not be wholly available to that school at a given time. To ensure that the academy has an accurate understanding of reserves, the Chief Operations Officer maintains a detailed 5-year plan which shows the position for each school and the overall position for the academy. We have developed some assumptions, approved by the Academy Resources Committee, to ensure that the academy trust retains a sufficient reserve to support its outputs. The plan enables individual academy schools to propose expenditure against their surplus balances to deliver school improvement plans, however it acknowledges that Trustees may be required to prioritise expenditure to ensure the academy always retains a sufficient reserve.

Following a robust budget planning process, over the next 3-years, the Trust will see an increase in reserves from £1.604M (AY2122) to £1.901M by AY2324. This increase will come from robust financial management and the realisation of funding coming in line with the increased pupil numbers. The Trust will now look to use some of the reserves to undertake some estates work across Trust schools in line with recommendations from school condition surveys.

On 31 August 2021 the Academy held the following Reserves (excluding Fixed Asset Fund which represents Net Book Value and Pension Deficit):

|                            |                  |
|----------------------------|------------------|
|                            | £                |
| Unrestricted General Funds | 846,000          |
| Restricted Capital Funds   | 80,000           |
| Restricted General Funds   | <u>1,057,000</u> |
| Reserves at 31 August 2021 | <u>1,983,000</u> |

Hymans Robertson were instructed by Oxfordshire County Council, the Administering Authority to the Oxfordshire County Council Pension Fund, to undertake pension expense calculations in respect of pension benefits provided by the Local Government Pension Scheme (LGPS) to employees of Faringdon Learning Trust as at 31st August 2021. The LGPS is a defined benefit statutory scheme administered in accordance with LGPS Regulations. As in previous reports, we have stated that the LGPS deficit is likely to be met in the longer term from any combination of increased employer or employee contributions, increased government funding or change to scheme benefits.

Following a revaluation of the fund in early 2020 the FRS102 valuation of the fund as at 31st August 2021 shows an increase in the deficit rising to £9.707M. The deficit is likely to be met in the longer term from any combination of increased employee or employer contributions, increased government funding or change to scheme benefits. Trustees continue to monitor the impact of any changes to the scheme that might have a direct impact on the Trust.

The restricted funds will be spent in accordance with the terms of the particular funds.

#### Investment policy

Investments will be made only in accordance with written Investment Policy approved by the Board of Trustees. During 2019-2020 the Resources Committee took the decision to move £1M of the Trusts reserves into an investment account with Lloyds Banking Group. Whilst the interest rate is in line with national interest rates the Committee has held off making any further investment decisions until the current Covid19 situation has stabilised. This position will continue to be reviewed by Trustees again during AY2122.

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### Principal risks and uncertainties

The trustees conducted a full review of the strategic risk management policy and the risk register during the year. The revised plan, which includes the development of risk management by individual Trust school, was approved in the Autumn of 2020. The risk register is a standing agenda item on the Trust Sub-Committee meetings and all major risks are discussed at Board meetings. At an operational level, the internal control systems and the exposure to risks are considered on a regular basis by the CEO and the Trust Leadership Team.

The Trust's Strategic Plan outlines the academies operating procedures together with our means of identifying, analysing, managing, implementing strategies and reviewing risks. The Board of Trustees has made a considered choice about its desired risk profile, taking account of its legal obligations, its strategic objectives and public expectations of what it should deliver.

The Board of Trustees define risk as:

*The probability and implications of an activity or event of potentially positive or negative consequences taking place.*

This definition of risk enables an approach that allows for the possibility of identifying and exploiting opportunities as well as identifying and mitigating threats. The Faringdon Learning Trust Risk Management strategy comprises 4 steps:

- Step 1 – Risk Identification - In simple terms, risk identification aims to recognise what could go wrong, and how. It begins with the annual review of strategic objectives and the subsequent work conducted by the 3 Trust sub-committees (Resources, Quality of Education and Audit). However, all Trustees, Head Teachers and members of Trust Leadership Teams are responsible for highlighting any key risks that they identify. Strategic risks should be passed to the COO to collate in the Trust Risk Register for further analysis.
- Step 2 – Risk Analysis – Risk analysis seeks to understand the likelihood of the activity or event occurring, the potential severity of the outcome, and to ascertain who owns each risk. The Trust has developed a risk matrix, showing likelihood versus impact, to determine the risk of any single event occurring.
- Step 3 – Risk Management - Having identified and assessed the likely risks, the Board of Trustees, Trust sub-committees and/or Trust Leadership Team develop measures to reduce their likelihood and impact, mitigate unfavourable outcomes, and exploit opportunities that may arise. Risks are prioritised, so that attention can be focused on mitigating the most severe first.
- Step 4 – Review – This process is an iterative process. The Risk Register is maintained by the Trust Central Office, owned by the COO; it is reviewed regularly by the Trust Leadership Team and CEO who is responsible for raising strategic risks to the Board of Trustees. The Risk Management Strategy and the Risk Register must be reviewed annually by the Board of Trustees. Both the Risk Strategy and Risk Register are available on the Trust website to enable all Trustees to be familiar with strategic risks.

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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From 1st September 2020 to 31st August 2021, the Trust's three key risks, were:

**Potential failure of Academy Board to secure sufficient funds to deliver strategic objectives.** In line with many Trusts and academies forecast funding levels continue to present the highest risk. Previous reports have highlighted our concerns associated with our ability to keep pace with rising staff costs and reductions in real term income whilst this is likely to reduce in 2021 future years staffing costs are likely to grow substantially. As a Trust experiencing continued growth in pupil numbers, the time lag in funding for these pupils when combined with current funding levels impacts on the ability for our schools to remain within planned budgets. The Trust Resources Committee receives this matter as a standing agenda item at every meeting and we are working with head teachers and local governing bodies to ensure that we manage in-year budgets as effectively as possible. The Trust has undertaken a thorough benchmarking exercise of schools within the Trust so that we are now able to compare our key lines of income and expenditure.

**Inability to recruit and retain enough capable and motivated staff.** Recruiting and retaining high quality teaching staff is continuing to be difficult in some key subject areas. The reputation of all of our schools is dependent of high-quality staff delivering outstanding education. The Trust 5-year financial plan highlights significant pressure from September 2021 as the percentage of total staff expenditure against total income continues to rise. This has also been further compounded with the pandemic, and the Trust has struggled to also recruit in non-teaching roles as well.

**Natural disaster/pandemic.** Like all schools in 2020-2021 Covid19 continued to have an impact on pupil and staff absence rates. In order to mitigate this, robust risk assessments have been prepared and implemented in all our schools, which are also reviewed by the Trusts senior executives, governors and Trustees. The ability to implement remote learning also continued to develop over the year and is now embedded.

#### Financial and risk management objectives and policies

##### **Fundraising**

Faringdon Learning Trust does not actively enter into fundraising by means of actively pursuing individuals. We do not work with or oversee any commercial/professional fundraisers to fundraise on our behalf and there conforming to standards does not apply.

No monitoring of activities was undertaken, for the year ending 31st August 2021 we are unaware of any complaints that have been received and should anyone have any complaints they should follow the school complaints procedure clearly displayed on our website.

Each of our schools may, as part of social public benefit organise small fundraising events this is done by voluntary donations through families and staff associated with the school for example non-uniform days or sponsored walks.

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### Streamlined energy and carbon reporting

|  | 2021<br>kWh      | 2020<br>kWh      |
|--|------------------|------------------|
| <i>Energy consumption</i>                                    |                  |                  |
| Aggregate of energy consumption in the year                  |                  |                  |
| - Gas combustion   | 2,244,738        | 2,053,495        |
| - Fuel consumed for transport                                | 741,699          | 692,380          |
| - Electricity purchased                                      | 10,271           | 14,655           |
|  | <u>2,996,708</u> | <u>2,760,530</u> |
| <br>   |                  |                  |
|  | 2021             | 2020             |
| <i>Emissions of CO2 equivalent</i>                           |                  |                  |
| metric tonnes metric tonnes                                  |                  |                  |
| Scope 1 - direct emissions                                   |                  |                  |
| - Gas combustion   | 411.00           | 378.00           |
| - Fuel consumed for owned transport                          | 2.00             | 2.00             |
|  | <u>413.00</u>    | <u>380.00</u>    |
| Scope 2 - indirect emissions                                 |                  |                  |
| - Electricity purchased                                      | 157.00           | 161.00           |
| Scope 3 - other indirect emissions                           |                  |                  |
| - Fuel consumed for transport not owned by the academy trust | 1.00             | 2.00             |
|  | <u>571.00</u>    | <u>543.00</u>    |
| Total gross emissions  | <u>571.00</u>    | <u>543.00</u>    |
| <br>   |                  |                  |
| <i>Intensity ratio</i>                                       |                  |                  |
| Tonnes CO2e per pupil  | <u>0.19</u>      | <u>0.19</u>      |

### *Quantification and reporting methodology*

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

### *Intensity measurement*

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector. We have measured this in relation to the actual pupils attending the school and also against our maximum occupancy level.

