

**Company Registration No. 09700223 (England and Wales)**

**EVERY CHILD MATTERS ACADEMY TRUST**

**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

# EVERY CHILD MATTERS ACADEMY TRUST

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# EVERY CHILD MATTERS ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

C Lee  
N Parr  
W Ashley (Resigned 17 January 2020)  
P Jones  
Z Blair  
K Scott (Appointed 3 February 2020)

### Trustees

P M Howe  
N J Parr  
K Scott (Resigned 10 November 2019)  
I W Ward (Chair)  
G Wilson (Accounting Officer)  
J Glazzard (Resigned 14 July 2020)  
P Partlow (Appointed 14 July 2020)  
P Moore (Appointed 14 July 2020)  
Rev J Armstrong (Appointed 14 July 2020)

### Senior management team

- Chief Executive Officer/Accounting Officer	G Wilson
- Head of Academy	C Lawson
- Head of Academy	J Hunt
- Head of Academy	T Smith
- Head of Academy	J Mackay
- Head of Academy	C Eggington
- Head of Academy	G Fletcher
- Head of Academy	D Hickey
- Head of Academy	E Sanderson
- Deputy Head of Academy	L Longden
- Deputy Head of Academy	R Parker
- Deputy Head of Academy	N Simpson
- Deputy Head of Academy	G Ellis
- Deputy Head of Academy	K Richardson
- Deputy Head of Academy	H Gunn
- Deputy Head of Academy	J Haywood
- Deputy Head of Academy	J Wheelwright
- Business Director	T Marsh

### Company registration number

09700223 (England and Wales)

### Registered office

High View Primary Learning Centre  
Newsome Avenue  
Wombwell  
Barnsley  
S73 8QS

# EVERY CHILD MATTERS ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Academies operated</b>	<b>Location</b>	<b>Head Of Academy</b>
Wellgate Primary School	Barnsley	C Eggington
Kexborough Primary School	Barnsley	J MacKay
High View Primary Learning Centre	Barnsley	T Smith
Wombwell Park Street Primary School	Barnsley	C Lawson
Hoyland Springwood Primary School	Barnsley	J Hunt
Laithes Primary School	Barnsley	G Fletcher
Sandhill Primary School	Barnsley	D Hickey
Athersley South Primary School	Barnsley	E Sanderson
<b>Independent auditor</b>	Hart Shaw LLP Europa Link Sheffield Business Park Sheffield S9 1XU	
<b>Bankers</b>	Royal Bank of Scotland PLC 2nd Floor PO Box 4862 5 Church Street Sheffield S2 9EQ	
<b>Solicitors</b>	Walker Morris Kings Court 12 King Street Leeds LS1 2HL	

# EVERY CHILD MATTERS ACADEMY TRUST

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2020**

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The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the period from 1 September 2019 to 31 August 2020. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

Every Child Matters Academy Trust (Trust) grew by three schools in the year: two schools, Laithes and Sandhill, through a re-brokerage of a local MAT and another, Athersley South, as a converter. The Trust is now made up of eight primary schools, all operating in Barnsley. The combined pupil capacity of the eight schools is 2406 and they had a roll of 2248 in the school census taken in January 2020.

### **Structure, Governance and Management**

#### **Constitution**

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

The Trustees are also the directors of the charitable company for the purposes of company law. The Company is known as Every Child Matters Academy Trust.

Details of the Trustees who served throughout the period, except as noted, are included in the Reference and Administrative Details on page 1.

#### **Members' Liability**

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

#### **Trustees' Indemnities**

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

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees, Local Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £1,000,000 on any one claim.

#### **Method of recruitment and appointment or election of Trustees**

All new Trustees are appointed by the members or the sponsor body as it may determine. Full details relating to the appointment and removal of trustees are contained in the Trust's Articles of Association (Articles 57-77).

When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute towards the Trust's development. This Board of Trustees is the overarching 'governing body' of all schools within the Trust.

# EVERY CHILD MATTERS ACADEMY TRUST

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Each individual school has a Local Governing Body (LGB) to undertake the operation of the school in line with the agreed Scheme of Delegation. The LGBs constitute as follows:

Type of Governor	High View	Park St.	Hoyland Springwd	Kexbrh	Wellgate	Athersley South	Laithes	Sandhill
Headteacher	1	1	1	1	1	1	Governed through an IEB at present	
Parent	4	4	2	4	2	3		
Staff	1	1	1	1	1	1		
Local Authority	1	1	1	1	1	1		
Co-opted	3	4	2	3	6	3		
<b>Total</b>	<b>10</b>	<b>11</b>	<b>7</b>	<b>10</b>	<b>11</b>	<b>9</b>		

Local Governors will have a term of office of 4 years, with the exception of the Headteacher of the school.

Subject to remaining eligible to be a particular type of Trustee or Governor, any Trustee or Governor may be re-appointed or re-elected.

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

The training and induction provided for new Trustees and Governors will depend upon their existing experience. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees/Governors. Induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific training courses offered by the Local Authority and other bodies.

### Organisational Structure

The Trust consists of a Board of Trustees that has overall responsibility to ensure the effective and efficient running of the schools. In achieving this, the Board is responsible for setting general policy, adopting an annual plan and budget and approving statutory accounts. It also monitors its schools' performance through the use of budgets and other data and consulting with them in making decisions regarding their strategic direction.