### *Measures taken to improve energy efficiency*

All new builds recently completed or planned for have been fitted with energy efficient heating and lighting. The heating control system at FCC, all the boilers at Faringdon Junior School and the roof at Longcot and Fernham were replaced during the year.

# FARINGDON LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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### Plans for future periods

Despite the extremely challenging financial climate, Trustees are determined to press ahead with our approach to school support and improvement and our commitment to delivering on our strategic objectives. An initial focus for school support in AY2122 will be to support leadership teams as children and staff return to school following another period of national lockdown. Ensuring that schools have an effective recovery curriculum in place in order for gaps in pupils' skills and knowledge to be secured, as well as supporting their emotional wellbeing, to enable children to make good progress.

Additional school improvement will also focus on improving outcomes for pupil premium and SEN students. Schools will also be supported to review and develop their curriculums so that they are sequenced effectively in order for children to know and remember more, so that knowledge builds over time. An enhanced peer review system will be implemented during the year to support self-evaluation and school improvement planning.

The Trust is also actively engaged with the local authority regarding an expanded primary provision and relocation to a new site at Shrivenham, the relocation of Faringdon Infant School to a new site to enable transition to a 2-form entry primary school. As well as Faringdon Junior School converting to a 2-form entry primary school. Planning for these projects will be a key focus for the Trust as plans for this continue to evolve.

However, our 2 major priorities for the short and medium term remain:

**Financial Stability** – the Trust will continue to develop its 5-year budget planning process to enable schools and local governing bodies to plan ahead to meet the financial challenges that we will face over the next few years. We aim to start the budget process within the autumn term and to develop the detail through the spring term so that staffing challenges can be considered as early as possible in the process. We will seek to work collaboratively so that we can solve problems as a group and seek to share best practice across our schools. We will continue to reach beyond our boundaries to identify best practice from other Trusts within our region and nationally.

**Expansion** – we will continue to seek out opportunities to expand our Trust in order to seek financial stability and to provide a peer challenge for Faringdon Community College. The Trust is currently working with 7 schools, which includes both primary and secondary with a view that they would hopefully join the Trust in the near future.

### Funds held as custodian trustee on behalf of others

The trust holds no Assets and Funds as Custodian Trustee on behalf of others.

### Auditor

In so far as the trustees are aware:

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

Following a robust tender exercise Trustees agreed to reappoint Critchleys Audit LLP as the external auditors for the next reporting period.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 9/12/2021 and signed on its behalf by:

  
Liz Holmes  
Chairperson

# FARINGDON LEARNING TRUST

## GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

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### Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the CEO, 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 Faringdon Learning Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 7 times during the year, online via Teams due to the Covid-19 restrictions. Attendance during the year at meetings of the board of trustees was as follows:

| Trustees   | Meetings attended | Out of possible |
|--|-------------------|-----------------|
| Duncan Millard (CEO and Accounting Officer)                  | 5                 | 7               |
| Liz Holmes (Chairperson)                                     | 7                 | 7               |
| Christine Price-Smith  | 6                 | 7               |
| Ian Wright   | 7                 | 7               |
| Paul Turner  | 7                 | 7               |
| Anthony Cook   | 7                 | 7               |
| Paul Walker (Resigned 8 June 2021)                           | 4                 | 5               |
| Helen Turner (co-opted Director) (Resigned 24 November 2020) | 1                 | 1               |
| Mark Greenwood   | 6                 | 7               |
| Sarah Church (Appointed 18 November 2020)                    | 4                 | 5               |
| Carrie Insley (Appointed 15 December 2020)                   | 3                 | 4               |
| Jason St John Nicolle (Appointed 27 January 2021)            | 2                 | 2               |

### Resignations and Appointments during the year:

- Helen Turner resigned 24 November 2020
- Paul Walker resigned 8 June 2021
- Sarah Church was appointed 18 November 2020
- Carrie Insley was appointed 15 December 2020
- Jason St John Nicolle was appointed 27 January 2021

# **FARINGDON LEARNING TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2021***

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Further to the strategic risks outlined in the sections above, this year has brought many unexpected challenges requiring new ways of working and the implementation of agile processes which could support evolving and sometimes rapidly changing operational circumstances. Pupils and staff demonstrated considerable resilience over the course of the year.

Once again, the operational circumstances faced by everyone this year led to shifts in priorities as trust schools adjusted to teaching in bubbles, implementation of testing and delivering blended learning to whole cohorts or individual students who had to isolate. Through the effective evolution of working practices to meet the new norm, day to day operational tasks were kept on track, strategic objectives were progressed and some major projects were initiated.

The trust continued to work with its affiliate schools and to rebuild its outward facing support offer as it once again provided a range of school improvement and mentoring support.

It was possible to implement a more substantial programme of trust health checks this year which once again gave us comprehensive robust oversight of the educational, safeguarding and operational performance of all schools in the Trust. Through the work done with schools, trustees and governing bodies the focus in the later part of the academic year was on thinking beyond Covid's limitations and to look at what needed to be done to progress delivery of the vision and ambitions that they had for pupils, staff and their school.

### **Governance Reviews**

Our first round of governance reviews was concluded this year and it was also possible to complete the majority of progress reviews. Discussions were initiated around how governance health checks could evolve.

The trust continues to delegate significant areas of responsibility to local governing bodies due as a robust governance system continuing to be in place. A review of the circumstances under which delegations would be limited or revoked was undertaken this year. The alignment of the Trust Strategic Plan and Risk Registers with school risk registers is now fully imbedded and this supported the revision of the covid risk assessments which underpinned the successful in person teaching in Trust schools when they opened.

To ensure trustees and local governors were fully appraised of changing guidance and legal duties they were regularly directed to links to Government and the Key for Governor web sites and provided with briefing notes distilled from published information as it related to Trust legal responsibilities, actions and required activities.

Financial performance continues to be monitored at every school through regular meetings between the head teacher and the lead local governor for finance together with the Chief Operations Officer and the appropriate finance officer. These meetings continue to provide a means of ensuring high quality financial information is shared and used to inform financial planning.

The trust through a remote meeting platform continued the valuable practice of an annual budget planning meeting with head teachers, chairs and leading finance governors as well as a chairs meeting,

Trustees conducted their annual skills audit at the start of the Autumn term which confirmed that the Board had trustees with the appropriate knowledge and experience necessary to effectively discharge its responsibilities.

# FARINGDON LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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### Committees

#### Trust Resources Committee

The Trust Resources Committee is a sub-committee of the main board of trustees.

During this reporting period, the key issues for the trust resources committee were -

- Oversight of the financial performance of the trust and in particular scrutiny of individual schools that cause concerns. Specifically, the committee have maintained oversight of activity to reduce the planned in-year deficit at Shrivenham Primary School and Faringdon Junior School and ongoing deficit at John Blandy Primary School as well as monitoring the impact of Covid19.
- Implementation of recommendations raised by the internal and external audit processes.
- Approval of Trust budget for AY2122 and the revised 5-year financial plan.

Attendance at meetings in the year was as follows:

| Trustees                                    | Meetings attended | Out of possible |
|---|-------------------|-----------------|
| Duncan Millard (CEO and Accounting Officer) | 5                 | 6               |
| Ian Wright                                  | 4                 | 6               |
| Anthony Cook                                | 6                 | 6               |
| Mark Greenwood                              | 6                 | 6               |
| Carrie Insley (Appointed 15 December 2020)  | 4                 | 4               |
| David Hancox (local governor)               | 6                 | 6               |
| Tim Clark                                   | 5                 | 6               |
| Alex Bond (local governor)                  | 6                 | 6               |
| Duncan Jenkins (local governor)             | 3                 | 4               |

#### Appointments and Resignations during the year

- Carrie Insley joined 15 December 2020
- Duncan Jenkins resigned 11 March 2021

#### The Independent Audit and Risk Committee

The Faringdon Learning Trust's Audit Committee's remit expanded to include 'Risk', and has now completed its 8th year; its role is to review the effectiveness of the operation of the Trust's Process Owners systems, through scrutiny of its control of risk and delivery of statutory and legal obligations and the assessment of its internal controls. An Internal Auditor (appointed from Cooper Parry Group Ltd) is in place to undertake visits to Trust Schools to provide the Audit Committee with independent insight into the operation of the financial management arrangements it has established and that are operated by officers working for the trust.

Over the past year the Internal Auditor has undertaken the following audits:

- Other Income Process – Assurance: Medium/High
- Payroll – Assurance: High

As well as undertaking a review of outstanding actions from prior years.