The Trust has committees that report to the Board which comprise; a Resources Committee (incorporating Finance, Audit, Risk, HR and Health and Safety) and a School Improvement Committee. In accordance with the Trust's Scheme of Delegation, each committee has delegated roles and responsibilities. Committees are reviewed on an annual basis and a skills-based audit is carried out when appointing new members. The Board may from time to time establish Working Groups to perform specific tasks over a limited timetable.

The Trust's Scheme of Delegation also details the extent of devolved powers to LGBs. These are relative to the strength of the school i.e. an 'earned autonomy' model. The core business of the LGB is to:

- Approve and monitor the school's budget
- Monitor and review the School Improvement Plan
- Monitor and review standards of attainment and progress
- Review and monitor the curriculum and educational provision

In discharging its responsibilities, an LGB usually has two standing committees:

- Financial and General Purposes Committee
- Personnel and Curriculum Committee

The leadership structure of each individual school is tailored to meet the needs of the specific school dependent on its number on roll, action plan, level of SEN and budget.

# EVERY CHILD MATTERS ACADEMY TRUST

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The CEO is the Trust's appointed Accounting Officer.

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

The Trust has a pay policy that applies to its staff, including support staff, teachers and senior leaders.

The policy follows the guidance of the School Teachers Pay and Conditions Document and, as such, reviews and amends its policy on an annual basis. When recruiting staff, particularly senior management, the appropriate pay range is determined through research of remuneration packages at a national and local level e.g. through Times Educational Supplement (TES).

With regards to existing staff, the Headteacher of each school, operating within the parameters of the Trust's pay policy, is responsible for the appraisal and setting of relevant pay of staff in their academy. This is subject to ratification by their Pay Committees. The Trust has established a separate Pay Committee made up of the Chair of the Board of Trustees, an external consultant and the CEO for the annual review and pay determination of key management personnel i.e. Heads and the Business Director. The CEO pay is set by a committee made up of two trustees (one being the Chair of the Board of Trustees) and an external consultant.

In gaining some assurance over each school's overall commitment to staff costs, an annual benchmarking exercise is undertaken using ESFA resources such as the School Resource Management Self-Assessment Tool and Report Cards (providing a comparison with similar schools).

### Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
Two (one at High View Primary Learning Centre (HV) and one at Wombwell Park Street Primary school (WPS))	HV – 46.11 PS – 33.94

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	2

Percentage of pay bill spent on facility time

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

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:	0
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# EVERY CHILD MATTERS ACADEMY TRUST

## TRUSTEES' REPORT

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### **Related Parties and other Connected Charities and Organisations**

A school within the Trust, High View Primary Learning Centre, holds 50% of the voting rights of Tykes Teaching School Alliance Limited, a company limited by guarantee (company registered number: 10227087). A local school, Hoyland Common Primary, holds the remaining 50% of the voting rights. The Chair of High View's Governing Body and the CEO of Every Child Matters Academy Trust are directors of Tykes Teaching School Alliance Limited. Following the year end, on 29 September 2020, Tykes Teaching School Alliance Limited was dissolved.

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

The Trust fosters effective relationships with all key stakeholders, including:

- Suppliers – negotiating SLAs and periodic review of performance against KPIs
- Customers – of primary importance is the engagement of children and families in achieving the Trust's objective of advancing the education of pupils. This is done through a variety of means; the provision of a wide breadth of extra-curricular activities in addition to the standard curriculum; pupil/parent mentoring; parents evening and educational trips and visits etc.

### **Objectives and Activities**

#### **Objects and Aims**

The principal object and activity of the Trust is to advance for the public benefit, education in the United Kingdom, in particular by establishing, maintaining, managing and developing schools, offering a broad range of curriculum for pupils of different abilities.

The aims of each Academy during the period ended 31 August 2020 are summarised below:

- to ensure that every child, including those of vulnerable groups, enjoys the same high-quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to develop the quality of learning, teaching and assessment;
- to continue to develop a broad and balanced curriculum, including extra-curricular activities;
- to improve the effectiveness of the Trust by keeping the curriculum and organisational structure under continual review;
- develop the ethos of each school and the Trust as a whole;
- to comply with all appropriate statutory and curriculum requirements including, Gender Pay Gap reporting;
- to provide value for money for the funds expended; and
- to conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.

At the Trust, we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Trust is a community in which children, staff and parents should be part of a welcoming and caring environment.

Education, along with all other sectors, has been significantly impacted by the Covid-19 pandemic and the achieving of the above aims has been restricted. In these unprecedented times the Trust and its schools have closely followed government guidance in best ensuring the education and safeguarding of pupils. The Trust's schools have remained open for vulnerable children and those of key workers from the beginning and were able to accommodate the later wider opening. This was down to having robust Risk Assessments, effective planning and, most importantly, the unwavering commitment of all staff.