Additionally, within its meetings the audit committee has also debated and reviewed:

- IT Security
- Trust's Risk Register

# FARINGDON LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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Attendance at meetings in the year was as follows:

| Committee member  | Meetings attended | Out of possible |
|-------------------|-------------------|-----------------|
| Alex Peal (Chair) | 3                 | 3               |
| Karen Brusch      | 3                 | 3               |
| Richard Morin     | -                 | 1               |
| Andy Robinson     | 3                 | 3               |
| David Farquhar    | 3                 | 3               |

#### Appointments and Resignations during the year

- Richard Morin resigned 2 March 2021
- Bob Slater joined 5 October 2021

#### Review of value for money

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

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

- Improving Educational Outcomes – In AY2021 all schools were affected the Covid-19 pandemic which meant all schools had to close in January 2021 except for vulnerable children and children of key workers. Consequently, the vast majority of children were taught remotely. Some primary school national tests and GCSE and A Level examinations were cancelled. Despite this value-added data for GCSE students remained strong at +0.45 and +0.33 for A level. All schools within the Trust are either rated Good or Outstanding by Ofsted.
- Continued Collaborative Procurement – The Trust continues to strive for improved ways of procuring as contracts come up for renewal and through the plethora of services consumed by our 8 academy schools. Through the Oxfordshire Academies Business Managers Group, we seek to identify group projects where we can share the cost of major projects across a number of participating trusts. The group meet every 6-8 weeks to progress a range of procurement projects. The Trust Resources Committee receives reports on larger procurement opportunities that have been realised.
- Shared pupil events – The Trust continues to offer pupil's wider opportunities including, sports, STEM and arts.
- Innovative Staff Events – Through the trust 'Training School' we have arranged internal staff training and CPD for teaching and support staff, additionally shared inset days and working parties to look at specific elements of the curriculum across all key stages, give staff opportunities for further development whilst ensuring development of key subject areas.

#### The purpose of the system of internal control

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

# FARINGDON LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2021*

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### **Capacity to handle risk**

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

### **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 Trust Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for specific internal audit function and has decided to maintain the requirement for an audit committee. The composition and function of the audit committee is highlighted on page 24 of this report. The academy trust provides funding for an Internal Auditor for several days each year (the Peer Reviewer is employed by Chartered Accountants Cooper Parry Ltd). The work of the Internal Auditor is determined by the priorities of the audit committee to ensure full independence.

# FARINGDON LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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The Internal Auditor provides a report following each targeted visit which is subsequently copied to the audit committee, the Trust Resources Committee and the COO. The report highlights observations together with recommendations and requires a response from the COO. At the end of each year, the Internal Audit reports are made available to the External Auditors and an annual report is provided to the Board of Trustees. The Chairperson of the Audit Committee attends the Board meeting in person to present their annual report and to agree the forward programme of inspection. The annual audit report for AY2021 was presented to the Board on 3rd December 2020. The key recommendations from the report were:

### Payroll

- A shared secure file of payroll changes in the month should be maintained.
- All paperwork for new starters includes budget holder signature and evidence of review and approval.
- Restricting system access to only those actions required by post holders' job roles to minimise risk of loss or misappropriation of funds. Regular use of audit functionality would also mitigate this risk.

### Business Continuity Planning

- All relevant documents are approved and finalised and saved as PDFs to avoid accidental changes, evidenced by signatures from an appropriate level of staff or at Trustee level, as relevant.
- All Business Continuity Plan templates are completed as soon as possible to ensure that the documentation is consistent and up to date across the Trust and that this is reported back to Trustees when complete. These documents should be updated annually.
- Obtain up to date emergency building plans for all schools and review these on a regular basis to ensure that plans and costs are up to date.

A programme of work has been developed for the next year to include reviews of:

- Review of Pupil Census Processes
- Review of Related Party Transactions – processes for capturing and monitoring
- Review of Absence Management – application of policy

The Trust can confirm that the internal audit committee has delivered their schedule of work as planned and that there have been no material control issues arising requiring remedial action.

### Review of effectiveness

As accounting officer, the CEO 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 audit committee and the reports from the Peer Reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of trustees on 9/12/2021 and signed on its behalf by:



Duncan Millard  
CEO and Accounting Officer



Liz Holmes  
Chairperson

# **FARINGDON LEARNING TRUST**

## **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

***FOR THE YEAR ENDED 31 AUGUST 2021***

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

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

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



Duncan Millard  
**Accounting Officer**

9/12/2021

# FARINGDON LEARNING TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2021**

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The trustees (who are also the directors of Faringdon Learning Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2020 to 2021 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

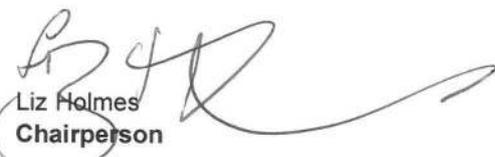
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 9/12/2021 and signed on its behalf by:

  
Liz Holmes  
Chairperson

# **FARINGDON LEARNING TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FARINGDON LEARNING TRUST**

**FOR THE YEAR ENDED 31 AUGUST 2021**

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### **Opinion**

We have audited the accounts of Faringdon Learning Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

### **Basis for opinion**

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

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

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

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

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

### **Other information**

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

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

We have nothing to report in this regard.

# FARINGDON LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FARINGDON LEARNING TRUST (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2021*

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

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

### **Responsibilities of trustees**

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

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

### **Auditor's responsibilities for the audit of the accounts**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# **FARINGDON LEARNING TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FARINGDON LEARNING TRUST (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2021***

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Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with trustees and other management, and from our commercial knowledge and experience of the client's business sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, the Charities Act 2011, ESFA requirements, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated with the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining whether accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, the ESFA and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors/trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

# FARINGDON LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FARINGDON LEARNING TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2021**

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

### **Use of our report**

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



**Katherine Wilkes (Senior Statutory Auditor)**  
for and on behalf of Critchleys Audit LLP

15/12/2021  
.....

**Chartered Accountants**  
**Statutory Auditor**

Beaver House  
23-38 Hythe Bridge Street  
Oxford  
OX1 2EP

# **FARINGDON LEARNING TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO FARINGDON LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

***FOR THE YEAR ENDED 31 AUGUST 2021***

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In accordance with the terms of our engagement letter dated 20 August 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Faringdon Learning Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Faringdon Learning Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Faringdon Learning Trust's funding agreement with the Secretary of State for Education dated 1 September 2014 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts 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.

# FARINGDON LEARNING TRUST

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

**FOR THE YEAR ENDED 31 AUGUST 2021**

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The work undertaken to draw to our conclusion includes:

- Review of minutes of meetings of the Board of Trustees and obtaining representations concerning access to information, disclosure and provision of information.
- Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity.
- Assessment and testing of a sample of the specific control activities over regularity of a particular activity.
- Carrying out substantive testing to cover authorisation of expenditure within internal delegated authorities and externally imposed limits.
- Consideration of whether activities carried out are within the charitable objects.

### **Conclusion**

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

*Critchleys Audit LLP*

### **Reporting Accountant**

Critchleys Audit LLP  
Beaver House  
23-38 Hythe Bridge Street  
Oxford  
OX1 2EP

Dated: 15/12/2021

# FARINGDON LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

|   | Notes | Unrestricted funds<br>£'000 | Restricted funds:<br>General Fixed asset<br>£'000 £'000 |               | Total<br>2021<br>£'000 | Total<br>2020<br>£'000 |
|---|-------|-----------------------------|---|---------------|------------------------|------------------------|
| <b>Income and endowments from:</b>                  |       |                             |   |               |                        |                        |
| Donations and capital grants                        | 3     | 23                          | 2   | 3,085         | 3,110                  | 886                    |
| Charitable activities:                              |       |                             |   |               |                        |                        |
| - Funding for educational operations                | 4     | 605                         | 15,540  | -             | 16,145                 | 14,794                 |
| Other trading activities                            | 5     | 23                          | -   | -             | 23                     | 43                     |
| Investments   | 6     | 1                           | -   | -             | 1                      | 3                      |
| <b>Total</b>  |       | <u>652</u>                  | <u>15,542</u>   | <u>3,085</u>  | <u>19,279</u>          | <u>15,726</u>          |
| <b>Expenditure on:</b>                              |       |                             |   |               |                        |                        |
| Charitable activities:                              |       |                             |   |               |                        |                        |
| - Educational operations                            | 9     | 651                         | 15,797  | 1,599         | 18,047                 | 16,881                 |
| <b>Total</b>  | 7     | <u>651</u>                  | <u>15,797</u>   | <u>1,599</u>  | <u>18,047</u>          | <u>16,881</u>          |
| <b>Net income/(expenditure)</b>                     |       | 1                           | (255)   | 1,486         | 1,232                  | (1,155)                |
| Transfers between funds                             | 18    | -                           | (367)   | 367           | -                      | -                      |
| <b>Other recognised gains/(losses)</b>              |       |                             |   |               |                        |                        |
| Actuarial losses on defined benefit pension schemes | 20    | -                           | (1,708)   | -             | (1,708)                | (57)                   |
| <b>Net movement in funds</b>                        |       | <u>1</u>                    | <u>(2,330)</u>  | <u>1,853</u>  | <u>(476)</u>           | <u>(1,212)</u>         |
| <b>Reconciliation of funds</b>                      |       |                             |   |               |                        |                        |
| Total funds brought forward                         |       | 845                         | (6,320)   | 23,038        | 17,563                 | 18,775                 |
| Total funds carried forward                         |       | <u>846</u>                  | <u>(8,650)</u>  | <u>24,891</u> | <u>17,087</u>          | <u>17,563</u>          |