# EVERY CHILD MATTERS ACADEMY TRUST

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

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### Objectives, Strategies and Activities

Key priorities for the period include:

- completion of the re-brokerage of The Shire MAT with two schools, Laithes and Sandhill, joining the Trust in April together with a converter, Athersley South, joining in July;
- managing the impact of the Covid-19 pandemic;
- the embedding of best practice across schools in the Trust;
- skills audit of the Board of Trustees to ensure appropriate governance in place;
- provision of robust quality assurance processes which are transparent and inform all subsequent actions;
- secure use of data and tracking to measure progress and inform actions and intervention;
- constant review of CPD and training opportunities for staff;
- a structure which allows all staff and pupils to understand their role within the organisation and also to ensure that lines of accountability are clear; and
- structures to support the organisation and integration of all internal and external resources and support available for both children and staff.

This is supported and monitored through:

- regular, systematic monitoring of the performance of each school through peer and CEO reviews;
- a programme of professional development opportunities for leaders, teachers and support staff; and
- a programme of meetings to moderate teachers' assessment within and between schools.

### Public Benefit

The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

### Employees and disabled persons

We ensure that policies and procedures benefit all employees and potential employees, for example in recruitment and promotion, and in continuing professional development, whether or not they are disabled.

In addition to avoiding or minimising possible negative impacts on our policies, we take opportunities to maximise positive impacts by reducing and removing inequalities and barriers that may already exist between disabled and non-disabled employees.

We engage with a range of groups and individuals to ensure that those who are affected by a policy or activity are consulted and involved in the design on new policies, and in the review of existing ones.

All policies in relation to the above have been developed in accordance with The Equality Act 2010.

### Strategic Report

#### Achievements and Performance

Unfortunately, due to the Covid-19 pandemic, SATS at Year 2 and Year 6 were not undertaken this year.

#### Key Performance Indicators

The Trust has developed a robust school improvement model and internal monitoring process to evaluate and record progress. This is reported at both school and Trust level. A number of financial indicators are used to assist the trustees in managing the Trust's financial affairs, efficient operation, liquidity and effective use of resources.

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# EVERY CHILD MATTERS ACADEMY TRUST

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

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With eight schools in the Trust, budget benchmarking exercises provide trustees with data for discussion and review. This information also assists the Board and individual LGBs to compare budgets against a number of non-financial indicators.

The Trust, as well as individual schools, have set targets in relation to its financial reserves ensuring the Trust meets its Reserves policy and will be able to manage any long-term funding reductions and unforeseen events. The reserves will be carefully managed to ensure that the maximum amount of current year funding is spent for the benefit of pupils in that year.

As funding is largely based on pupil numbers as at the October census pupil count this is also a key performance indicator. The number of pupils will continue to grow as more schools join the Trust.

Staff costs as a percentage of total resources expended is monitored as staffing is the key asset deployed by each school. For the 12-month period to 31 August 2020, this was 71% against a target of 70% - 75%.

### Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Going Concern policy, within the Statement of Accounting Policies.

### Promoting the success of the company

The trustee's vision is to build a collaboration of schools where openness, honesty, fairness and empathy, together with the development of best practice, ensure all children receive a first-class education. Through system leadership the Trust supports the practice of other schools and academies beyond its own Trust to enable them to achieve the same outcomes.

The trust provides every child (and their family), with early help and support to remove barriers to learning and an education that raises aspiration resulting in excellence and enjoyment. This will enable all children to fulfil their potential and maximise their life chances.

The Trust's core principles are to:

- strive for excellence in all that we do;
- have a clear focus on school improvement;
- work with families to improve life chances;
- create an inclusive school community;
- make a commitment to life-long learning; and
- ensure each school maintains its own identity whilst collaborating as one organisation.

### Financial Review

Most of the Academies' income is obtained from the Education, Skills and Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

Any ESFA funding received for fixed assets is shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Trust's accounting policies.

In this prior year, the Trust was successful in three bids for Conditional Improvement Funding from the

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# EVERY CHILD MATTERS ACADEMY TRUST

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

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ESFA amounting to £700,000 to improve the Trust Estate. The improvements were completed in October 2019. It has also been successful in four bids this year amounting to in excess of £1,230,000.

In addition, the Trust was successful in its application for funding of over £140,000 to support its growth and development. As required, this was utilized between September 2019 and March 2020.

The schools also receive High Needs and Early Years funding from the Local Authority. The High Needs funding supports pupils who are eligible for additional support based on their Special Educational Needs. The Early Years funding is based on the hours taken by pupils in Nursery. These grants are treated as restricted income.

During the period ended 31 August 2020, total expenditure of £10,089,833 was covered by recurrent grant funding from the ESFA, together with other incoming resources of £10,435,086. The excess of income over expenditure was £345,253 for the period ended 31 August 2020. All figures exclude fixed asset reserves, pension liability and movements and donations on conversion.

Key financial policies adopted or reviewed during the period include the Trust's Scheme of Delegation and Financial Procedures Manual which lays out the framework for financial management, including financial responsibilities of the Board of Trustees, CEO/Executive Head, Business Director, senior leaders and other staff, as well as delegated authority for spending.

### Reserves Policy

The Trustees will review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The policy of the Board is to ensure that its schools plan to spend the majority of its revenue income each year on children in its care but also to maintain a level of free reserves that will be adequate to provide a stable base for the continuing operation of its schools whilst ensuring that excessive funds are not accumulated without a business case for doing so. The level of reserves required will be reviewed each year by the Board taking into account:

- the future plans of each Academy;
- the uncertainty over future income streams;
- unexpected emergencies such as urgent maintenance;
- sums set aside for planned replacement of capital items such as ICT infrastructure;
- other key risks identified during the risk review;
- forecast changes in pupil numbers; and
- provision for unforeseen liabilities.