# FARINGDON LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

| Comparative year information<br>Year ended 31 August 2020 | Notes | Unrestricted<br>funds<br>£'000 | Restricted funds:<br>General £'000 | Fixed asset<br>£'000 | Total<br>2020<br>£'000 |
|---|-------|--------------------------------|------------------------------------|----------------------|------------------------|
| <b>Income and endowments from:</b>                        |       |                                |                                    |                      |                        |
| Donations and capital grants                              | 3     | 22                             | 37                                 | 827                  | 886                    |
| Charitable activities:                                    |       |                                |                                    |                      |                        |
| - Funding for educational operations                      | 4     | 781                            | 14,013                             | -                    | 14,794                 |
| Other trading activities                                  | 5     | 43                             | -                                  | -                    | 43                     |
| Investments   | 6     | 3                              | -                                  | -                    | 3                      |
| <b>Total</b>  |       | <u>849</u>                     | <u>14,050</u>                      | <u>827</u>           | <u>15,726</u>          |
| <b>Expenditure on:</b>                                    |       |                                |                                    |                      |                        |
| Charitable activities:                                    |       |                                |                                    |                      |                        |
| - Educational operations                                  | 9     | 846                            | 14,558                             | 1,477                | 16,881                 |
| <b>Total</b>  | 7     | <u>846</u>                     | <u>14,558</u>                      | <u>1,477</u>         | <u>16,881</u>          |
| <b>Net income/(expenditure)</b>                           |       | 3                              | (508)                              | (650)                | (1,155)                |
| Transfers between funds                                   | 18    | -                              | (106)                              | 106                  | -                      |
| <b>Other recognised gains/(losses)</b>                    |       |                                |                                    |                      |                        |
| Actuarial losses on defined benefit pension schemes       | 20    | -                              | (57)                               | -                    | (57)                   |
| <b>Net movement in funds</b>                              |       | 3                              | (671)                              | (544)                | (1,212)                |
| <b>Reconciliation of funds</b>                            |       |                                |                                    |                      |                        |
| Total funds brought forward                               |       | 842                            | (5,649)                            | 23,582               | 18,775                 |
| Total funds carried forward                               |       | <u>845</u>                     | <u>(6,320)</u>                     | <u>23,038</u>        | <u>17,563</u>          |

# FARINGDON LEARNING TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2021

|  | Notes | 2021         |               | 2020         |               |
|--|-------|--------------|---------------|--------------|---------------|
|  |       | £'000        | £'000         | £'000        | £'000         |
| <b>Fixed assets</b>                            |       |              |               |              |               |
| Intangible assets                              | 13    |              | 89            |              | 27            |
| Tangible assets                                | 14    |              | 24,722        |              | 22,189        |
|  |       |              | <u>24,811</u> |              | <u>22,216</u> |
| <b>Current assets</b>                          |       |              |               |              |               |
| Debtors  | 15    | 737          |               | 1,047        |               |
| Cash at bank and in hand                       |       | 2,718        |               | 2,550        |               |
|  |       | <u>3,455</u> |               | <u>3,597</u> |               |
| <b>Current liabilities</b>                     |       |              |               |              |               |
| Creditors: amounts falling due within one year | 16    | (1,472)      |               | (1,185)      |               |
| <b>Net current assets</b>                      |       |              | 1,983         |              | 2,412         |
| <b>Net assets excluding pension liability</b>  |       |              | 26,794        |              | 24,628        |
| Defined benefit pension scheme liability       | 20    |              | (9,707)       |              | (7,065)       |
| <b>Total net assets</b>                        |       |              | <u>17,087</u> |              | <u>17,563</u> |
| <b>Funds of the academy trust:</b>             |       |              |               |              |               |
| <b>Restricted funds</b>                        | 18    |              |               |              |               |
| - Fixed asset funds                            |       |              | 24,891        |              | 23,038        |
| - Restricted income funds                      |       |              | 1,057         |              | 745           |
| - Pension reserve                              |       |              | (9,707)       |              | (7,065)       |
| <b>Total restricted funds</b>                  |       |              | <u>16,241</u> |              | <u>16,718</u> |
| <b>Unrestricted income funds</b>               | 18    |              | 846           |              | 845           |
| <b>Total funds</b>                             |       |              | <u>17,087</u> |              | <u>17,563</u> |

The accounts on pages 35 to 63 were approved by the trustees and authorised for issue on 9/12/2021 and are signed on their behalf by:

  
 Liz Holmes  
 Chairperson

Company Number 07977368

# FARINGDON LEARNING TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

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|  |       | 2021    |              | 2020  |              |
|--|-------|---------|--------------|-------|--------------|
|  | Notes | £'000   | £'000        | £'000 | £'000        |
| <b>Cash flows from operating activities</b>                              |       |         |              |       |              |
| Net cash provided by/(used in) operating activities                      | 21    |         | 1,276        |       | (270)        |
| <b>Cash flows from investing activities</b>                              |       |         |              |       |              |
| Dividends, interest and rents from investments                           |       | 1       |              | 3     |              |
| Capital grants from DfE Group  |       | 59      |              | 796   |              |
| Capital funding received from sponsors and others                        |       | 296     |              | 31    |              |
| Purchase of intangible fixed assets                                      |       | (75)    |              | (27)  |              |
| Purchase of tangible fixed assets  |       | (1,389) |              | (215) |              |
| <b>Net cash (used in)/provided by investing activities</b>               |       |         | (1,108)      |       | 588          |
| <b>Net increase in cash and cash equivalents in the reporting period</b> |       |         | 168          |       | 318          |
| Cash and cash equivalents at beginning of the year                       |       |         | 2,550        |       | 2,232        |
| <b>Cash and cash equivalents at end of the year</b>                      |       |         | <u>2,718</u> |       | <u>2,550</u> |

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

Faringdon Learning Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

##### 1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Faringdon Learning Trust meets the definition of a public benefit entity under FRS 102.

##### 1.2 Going concern

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

##### 1.3 Income

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

###### Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

###### Sponsorship income

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

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

(Continued)

##### Donations

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

##### Other income

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

##### Donated goods, facilities and services

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

##### Donated fixed assets

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

#### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 1 Accounting policies

(Continued)

#### 1.5 Intangible fixed assets and amortisation

Intangible assets costing £5,000 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:

- Purchased computer software - 10 years

#### 1.6 Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

|                          |                 |
|--------------------------|-----------------|
| Leasehold buildings      | 10-30 years     |
| Asset under construction | Not depreciated |
| Computer equipment       | 3 years         |
| Furniture and equipment  | 5 years         |

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

#### 1.7 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.

#### 1.8 Leased assets

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

#### 1.9 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.

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 1 Accounting policies

(Continued)

##### Financial assets

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

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

##### Financial liabilities

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

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

#### 1.10 Taxation

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

#### 1.11 Pensions benefits

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

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

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

#### 1.12 Fund accounting

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

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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### 1 Accounting policies

(Continued)

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.

#### 1.13 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 28.

### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### Critical areas of judgement

The academy trust participates in the Teacher's Pension Scheme (TPS) for qualifying employees. Under the definitions set out in FRS 102, this is a multi-employer pension scheme. There is insufficient information about the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets in the financial statements and therefore the plan is accounted for as a defined contribution scheme (see note 20).

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 3 Donations and capital grants

|                      | Unrestricted<br>funds<br>£'000 | Restricted<br>funds<br>£'000 | Total<br>2021<br>£'000 | Total<br>2020<br>£'000 |
|----------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Private sponsorship  | -                              | 2                            | 2                      | -                      |
| Donated fixed assets | -                              | 2,730                        | 2,730                  | -                      |
| Capital grants       | -                              | 309                          | 309                    | 826                    |
| Other donations      | 23                             | 46                           | 69                     | 60                     |
|                      | <u>23</u>                      | <u>3,087</u>                 | <u>3,110</u>           | <u>886</u>             |

### 4 Funding for the academy trust's educational operations

|   | Unrestricted<br>funds<br>£'000 | Restricted<br>funds<br>£'000 | Total<br>2021<br>£'000 | Total<br>2020<br>£'000 |
|---|--------------------------------|------------------------------|------------------------|------------------------|
| <b>DfE / ESFA grants</b>                          |                                |                              |                        |                        |
| General annual grant (GAG)                        | -                              | 12,904                       | 12,904                 | 11,846                 |
| Other DfE / ESFA grants:                          |                                |                              |                        |                        |
| UIFSM   | -                              | 244                          | 244                    | 248                    |
| Pupil premium                                     | -                              | 603                          | 603                    | 568                    |
| Others (see below)                                | -                              | 352                          | 352                    | 384                    |
|   | <u>-</u>                       | <u>14,103</u>                | <u>14,103</u>          | <u>13,046</u>          |
| <b>Other government grants</b>                    |                                |                              |                        |                        |
| Local authority grants (see below)                | -                              | 1,028                        | 1,028                  | 963                    |
| Special educational projects                      | -                              | 10                           | 10                     | -                      |
|   | <u>-</u>                       | <u>1,038</u>                 | <u>1,038</u>           | <u>963</u>             |
| <b>COVID-19 additional funding (DfE/ESFA)</b>     |                                |                              |                        |                        |
| Catch-up premium                                  | -                              | 223                          | 223                    | -                      |
| Other DfE/ESFA COVID-19 funding                   | -                              | 13                           | 13                     | 4                      |
| <b>COVID-19 additional funding (non-DfE/ESFA)</b> |                                |                              |                        |                        |
| Other COVID-19 funding                            | -                              | 163                          | 163                    | -                      |
|   | <u>-</u>                       | <u>399</u>                   | <u>399</u>             | <u>4</u>               |
| <b>Other incoming resources (see below)</b>       | <u>605</u>                     | <u>-</u>                     | <u>605</u>             | <u>781</u>             |
| <b>Total funding</b>                              | <u>605</u>                     | <u>15,540</u>                | <u>16,145</u>          | <u>14,794</u>          |

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 4 Funding for the academy trust's educational operations (Continued)

The academy trust received £223k of funding for catch-up premium, all of which was spent during the year.

Other DfE/ESFA grants include Teachers' Pay Grant £169k (2019/20: £163k), Sports Grant £125k (2019/20: £125k), and Rates Relief £52k (2019/20: £49k).

Local authority grants include Teachers' Pension Grant £483k (2019/20: £522k), SEN funding £295k (2019/20: £216k), Early Years funding £239k (2019/20: £208k), and IYFA £3k (2019/20: £12k).

Other incoming resources include: Catering income £257k (2019/20: £281k), Trips and activities income £179k (2019/20: £415k), Insurance claim £69k (2019/20: £nil) and other self-generated income of £102k (2019/20: £85k).

#### 5 Other trading activities

|                    | Unrestricted<br>funds<br>£'000 | Restricted<br>funds<br>£'000 | Total<br>2021<br>£'000 | Total<br>2020<br>£'000 |
|--------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Hire of facilities | 23                             | -                            | 23                     | 43                     |

#### 6 Investment income

|                     | Unrestricted<br>funds<br>£'000 | Restricted<br>funds<br>£'000 | Total<br>2021<br>£'000 | Total<br>2020<br>£'000 |
|---------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Short term deposits | 1                              | -                            | 1                      | 3                      |

#### 7 Expenditure

|                                  | Staff costs<br>£'000 | Non-pay expenditure |                | Total<br>2021<br>£'000 | Total<br>2020<br>£'000 |
|----------------------------------|----------------------|---------------------|----------------|------------------------|------------------------|
|                                  |                      | Premises<br>£'000   | Other<br>£'000 |                        |                        |
| Academy's educational operations |                      |                     |                |                        |                        |
| - Direct costs                   | 11,352               | -                   | 677            | 12,029                 | 11,352                 |
| - Allocated support costs        | 2,158                | 2,534               | 1,326          | 6,018                  | 5,529                  |
|                                  | <u>13,510</u>        | <u>2,534</u>        | <u>2,003</u>   | <u>18,047</u>          | <u>16,881</u>          |

| Net income/(expenditure) for the year includes:   | 2021<br>£'000 | 2020<br>£'000 |
|---|---------------|---------------|
| Fees payable to auditor for:                      |               |               |
| - Audit   | 14            | 16            |
| - Other services                                  | 11            | 10            |
| Operating lease rentals                           | 51            | 37            |
| Depreciation of tangible fixed assets             | 1,586         | 1,475         |
| Amortisation of intangible fixed assets           | 13            | 2             |
| Net interest on defined benefit pension liability | 127           | 118           |

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

#### 8 Central services

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

- school improvement support;
- central finance team;
- central HR support;
- central facilities management staff support;
- central ICT staff support;
- central governance support;
- central administration costs; and
- primary school staff absence pool

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

Central costs are shared out amongst the Trust's schools based on Average Weighted Pupil Unit (AWPU) funding allocated to each school by the ESFA. AWPU is based on the number of pupils in school, further specific costs are allocated based on usage (e.g. caretaker costs shared by three schools and IT costs shared on numbers of devices).

The amounts charged during the year were as follows:

|   | 2021<br>£'000 | 2020<br>£'000 |
|---|---------------|---------------|
| Buckland C of E Primary School            | 45            | 49            |
| Faringdon Community College               | 476           | 429           |
| Faringdon Junior School                   | 122           | 84            |
| Faringdon Infant School                   | 82            | 116           |
| John Blandy Primary School                | 80            | 75            |
| Longcot and Fernham C of E Primary School | 58            | 55            |
| Shrivenham C of E Controlled School       | 67            | 67            |
| Watchfield Primary School                 | 127           | 117           |
|   | <u>1,057</u>  | <u>992</u>    |

#### 9 Charitable activities

|                        | Unrestricted<br>funds<br>£'000 | Restricted<br>funds<br>£'000 | Total<br>2021<br>£'000 | Total<br>2020<br>£'000 |
|------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| <b>Direct costs</b>    |                                |                              |                        |                        |
| Educational operations | 651                            | 11,378                       | 12,029                 | 11,352                 |
| <b>Support costs</b>   |                                |                              |                        |                        |
| Educational operations | -                              | 6,018                        | 6,018                  | 5,529                  |
|                        | <u>651</u>                     | <u>17,396</u>                | <u>18,047</u>          | <u>16,881</u>          |

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

|          |                                  |                    |              |
|----------|----------------------------------|--------------------|--------------|
| <b>9</b> | <b>Charitable activities</b>     | <b>(Continued)</b> |              |
|          |                                  | <b>2021</b>        | <b>2020</b>  |
|          |                                  | <b>£'000</b>       | <b>£'000</b> |
|          | <b>Analysis of support costs</b> |                    |              |
|          | Support staff costs              | 2,158              | 2,280        |
|          | Depreciation and amortisation    | 1,599              | 1,477        |
|          | Technology costs                 | 255                | 229          |
|          | Premises costs                   | 935                | 635          |
|          | Legal costs                      | -                  | 3            |
|          | Other support costs              | 1,042              | 879          |
|          | Governance costs                 | 29                 | 26           |
|          |                                  | 6,018              | 5,529        |
|          |                                  | 6,018              | 5,529        |

|           |   |              |              |
|-----------|---|--------------|--------------|
| <b>10</b> | <b>Staff</b>                            |              |              |
|           | <b>Staff costs</b>                      |              |              |
|           | Staff costs during the year were:       |              |              |
|           |   | <b>2021</b>  | <b>2020</b>  |
|           |   | <b>£'000</b> | <b>£'000</b> |
|           | Wages and salaries                      | 9,548        | 9,256        |
|           | Social security costs                   | 853          | 770          |
|           | Pension costs                           | 2,900        | 2,635        |
|           | Staff costs - employees                 | 13,301       | 12,661       |
|           | Agency staff costs                      | 209          | 97           |
|           |   | 13,510       | 12,758       |
|           | Staff development and other staff costs | 41           | 42           |
|           | Total staff expenditure                 | 13,551       | 12,800       |

The 2020 accounts showed total staff costs (before staff development costs) of £12,876k. This included £118k in respect of FRS 102 finance costs, which are now shown under "Other support costs" in line with the required accounting treatment.