The Trust's level of free reserves (total funds less the amount held in fixed assets and restricted funds) held at 31 August 2020 was £1,656,920. The level of reserves held are in line with the reserves policy.

The restricted pension fund reserve is in deficit to the value of £10,956,000 as at 31<sup>st</sup> August 2020. The level of deficit has increased as a result of the further two schools joining the Trust. Trustees will continue to monitor this situation closely.

### Investment Policy

Trustees are firmly committed to ensuring that all funds under their control are administered in a risk averse investment strategy. As such, trustees do not consider the investment of surplus funds as a primary activity but rather a requirement for the effective management of the various funds entrusted to the Board. Given this, all cash balances shall be held in interest bearing deposit accounts and drawn into current accounts as and when needed to meet operational expenditure.

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# EVERY CHILD MATTERS ACADEMY TRUST

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

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### Principal Risks and Uncertainties

The principal risks and uncertainties facing the Trust are as follows:

#### Environmental

The Covid-19 pandemic is the greatest risk that education, together with other industries, has had to face. The Trust and its schools have followed government guidance and through the developing of robust Risk Assessments, effective planning and, most importantly, the unwavering commitment of all staff, all schools remained open for vulnerable children and those of key workers from the beginning and were able to accommodate the later wider opening. Plans are in place for the opening of schools for all children from September.

#### Financial

The Trust has considerable reliance on continued Government funding through the ESFA. In the last period over 96% of the Trust's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. The government has recently announced that the Teachers' Pay and Pension grants will be subsumed in the GAG from 2021/22 so providing some assurance that this funding will be provided in the long term (there had been some concern that these grants would cease).

#### Growth of the Trust

The Trust has grown to eight schools this year. This will help in the longer term sustainability of the Trust and prevent it being taken over by a larger Multi Academy Trust. Following a period of consolidation and building of capacity, further growth is expected.

#### Failures in governance and/or management

The risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations, legislation and statutory returns etc. The Trustees have a mix of skills and experience and through ongoing monitoring ensure that appropriate measures are in place to mitigate these risks. As a condition of the re-brokerage of the Shire MAT two of their trustees had to join the Trust's Board. As existing trustees, they will provide skills and experience that will enhance the effective operation of the Trust.

#### Reputational

The continuing success of each school is dependent on continuing to attract pupils in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, trustees and governors ensure that pupils' progress and attainment are closely monitored and reviewed.

#### Safeguarding and child protection

The trustees and governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

#### Staffing

The success of each Academy is reliant on the quality of its staff and trustees and governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. Contrary to the picture nationally, the Trust presently has no issues in the recruitment and retention of staff.

#### Fraud and Mismanagement of Funds

All appropriate staff are kept updated with and share best financial practice and in this way address areas for improvement. At Trust level, the Business Director will ensure compliance with ESFA regulations.

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# EVERY CHILD MATTERS ACADEMY TRUST

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

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### Fundraising

The Trust has not engaged the services of any professional fundraisers or commercial participators in any fundraising activities during the last 12 months. Whilst schools within the Trust do organise their own occasional fundraising activities, these are generally low key e.g. through Summer Galas, Christmas markets and similar. As such, the Trust's approach to fundraising is not considered intrusive or persistent and no complaints have been received.

### Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	
Energy consumption used to calculate emissions (kWh)	3,172,064
Energy consumption break down (kWh) (optional) • gas, • electricity, • transport fuel	2,439,846 732,218 N/A
<u>Scope 1 emissions in metric tonnes CO<sub>2</sub>e</u> Gas consumption Owned transport – mini-buses Total scope 1	N/A
<u>Scope 2 emissions in metric tonnes CO<sub>2</sub>e</u> Purchased electricity	170.71
<u>Scope 3 emissions in metric tonnes CO<sub>2</sub>e</u> Business travel in employee owned vehicles Total gross emissions in metric tonnes CO <sub>2</sub> e	N/A 619
<u>Intensity ratio</u> Tonnes CO <sub>2</sub> e per pupil	0.28

### Quantification and Reporting Methodology:-

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

### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, the recommended ratio for the sector.

### Measures taken to improve energy efficiency

Through the DfE's Condition Improvement Fund (CIF), we have:

- Re-roofed two schools (a further two schools are to be re-roofed in 2020/21)
- Installed a new heating system one school
- Installed a new boiler in one school

### Plans for Future Periods

The Trust will strive to meet its key objectives and deliver outstanding opportunities for its pupils. There will be strong focus on governance, leadership, succession planning and accountability.