### Staff numbers

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

|                            |               |               |
|----------------------------|---------------|---------------|
|                            | <b>2021</b>   | <b>2020</b>   |
|                            | <b>Number</b> | <b>Number</b> |
| Teachers                   | 161           | 159           |
| Administration and support | 238           | 241           |
| Management                 | 23            | 36            |
|                            | 422           | 436           |
|                            | 422           | 436           |

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

### 10 Staff

(Continued)

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

|                            | 2021<br>Number | 2020<br>Number |
|----------------------------|----------------|----------------|
| Teachers                   | 134            | 127            |
| Administration and support | 142            | 132            |
| Management                 | 20             | 20             |
|                            | <u>296</u>     | <u>279</u>     |

#### Higher paid staff

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

|                     | 2021<br>Number | 2020<br>Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000   | 6              | 5              |
| £70,001 - £80,000   | 1              | -              |
| £90,001 - £100,000  | 1              | 2              |
| £100,001 - £110,000 | 1              | -              |
|                     | <u>1</u>       | <u>7</u>       |

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £324k (2020: £325k).

### 11 Trustees' remuneration and expenses

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

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

D Millard(CEO and trustee):

- Remuneration £100,000 - £105,000 (2020: ££95,000 - £100,000)
- Employer's pension contributions £20,000 - £25,000 (2020: £20,000 - £25,000)

No trustees received reimbursement or direct payment of any expenses during 2021 or 2020.

Other related party transactions involving the trustees are set out within the related parties note.

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 12 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5m on any one claim.

The cost of this insurance is included in the total insurance cost but has not been separately identified.

#### 13 Intangible fixed assets

|                        | <b>Computer<br/>software<br/>£'000</b> |
|------------------------|--|
| <b>Cost</b>            |  |
| At 1 September 2020    | 32                                     |
| Additions              | 75                                     |
|                        | <hr/>                                  |
| At 31 August 2021      | 107                                    |
|                        | <hr/>                                  |
| <b>Amortisation</b>    |  |
| At 1 September 2020    | 5                                      |
| Charge for year        | 13                                     |
|                        | <hr/>                                  |
| At 31 August 2021      | 18                                     |
|                        | <hr/>                                  |
| <b>Carrying amount</b> |  |
| At 31 August 2021      | 89                                     |
|                        | <hr/> <hr/>                            |
| At 31 August 2020      | 27                                     |
|                        | <hr/> <hr/>                            |

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 14 Tangible fixed assets

|                               | Leasehold<br>buildings | Asset under<br>construction | Computer<br>equipment | Furniture<br>and<br>equipment | Total  |
|-------------------------------|------------------------|-----------------------------|-----------------------|-------------------------------|--------|
|                               | £'000                  | £'000                       | £'000                 | £'000                         | £'000  |
| <b>Cost</b>                   |                        |                             |                       |                               |        |
| At 1 September 2020           | 31,129                 | 16                          | 781                   | 611                           | 32,537 |
| Transfer of completed project | 16                     | (16)                        | -                     | -                             | -      |
| Additions                     | 4,004                  | -                           | 89                    | 26                            | 4,119  |
| At 31 August 2021             | 35,149                 | -                           | 870                   | 637                           | 36,656 |
| <b>Depreciation</b>           |                        |                             |                       |                               |        |
| At 1 September 2020           | 9,417                  | -                           | 576                   | 355                           | 10,348 |
| Charge for the year           | 1,363                  | -                           | 132                   | 91                            | 1,586  |
| At 31 August 2021             | 10,780                 | -                           | 708                   | 446                           | 11,934 |
| <b>Net book value</b>         |                        |                             |                       |                               |        |
| At 31 August 2021             | 24,369                 | -                           | 162                   | 191                           | 24,722 |
| At 31 August 2020             | 21,712                 | 16                          | 205                   | 256                           | 22,189 |

#### Leasehold land and buildings

The Academy took out 125 year leases over the land and buildings at the date of conversion of each school. In determining valuations for the leasehold property, the Trustees have referred to the valuations arranged by the EFA which were carried out on a desktop depreciated replacement cost basis. The freehold of these land and buildings is owned by the respective Local Authorities. These are recognised in the accounts as the academy trust has the right to use the property.

#### Additions to land and buildings

Additions in the year represent capital works to existing buildings.

### 15 Debtors

|                                | 2021<br>£'000 | 2020<br>£'000 |
|--------------------------------|---------------|---------------|
| Trade debtors                  | 47            | 3             |
| VAT recoverable                | 160           | 74            |
| Prepayments and accrued income | 530           | 970           |
|                                | 737           | 1,047         |

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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|  |                     |                     |
|--|---------------------|---------------------|
| <b>16 Creditors: amounts falling due within one year</b> | <b>2021</b>         | <b>2020</b>         |
|  | <b>£'000</b>        | <b>£'000</b>        |
| Trade creditors  | 398                 | 225                 |
| Other taxation and social security                       | 213                 | 189                 |
| Other creditors  | 248                 | 239                 |
| Accruals and deferred income                             | 613                 | 532                 |
|  | <u>1,472</u>        | <u>1,185</u>        |
|  | <u><u>1,472</u></u> | <u><u>1,185</u></u> |
| <br>   |                     |                     |
| <b>17 Deferred income</b>                                | <b>2021</b>         | <b>2020</b>         |
|  | <b>£'000</b>        | <b>£'000</b>        |
| Deferred income is included within:                      |                     |                     |
| Creditors due within one year                            | 319                 | 412                 |
|  | <u>319</u>          | <u>412</u>          |
| <br>   |                     |                     |
| Deferred income at 1 September 2020                      | 412                 | 422                 |
| Released from previous years                             | (412)               | (422)               |
| Resources deferred in the year                           | 319                 | 412                 |
|  | <u>319</u>          | <u>412</u>          |
| <b>Deferred income at 31 August 2021</b>                 | <u><u>319</u></u>   | <u><u>412</u></u>   |

At the balance sheet date the academy trust was holding funding received specifically for the next financial year totalling £258k, together with lettings, trips, activities and other income received in advance totalling £154k.

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Funds

|                                       | Balance at<br>1 September<br>2020<br>£'000 | Income<br>£'000 | Expenditure<br>£'000 | Gains,<br>losses and<br>transfers<br>£'000 | Balance at<br>31 August<br>2021<br>£'000 |
|---------------------------------------|--|-----------------|----------------------|--|--|
| <b>Restricted general funds</b>       |  |                 |                      |  |  |
| General Annual Grant (GAG)            | 721  | 12,904          | (12,238)             | (367)                                      | 1,020                                    |
| UIFSM                                 | -  | 244             | (244)                | -  | -  |
| Pupil premium                         | -  | 603             | (603)                | -  | -  |
| Catch-up premium                      | -  | 223             | (223)                | -  | -  |
| Other DfE/ESFA COVID-19<br>funding    | -  | 163             | (163)                | -  | -  |
| Other COVID-19 funding                | -  | 13              | (13)                 | -  | -  |
| Other DfE / ESFA grants               | -  | 352             | (329)                | -  | 23                                       |
| Other government grants               | 15   | 1,038           | (1,048)              | -  | 5  |
| Other restricted funds                | 9  | 2               | (2)                  | -  | 9  |
| Pension reserve                       | (7,065)                                    | -               | (934)                | (1,708)                                    | (9,707)                                  |
|                                       | <u>(6,320)</u>                             | <u>15,542</u>   | <u>(15,797)</u>      | <u>(2,075)</u>                             | <u>(8,650)</u>                           |
| <b>Restricted fixed asset funds</b>   |  |                 |                      |  |  |
| DfE group capital grants              | 822  | 309             | -                    | (1,051)                                    | 80                                       |
| Fixed assets fund                     | 22,216                                     | -               | (1,599)              | 4,194                                      | 24,811                                   |
| Private sector capital<br>sponsorship | -  | 2,776           | -                    | (2,776)                                    | -  |
|                                       | <u>23,038</u>                              | <u>3,085</u>    | <u>(1,599)</u>       | <u>367</u>                                 | <u>24,891</u>                            |
| <b>Total restricted funds</b>         | <u>16,718</u>                              | <u>18,627</u>   | <u>(17,396)</u>      | <u>(1,708)</u>                             | <u>16,241</u>                            |
| <b>Unrestricted funds</b>             |  |                 |                      |  |  |
| General funds                         | 845  | 652             | (651)                | -  | 846                                      |
| <b>Total funds</b>                    | <u>17,563</u>                              | <u>19,279</u>   | <u>(18,047)</u>      | <u>(1,708)</u>                             | <u>17,087</u>                            |

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2021

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#### 18 Funds

(Continued)

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

The General Annual Grant represents funding received from the Education and Skills Funding Agency during the period in order to fund the continuing activities of the school. Under the funding agreement with the Secretary of State, the academy trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2021.

Pupil Premium Funding represents funding received from the Department for Education (DfE) to raise the attainment of disadvantaged pupils of all abilities. The eligibility of the pupils and rates of grant per pupil are set-out by the DfE. This funding is to be used for the provision of education.