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# EVERY CHILD MATTERS ACADEMY TRUST

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

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### *Strategic Aims:*

1. Ensure governance structures are robust, effective and appropriate in the context of public accountability:
  - Review effectiveness of governance at all levels
  - Retain / recruit skilled trustees at Board level; the three newly recruited trustees will provide appropriate support.
  - Ensure clearly understood accountability frameworks
2. To grow the Trust through recognition of being a credible sponsor:
  - Agree future leadership structure
  - Increase school improvement capacity
3. Build a strong infrastructure, including a central team that best supports the growth of the Trust and the raising of standards of education in all schools.
4. Accelerate the pace of school improvement to ensure that all the Trust's schools deliver the best outcomes for pupils:
  - Ensure that attainment and progress for all pupils is above national average
  - Ensure that best practice is shared amongst schools and that every teacher aspires to be outstanding
  - Encourage collaboration between schools
  - Agree and implement robust school improvement strategies
5. Expand provision for the recruitment and retention of a quality workforce and support succession planning:
  - Identify talented teachers and support them to become Specialist Leaders in Education (SLEs)
  - Provide quality CPD and increase participation in accredited qualifications e.g. NPQML
  - Increase the number of opportunities for middle leaders to work across the Trust
  - Exploit the opportunities afforded by High View Primary Learning Centre being a Teaching School.
6. Maintain and improve the Trust's buildings to ensure that it offers outstanding facilities through engaging the services of professionals to submit Conditional Improvement Funding (CIF) bids on behalf of the Trust based on individual school conditional surveys. In June 2020, the Trust was successful in bids of over £1,230,000 CIF funding for capital projects (re-roofing and new drainage at two schools). Capital projects costing in excess of £750,000 and funded by were completed by October 2019.
7. Exploit additional funding opportunities through the submission of robust bids e.g. funding of over £140,000 was awarded through the Trust Capacity Fund (TCaF), to develop capacity for growth.

### **Funds Held as Custodian Trustee On Behalf Of Others**

The Trust and its trustees do not act as the custodian trustees of any other charity.

# EVERY CHILD MATTERS ACADEMY TRUST

## TRUSTEES' REPORT

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### 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.

The auditor, Hart Shaw LLP, is willing to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 10 December 2020 and signed on the board's behalf by:



I W Ward  
Chair of the Board of Trustees

# EVERY CHILD MATTERS ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer (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 Every Child Matters Academy Trust and the Secretary of State for Education. She 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 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
P M Howe	4	4
N J Parr	4	4
K Scott (Resigned 10 November 2019)	1	1
I W Ward (Chair)	3	4
G Wilson (Accounting Officer)	4	4
J Glazzard (Resigned 14 July 2020)	0	3
P Partlow (Appointed 14 July 2020)	0	1
P Moore (Appointed 14 July 2020)	1	1
Rev J Armstrong (Appointed 14 July 2020)	1	1

In line with DfE recommendations, the Trust recruited two more members in the last 12 months and now has five members. Their mix of skills and experience ensures the effective discharge of their responsibilities. The composition of the Board (5 members and 7 trustees), including the delegation of responsibilities to the Resources Committee and School Improvement Committee, is considered appropriate in the administering of the Trust's core functions. Evidence includes:

- Developing the strategic direction of the Trust and this is reflected in the growth of the Trust; three further primary schools have joined the Trust this year (one, Athersley South, as a converter and two, Laithes and Sandhill, through the re-brokerage of a local MAT, The Shire)
- In order that its time is spent most productively, the Board, together with the CEO, has continually refined the quantity and quality of data the trustees receive. The level of detail now provided allows for better understanding and the opportunity for challenge and support by all trustees irrespective of their specialism.

A condition of the re-brokerage was that two of its trustees join Every Child Matters Academy Trust. A skills audit was undertaken of the trustees expressing an interest in joining the Trust. This has ensured the successful candidates have the breadth of skills and experience that complements the make-up of the existing Board and enhances the pursuance of its strategic objectives. Unfortunately, due to legal issues with the conversion and re-brokerage and the subsequent onset of the Covid19 pandemic, they did not join the Board until its summer term meeting in July this year.



# EVERY CHILD MATTERS ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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A full review of the Board will now be undertaken, including its committees, to ensure effective discharge of its roles and responsibilities.

In order to facilitate more effective two way communication and provide a 'voice' for local governing bodies, a Trust's Chair to Chair meeting is held each term. These are attended by the Chair and Vice Chair of the Board of Trustees and those of the LGBs and provide an opportunity for information sharing, addressing issues and identifying best practice. These are proving very informative and productive for all parties

Key challenges over the last 12 months:

- As with all sectors, education has been severely impacted by the Covid19 pandemic. The Trust's schools have remained open for vulnerable children and those of key workers from the beginning and were able to accommodate the later wider opening. This was down to having robust Risk Assessments, effective planning and, most importantly, the unwavering commitment of all staff.
- The conversion and re-brokerage exercises being delayed through legal issues surrounding the leases.
- The strain placed on the central team's capacity in managing the delayed conversion and re-brokerage together with the impact of Covid19 on operations and ongoing deployment of resources supporting one struggling school prior and subsequent to it joining through the Trust through the re-brokerage.
- The above, together with the growth to eight schools, has made the need to build the capacity of the central team more pressing. This will be addressed through the recruitment of an Executive Business Manager early in the autumn term.
- The finding of suitable premises for the housing of the central team is an ongoing issue but the Trust is expecting a solution by the end of the autumn term.

The Chair of Trustees is a National Leader of Governance trained by the National College for Teaching and Leadership. He is deployed in the external review of the effectiveness of other schools' governance and, as such, the Trust takes some assurance regarding its own governance.

The Resources Committee is a sub-committee of the main board of trustees and under the Scheme of Delegation has responsibility, within set parameters, for the areas of Finance including the setting of the Trust's budget and ratifying of schools' budgets, HR, Audit, Risk Management, Buildings and Health and Safety.

Attendance at meetings in the year was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
P M Howe	2	2
N J Parr	2	2
I W Ward (Chair)	2	2
G Wilson (Accounting Officer)	2	2

# EVERY CHILD MATTERS ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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### **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 Trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the trust has delivered improved value for money during the period by:

- Continued use of the DfE's Financial Health and Efficiency initiatives with the key means of benchmarking now being the annual School Resource Management Self-Assessment Tool.
- The Trust received a visit from an SRMA in September last year and, whilst some potential savings were identified, when taking into account the context of each school, these were limited.
- Investing in Continual Professional Development, much of it in house or through High View's Teaching School status (Tykes Teaching School) to improve the quality of teaching.
- Strong internal and external controls in operation throughout the Trust:
  - Internal - governance structure, Scheme of Delegation, Financial Procedures Manual, financial related policies.
  - External – external auditors, Hart Shaw, continue to produce annual accounts and undertake statutory audits.
- Having five schools in the Trust has enabled the driving of economies of scale and providing better value for money in terms of suitability, efficiency, time and cost. This will be further improved now that the Trust has eight schools.
- Improving the capacity to handle risk through the continual monitoring and updating of a robust risk management program in line with developments in the educational sector.
- Identifying SLAs / contracts suitable for formal tendering to drive down cost
- Improving income through the deployment of the Trust's Specialist Leaders in Education (SLE) and National Leader of Education (NLE).
- The continued identification and submitting of applications for potential funding pots e.g. the Trust was successful in its bid for TcAF funding of more than £140,000 to build the capacity in the growth to eight schools.
- Continue CIF bids to improve the Trust's estate (over £750,000 of capital projects completed this year and the Trust has been successful in bids for funding of over £1,230,000.
- A visit by a School Resource Management Adviser (SRMA) had been arranged for July 2019; however, this had to be cancelled by the adviser and an alternative date is to be arranged.

### **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 Every Child Matters Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts.

### **Capacity to handle risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

# EVERY CHILD MATTERS ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### **The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the 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 a specific internal audit function and decided to appoint Hart Shaw LLP as internal auditor for 2019/20.

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

- testing of purchasing/procurement systems including ensuring that authorisation and value for money policies are adhered to;
- testing of the receipt of income systems.

Hart Shaw LLP have carried out an internal audit on systems and reported to the board of trustees through the resources committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees. Due to Covid-19 restrictions, a full internal audit was unable to go ahead, therefore additional testing has been undertaken during the external audit to cover untested areas.

Hart Shaw LLP has delivered its schedule of work as planned. After the internal audit, the auditors scheduled recommendations to improve the systems and controls in place, all of which were implemented in the period.

In accordance with the Academies Financial Handbook, to provide independence in the roles of Internal and external auditor, the Trust has appointed Forrester Boyd Chartered Accountants as its internal auditor from September 2020. The audit program will be driven by the trustees according to their evaluation of presenting risks to the Trust's operation.

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

# EVERY CHILD MATTERS ACADEMY TRUST

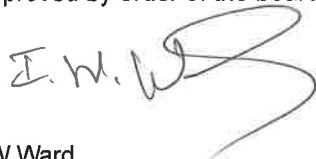
## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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

Approved by order of the board of trustees on 10 December 2020 and signed on its behalf by:



I W Ward  
Chair



G Wilson  
Accounting Officer

# EVERY CHILD MATTERS ACADEMY TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

*FOR THE YEAR ENDED 31 AUGUST 2020*

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As accounting officer of Every Child Matters Academy Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust'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 2019.

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



G Wilson  
**Accounting Officer**

10 December 2020

# EVERY CHILD MATTERS ACADEMY TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2020**

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The trustees (who are also the directors of Every Child Matters Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 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:

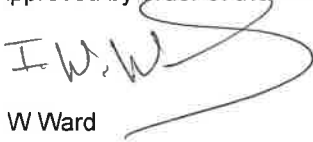
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 10 December 2020 and signed on its behalf by:

  
I W Ward  
Chair

# EVERY CHILD MATTERS ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EVERY CHILD MATTERS ACADEMY TRUST

*FOR THE YEAR ENDED 31 AUGUST 2020*

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### **Qualified opinion**

We have audited the accounts of Every Child Matters Academy Trust for the year ended 31 August 2020 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 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion, except for the possible effects of the matter described in the 'Basis for qualified opinion' section of our report, the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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 2019 to 2020.

### **Basis for qualified opinion**

In respect solely of our work relating to land and buildings and income inherited on conversion the audit evidence available to us was limited because, as set out in note 12, valuations of the land and buildings on conversion will not be made available until March 2021, which falls after the Education and Skills Funding Agency's accounts submission deadline. As such, no value for land and buildings has been included for the school which converted to academy status during the period. Owing to the lack of the information available, we were unable to obtain sufficient appropriate evidence regarding the value of land and buildings inherited on conversion and the associated income.