Early Years Funding is provided by a local authority to facilitate provision of placements for 3 and 4 year olds.

Other ESFA funding represents other forms of funding received from the Department for Education.

Local Authority Revenue funding represents various grant funding provided by Local Authorities.

Restricted general funds, Other grants represent amounts given to the academy trust for specific revenue purposes.

The pension reserve fund separately identifies the pension deficit on the Local Government Pension Scheme, and through which all the movements on the pension scheme are recognised.

Devolved Formula Capital represents funding provided by the Department for Education to be used for capital projects. This funding may be used for specific capital projects which are not considered to be fixed asset additions.

Local Authority Capital Funding includes various grant funding provided by Local Authorities.

Capital funds transferred on conversion constitute balances remaining on funds held by the academy trust for capital purposes from the point of conversion.

The Condition Improvement Fund represents funding provided by the Department for Education to be used for specific capital projects.

Restricted Fixed Asset Funds, Other grants and donations represent amounts given to the academy trust for specific capital purposes.

The Intangible Asset fund recognises the net book value of computer software additions purchased by the academy trust since conversion.

The Fixed Asset fund recognises the net book value of tangible and fixed assets transferred to the trust on conversion and additions since conversion.

Unrestricted funds represent other income to the academy trust which is not received as funding or with a specific purpose.

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Funds

(Continued)

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

|                                     | Balance at<br>1 September<br>2019<br>£'000 | Income<br>£'000 | Expenditure<br>£'000 | Gains,<br>losses and<br>transfers<br>£'000 | Balance at<br>31 August<br>2020<br>£'000 |
|-------------------------------------|--|-----------------|----------------------|--|--|
| <b>Restricted general funds</b>     |  |                 |                      |  |  |
| General Annual Grant (GAG)          | 528  | 11,846          | (11,547)             | (106)                                      | 721                                      |
| UIFSM                               | -  | 248             | (248)                | -  | -  |
| Pupil premium                       | -  | 568             | (568)                | -  | -  |
| Other COVID-19 funding              | -  | 4               | (4)                  | -  | -  |
| Other DfE / ESFA grants             | -  | 384             | (384)                | -  | -  |
| Other government grants             | -  | 963             | (948)                | -  | 15                                       |
| Other restricted funds              | 34   | 37              | (62)                 | -  | 9  |
| Pension reserve                     | (6,211)                                    | -               | (797)                | (57)                                       | (7,065)                                  |
|                                     | <u>(5,649)</u>                             | <u>14,050</u>   | <u>(14,558)</u>      | <u>(163)</u>                               | <u>(6,320)</u>                           |
| <b>Restricted fixed asset funds</b> |  |                 |                      |  |  |
| DfE group capital grants            | 131  | 826             | -                    | (136)                                      | 821                                      |
| Fixed assets fund                   | 23,451                                     | -               | (1,477)              | 242  | 22,216                                   |
| Private sector capital sponsorship  | -  | 1               | -                    | -  | 1  |
|                                     | <u>23,582</u>                              | <u>827</u>      | <u>(1,477)</u>       | <u>106</u>                                 | <u>23,038</u>                            |
| <b>Total restricted funds</b>       | <u>17,933</u>                              | <u>14,877</u>   | <u>(16,035)</u>      | <u>(57)</u>                                | <u>16,718</u>                            |
| <b>Unrestricted funds</b>           |  |                 |                      |  |  |
| General funds                       | 842  | 849             | (846)                | -  | 845                                      |
|                                     | <u>842</u>                                 | <u>849</u>      | <u>(846)</u>         | <u>-</u>                                   | <u>845</u>                               |
| <b>Total funds</b>                  | <u>18,775</u>                              | <u>15,726</u>   | <u>(16,881)</u>      | <u>(57)</u>                                | <u>17,563</u>                            |

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Funds

(Continued)

#### Total funds analysis by academy

|  | 2021        | 2020        |
|--|-------------|-------------|
|  | £'000       | £'000       |
| Fund balances at 31 August 2021 were allocated as follows: |             |             |
| Buckland C of E Primary School                             | 184         | 182         |
| Faringdon Community College                                | 772         | 589         |
| Faringdon Junior School                                    | 190         | 229         |
| Faringdon Infant School                                    | 302         | 220         |
| John Blandy Primary School                                 | (77)        | (79)        |
| Longcot and Fernham C of E Primary School                  | 152         | 152         |
| Shrivenham C of E Controlled School                        | 19          | 1           |
| Watchfield Primary School                                  | 216         | 172         |
| Central services   | 145         | 124         |
|  | <hr/>       | <hr/>       |
| Total before fixed assets fund and pension reserve         | 1,903       | 1,590       |
|  |             |             |
| Restricted fixed asset fund                                | 24,891      | 23,038      |
| Pension reserve  | (9,707)     | (7,065)     |
|  | <hr/>       | <hr/>       |
| Total funds  | 17,087      | 17,563      |
|  | <hr/> <hr/> | <hr/> <hr/> |

John Blandy Primary School has been in a deficit position for the last few years and this has been managed and overseen by the Trust Resources Committee.

The position occurred because the school fell into RI prior to joining the Trust and subsequent restructuring activity created a deficit position. This has gradually been reducing until AY1819 when the pressure of unfunded pay rises started to make an impact. The school is starting to grow from a 1FE to a 1.5FE and will therefore start to see a reduction in its deficit.

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 18 Funds

(Continued)

#### Total cost analysis by academy

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

|  | Teaching and<br>educational<br>support staff<br>£'000 | Other support<br>staff costs<br>£'000 | Educational<br>supplies<br>£'000 | Other costs<br>excluding<br>depreciation<br>£'000 | Total<br>2021<br>£'000 | Total<br>2020<br>£'000 |
|--|---|---------------------------------------|----------------------------------|---|------------------------|------------------------|
| Buckland C of E Primary<br>School            | 401   | 82                                    | 14                               | 52  | 549                    | 553                    |
| Faringdon Community<br>College               | 5,237   | 354                                   | 483                              | 860   | 6,934                  | 6,458                  |
| Faringdon Junior School                      | 1,226   | 105                                   | 55                               | 187   | 1,573                  | 1,461                  |
| Faringdon Infant School                      | 907   | 78                                    | 43                               | 184   | 1,212                  | 1,171                  |
| John Blandy Primary<br>School                | 788   | 36                                    | 22                               | 135   | 981                    | 925                    |
| Longcot and Fernham C of<br>E Primary School | 446   | 44                                    | 36                               | 91  | 617                    | 574                    |
| Shrivenham C of E<br>Controlled School       | 669   | 45                                    | 50                               | 123   | 887                    | 843                    |
| Watchfield Primary School                    | 1,356   | 116                                   | 55                               | 203   | 1,730                  | 1,616                  |
| Central services                             | 373   | 440                                   | 9                                | 203   | 1,025                  | 1,006                  |
|  | <u>11,403</u>   | <u>1,300</u>                          | <u>767</u>                       | <u>2,038</u>                                      | <u>15,508</u>          | <u>14,607</u>          |
| Depreciation and amortisation                |   |                                       |                                  |   | 1,599                  | 1,477                  |
| Other finance costs and pension costs        |   |                                       |                                  |   | 934                    | 797                    |
| Total costs per note 7                       |   |                                       |                                  |   | <u>18,041</u>          | <u>16,881</u>          |

### 19 Analysis of net assets between funds

|  | Unrestricted<br>Funds<br>£'000 | Restricted funds:<br>General<br>£'000 | Fixed asset<br>£'000 | Total<br>Funds<br>£'000 |
|--|--------------------------------|---------------------------------------|----------------------|-------------------------|
| <b>Fund balances at 31 August 2021 are<br/>represented by:</b> |                                |                                       |                      |                         |
| Intangible fixed assets  | -                              | -                                     | 89                   | 89                      |
| Tangible fixed assets  | -                              | -                                     | 24,722               | 24,722                  |
| Current assets   | 2,969                          | 406                                   | 80                   | 3,455                   |
| Creditors falling due within one year                          | (2,123)                        | 651                                   | -                    | (1,472)                 |
| Defined benefit pension liability                              | -                              | (9,707)                               | -                    | (9,707)                 |
| <b>Total net assets</b>  | <u>846</u>                     | <u>(8,650)</u>                        | <u>24,891</u>        | <u>17,087</u>           |

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 19 Analysis of net assets between funds

(Continued)

|  | Unrestricted | Restricted funds: |               | Total         |
|--|--------------|-------------------|---------------|---------------|
|  | Funds        | General           | Fixed asset   | Funds         |
|  | £'000        | £'000             | £'000         | £'000         |
| <b>Fund balances at 31 August 2020 are represented by:</b> |              |                   |               |               |
| Intangible fixed assets                                    | -            | -                 | 27            | 27            |
| Tangible fixed assets                                      | -            | -                 | 22,189        | 22,189        |
| Current assets   | 845          | 1,930             | 822           | 3,597         |
| Creditors falling due within one year                      | -            | (1,185)           | -             | (1,185)       |
| Defined benefit pension liability                          | -            | (7,065)           | -             | (7,065)       |
| <b>Total net assets</b>                                    | <b>845</b>   | <b>(6,320)</b>    | <b>23,038</b> | <b>17,563</b> |

### 20 Pension and similar obligations

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

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

Contributions amounting to £241k were payable to the schemes at 31 August 2021 (2020: £226k) and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary. These contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

##### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 20 Pension and similar obligations

(Continued)

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 £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. 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 including earnings growth is 4.45%.