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

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

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

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

# EVERY CHILD MATTERS ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EVERY CHILD MATTERS ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 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.

### 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.



# EVERY CHILD MATTERS ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EVERY CHILD MATTERS ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

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

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

### 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.



**Martin McDonagh (Senior Statutory Auditor)**  
for and on behalf of Hart Shaw LLP

18.12.20  
.....

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

Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

# EVERY CHILD MATTERS ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EVERY CHILD MATTERS ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

*FOR THE YEAR ENDED 31 AUGUST 2020*

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

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

### **Respective responsibilities of Every Child Matters Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Every Child Matters Academy Trust's funding agreement with the Secretary of State for Education dated 28 April 2016 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

The work undertaken to draw our conclusion includes:

- the review for any transactions requiring prior approval from the Secretary of State and ensuring approval has been received where required;
- confirming that the academy trust has not sought borrowings that contravene section 3.4 of the Handbook;
- reviewing for connected party transactions and ensuring the academy has complied with section 3.2 of the Handbook;
- reviewing committee meeting minutes for indications of irregular transactions; and
- carrying out systems and controls testing and considering the effectiveness of such controls.

# EVERY CHILD MATTERS ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EVERY CHILD MATTERS ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2020**

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

*Hart Shaw LLP*

### Reporting Accountant

Hart Shaw LLP  
Europa Link  
Sheffield Business Park  
Sheffield  
S9 1XU

Dated: *18.12.20* .....

# EVERY CHILD MATTERS ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £	Restricted funds: General Fixed asset £ £		Total 2020 £	Total 2019 £
<b>Income and endowments from:</b>						
Donations and capital grants	2	31,237	-	285,943	317,180	742,102
Donations - transfer from local authority on conversion	28	193,952	(973,000)	27,607	(751,441)	-
Donations - transfer of existing academy into the trust	28	49,298	(1,094,411)	4,194,266	3,149,153	-
Charitable activities:						
- Funding for educational operations	3	163,218	10,057,819	-	10,221,037	8,014,564
Other trading activities	4	179,826	-	-	179,826	177,434
Investments	5	2,986	-	-	2,986	2,908
<b>Total</b>		<b>620,517</b>	<b>7,990,408</b>	<b>4,507,816</b>	<b>13,118,741</b>	<b>8,937,008</b>
<b>Expenditure on:</b>						
Raising funds	7	-	-	-	-	12,304
Charitable activities:						
- Educational operations	8	77,774	10,532,059	375,321	10,985,154	8,763,142
<b>Total</b>	<b>7</b>	<b>77,774</b>	<b>10,532,059</b>	<b>375,321</b>	<b>10,985,154</b>	<b>8,775,446</b>
<b>Net income/(expenditure)</b>		<b>542,743</b>	<b>(2,541,651)</b>	<b>4,132,495</b>	<b>2,133,587</b>	<b>161,562</b>
Transfers between funds	18	-	(62,577)	62,577	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial losses on defined benefit pension schemes	20	-	(800,000)	-	(800,000)	(1,760,000)
<b>Net movement in funds</b>		<b>542,743</b>	<b>(3,404,228)</b>	<b>4,195,072</b>	<b>1,333,587</b>	<b>(1,598,438)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,114,177	(6,786,643)	12,764,959	7,092,493	8,690,931
Total funds carried forward		1,656,920	(10,190,871)	16,960,031	8,426,080	7,092,493

# EVERY CHILD MATTERS ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds £	Restricted funds: General Fixed asset		Total 2019 £
		£	£	£	£
<b>Income and endowments from:</b>					
Donations and capital grants	2	9,481	15,000	717,621	742,102
Charitable activities:					
- Funding for educational operations	3	236,129	7,778,435	-	8,014,564
Other trading activities	4	177,434	-	-	177,434
Investments	5	2,908	-	-	2,908
<b>Total</b>		<u>425,952</u>	<u>7,793,435</u>	<u>717,621</u>	<u>8,937,008</u>
<b>Expenditure on:</b>					
Raising funds	7	-	12,304	-	12,304
Charitable activities:					
- Educational operations	8	139,800	8,300,340	323,002	8,763,142
<b>Total</b>	7	<u>139,800</u>	<u>8,312,644</u>	<u>323,002</u>	<u>8,775,446</u>
<b>Net income/(expenditure)</b>		286,152	(519,209)	394,619	161,562
Transfers between funds	18	-	(12,218)	12,218	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	20	-	(1,760,000)	-	(1,760,000)
<b>Net movement in funds</b>		286,152	(2,291,427)	406,837	(1,598,438)
<b>Reconciliation of funds</b>					
Total funds brought forward		828,025	(4,495,216)	12,358,122	8,690,931
Total funds carried forward		<u>1,114,177</u>	<u>(6,786,643)</u>	<u>12,764,959</u>	<u>7,092,493</u>