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

The employer's pension costs paid to the TPS in the period amounted to £1,503k (2020: £1,425k).

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17.6% for employers and 6.5% for employees.

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

| <b>Total contributions made</b>                    | <b>2021</b>  | <b>2020</b>  |
|--|--------------|--------------|
|  | <b>£'000</b> | <b>£'000</b> |
| Employer's contributions                           | 592          | 525          |
| Employees' contributions                           | 161          | 152          |
| Total contributions                                | <u>753</u>   | <u>677</u>   |
| <b>Principal actuarial assumptions</b>             | <b>2021</b>  | <b>2020</b>  |
|  | <b>%</b>     | <b>%</b>     |
| Rate of increase in salaries                       | 2.90         | 2.2          |
| Rate of increase for pensions in payment/inflation | 2.90         | 2.2          |
| Discount rate for scheme liabilities               | 1.65         | 1.7          |
| Commutation of pensions to lump sums               | <u>50.00</u> | <u>50.00</u> |

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 20 Pension and similar obligations

(Continued)

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

|                      | 2021<br>Years | 2020<br>Years |
|----------------------|---------------|---------------|
| Retiring today       |               |               |
| - Males              | 22.4          | 22.2          |
| - Females            | 24.7          | 24.3          |
| Retiring in 20 years |               |               |
| - Males              | 23.4          | 22.9          |
| - Females            | 26.3          | 25.6          |

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

|                               | 2021<br>£'000 | 2020<br>£'000 |
|-------------------------------|---------------|---------------|
| Discount rate + 0.1%          | 18,000        | 13,000        |
| Discount rate - 0.1%          | 18,000        | 14,000        |
| Mortality assumption + 1 year | 18,000        | 14,000        |
| Mortality assumption - 1 year | 19,000        | 14,000        |
| CPI rate + 0.1%               | 18,000        | 13,000        |
| CPI rate - 0.1%               | 18,000        | 14,000        |

#### Defined benefit pension scheme net liability

|                    | 2021<br>£'000 | 2020<br>£'000 |
|--------------------|---------------|---------------|
| Scheme assets      | 8,662         | 6,670         |
| Scheme obligations | (18,369)      | (13,735)      |
| Net liability      | (9,707)       | (7,065)       |

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

|                              | 2021<br>Fair value<br>£'000 | 2020<br>Fair value<br>£'000 |
|------------------------------|-----------------------------|-----------------------------|
| Equities                     | 6,410                       | 4,669                       |
| Corporate bonds              | 1,473                       | 1,334                       |
| Property                     | 606                         | 400                         |
| Other assets                 | 173                         | 267                         |
| Total market value of assets | 8,662                       | 6,670                       |

The actual return on scheme assets was £1,344k (2020: £(35k)).

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

| 20 Pension and similar obligations   | (Continued)           |                       |
|--|-----------------------|-----------------------|
| Amount recognised in the statement of financial activities                     | 2021<br>£'000         | 2020<br>£'000         |
| Current service cost (net of employer contributions)                           | 807                   | 679                   |
| Interest cost  | 127                   | 118                   |
| Total operating charge   | <u>934</u>            | <u>797</u>            |
| <b>Changes in the present value of defined benefit obligations</b>             | <b>2021<br/>£'000</b> | <b>2020<br/>£'000</b> |
| At 1 September 2020  | 13,735                | 12,344                |
| Current service cost   | 1,399                 | 1,204                 |
| Interest cost  | 246                   | 234                   |
| Employee contributions   | 161                   | 152                   |
| Actuarial loss/(gain)  | 2,933                 | (94)                  |
| Benefits paid  | (105)                 | (105)                 |
| At 31 August 2021  | <u>18,369</u>         | <u>13,735</u>         |
| <b>Changes in the fair value of the academy trust's share of scheme assets</b> | <b>2021<br/>£'000</b> | <b>2020<br/>£'000</b> |
| At 1 September 2020  | 6,670                 | 6,133                 |
| Interest income  | 119                   | 116                   |
| Actuarial (gain)/loss  | 1,225                 | (151)                 |
| Employer contributions   | 592                   | 525                   |
| Employee contributions   | 161                   | 152                   |
| Benefits paid  | (105)                 | (105)                 |
| At 31 August 2021  | <u>8,662</u>          | <u>6,670</u>          |

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 21 Reconciliation of net income/(expenditure) to net cash flow from operating activities

|  | 2021<br>£'000 | 2020<br>£'000 |
|--|---------------|---------------|
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | 1,232         | (1,155)       |
| Adjusted for:  |               |               |
| Capital grants from DfE and other capital income   | (3,085)       | (827)         |
| Investment income receivable   | (1)           | (3)           |
| Defined benefit pension costs less contributions payable   | 807           | 679           |
| Defined benefit pension scheme finance cost  | 127           | 118           |
| Depreciation of tangible fixed assets  | 1,586         | 1,475         |
| Amortisation of intangible fixed assets  | 13            | 2             |
| Decrease/(increase) in debtors   | 310           | (645)         |
| Increase in creditors  | 287           | 86            |
| <b>Net cash provided by/(used in) operating activities</b>                                       | <u>1,276</u>  | <u>(270)</u>  |

### 22 Analysis of changes in net funds

|      | 1 September<br>2020<br>£'000 | Cash flows<br>£'000 | 31 August<br>2021<br>£'000 |
|------|------------------------------|---------------------|----------------------------|
| Cash | 2,550                        | 168                 | 2,718                      |
|      | <u>2,550</u>                 | <u>168</u>          | <u>2,718</u>               |

### 23 Contingent liabilities

There are no contingent liabilities that require disclosure.

### 24 Long-term commitments, including operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

|                                   | 2021<br>£'000 | 2020<br>£'000 |
|-----------------------------------|---------------|---------------|
| Amounts due within one year       | 23            | 24            |
| Amounts due in two and five years | 28            | 16            |
|                                   | <u>51</u>     | <u>40</u>     |

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

### 25 Capital commitments

|   | 2021<br>£'000 | 2020<br>£'000 |
|---|---------------|---------------|
| Expenditure contracted for but not provided in the accounts | 58            | -             |

Capital commitments of £57,543 relate to CIF building work at Buckland School.

### 26 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. The following related party transactions took place in the financial period.

#### Expenditure Related Party Transactions

E Millard (daughter of D Millard, Chief Executive Officer) received remuneration during the year, for her work as a teaching assistant, of £4,239 (2019/20: £1,265), expenses of £nil (2019/20: £nil) and employer pension contributions amounted to £896 (2019/20: £nil). The amount owed to E Millard at 31 August 2021 was £nil (2020: £nil).

E Millard's appointment was made in open competition and D Millard was not involved in the decision-making process regarding appointment. E Millard is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the Chief Executive Officer.

A Millard (son of D Millard, Chief Executive Officer) received remuneration during the year, for his work as a marketing assistant, of £2,957 (2019/20: £Nil), expenses of £nil (2019/20: £nil) and employer pension contributions amounted to £627 (2019/20: £nil). The amount owed to A Millard at 31 August 2021 was £nil (2020: £nil).

A Millard's appointment was made in open competition and D Millard was not involved in the decision-making process regarding appointment. A Millard is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to the Chief Executive Officer.

M Lynn (daughter of A Lynn, Chief Operational Officer) received remuneration during the year, for her work as a teaching assistant, of £12,251 (2019/20: £11,556), expenses of £nil (2019/20: £nil) and employer pension contributions amounted to £nil (2019/20: £nil). The amount owed to M Lynn at 31 August 2021 was £Nil (2020: £133).

M Lynn's appointment was made in open competition and A Lynn was not involved in the decision-making process regarding appointment. M Lynn is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to the Chief Operational Officer.

### 27 Members' liability

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

# FARINGDON LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2021*

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### **28 Agency arrangements**

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ending 31 August 2021 the trust received £6k (2019/20: £8k) and disbursed £11k (2019/20: £6k) from the fund. An amount of £6k (2020: £11k) (including brought forward from prior years) is included in other creditors relating to undistributed funds that are repayable to ESFA.