# EVERY CHILD MATTERS ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		16,881,204		12,411,438
<b>Current assets</b>					
Stocks	13	31,392		12,660	
Debtors	15	833,727		311,747	
Cash at bank and in hand		2,644,707		1,895,856	
		<u>3,509,826</u>		<u>2,220,263</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	(1,008,950)		(728,208)	
<b>Net current assets</b>			2,500,876		1,492,055
<b>Net assets excluding pension liability</b>			19,382,080		13,903,493
Defined benefit pension scheme liability	20		(10,956,000)		(6,811,000)
<b>Total net assets</b>			<u>8,426,080</u>		<u>7,092,493</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	18				
- Fixed asset funds			16,960,031		12,764,959
- Restricted income funds			765,129		24,357
- Pension reserve			(10,956,000)		(6,811,000)
<b>Total restricted funds</b>			<u>6,769,160</u>		<u>5,978,316</u>
<b>Unrestricted income funds</b>	18		1,656,920		1,114,177
<b>Total funds</b>			<u>8,426,080</u>		<u>7,092,493</u>

The accounts on pages 26 to 54 were approved by the trustees and authorised for issue on 10 December 2020 and are signed on their behalf by:



I W Ward  
Chair

Company Number 09700223

# EVERY CHILD MATTERS ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	21		163,443		441,817
Cash funds transferred on conversion			929,999		-
			<u>1,093,442</u>		<u>441,817</u>
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		2,986		2,908	
Capital grants from DfE Group		148,793		717,621	
Capital funding received from sponsors and others		137,150		-	
Purchase of tangible fixed assets		(633,520)		(390,502)	
		<u>(344,591)</u>		<u>330,027</u>	
<b>Net cash (used in)/provided by investing activities</b>			<u>(344,591)</u>		<u>330,027</u>
<b>Net increase in cash and cash equivalents in the reporting period</b>			<u>748,851</u>		<u>771,844</u>
Cash and cash equivalents at beginning of the year			1,895,856		1,124,012
<b>Cash and cash equivalents at end of the year</b>			<u><u>2,644,707</u></u>		<u><u>1,895,856</u></u>

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 1 Accounting policies

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

##### 1.1 Basis of preparation

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

##### 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 Conversion to an academy trust / Transfer from an existing academy trust

The conversion from a state maintained school or from an existing academy trust to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion of the predecessor school to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in 'Donations – transfer from local authority on conversion', in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 28.

The assets and liabilities transferred from an existing academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in 'Donations – transfer from existing academy into the trust', in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 27.

##### 1.4 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.



# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

---

### 1 Accounting policies

(Continued)

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

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

#### Donations

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

#### Other income

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

#### Transfer of assets on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. Income equal to the net assets transferred on conversion is recognised within donations and capital grant income.

#### Transfer of assets from existing academies

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. Income equal to the net assets transferred is recognised within donations and capital grant income.

### 1.5 Expenditure

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

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

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets and depreciation

Assets costing £500 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 over its expected useful life, as follows:

Leasehold land and buildings	Over the lease term of 125 years
Leasehold improvements	2% straight line
Assets under construction	Not depreciated
Computer equipment	25% straight line
Fixtures, fittings & equipment	20% straight line

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

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

#### 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.

##### 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.

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 1 Accounting policies

(Continued)

#### Financial liabilities

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

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

#### 1.10 Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.11 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.

#### 1.12 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.

#### 1.13 Fund accounting

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

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

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 1 Accounting policies

(Continued)

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency.

#### 1.14 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

### 2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Capital grants	-	148,793	148,793	717,621
Other donations	31,237	137,150	168,387	24,481
	<u>31,237</u>	<u>285,943</u>	<u>317,180</u>	<u>742,102</u>

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	7,316,850	7,316,850	5,867,375
Other DfE group grants	-	1,680,018	1,680,018	977,513
	-	8,996,868	8,996,868	6,844,888
<b>Other government grants</b>				
Local authority grants	-	1,060,951	1,060,951	928,047
<b>Other funding</b>				
Other incoming resources	163,218	-	163,218	241,629
<b>Total funding</b>	163,218	10,057,819	10,221,037	8,014,564

### 4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Hire of facilities	2,926	-	2,926	3,374
Fundraising	7,308	-	7,308	48,574
Cover for teachers	8,168	-	8,168	14,594
Facilities support for other educational establishments	61,637	-	61,637	24,333
Ofsted inspection income	7,025	-	7,025	7,630
Educational support for other educational establishments	92,762	-	92,762	78,929
	179,826	-	179,826	177,434

### 5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Short term deposits	2,986	-	2,986	2,908

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 6 Central Services

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

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

The academy trust charges for these services based on a flat percentage of income (4%) and other bases as arising.

The amounts charged during the year were as follows:

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
High View Primary Learning Centre	88,202	74,205
Wombwell Park Street Primary School	49,659	46,438
Hoyland Springwood Primary School	27,348	28,240
Kexborough Primary School	31,074	31,131
Wellgate Primary School	57,834	54,633
Laithes Primary School	23,621	-
Sandhill Primary School	19,171	-
Athersley South Primary School	8,497	-
	<u>305,406</u>	<u>234,647</u>

### 7 Expenditure

	<b>Staff costs £</b>	<b>Non-pay expenditure</b>		<b>Total 2020 £</b>	<b>Total 2019 £</b>
		<b>Premises £</b>	<b>Other £</b>		
Expenditure on raising funds					
- Direct costs	-	-	-	-	12,304
Academy's educational operations					
- Direct costs	6,270,323	321,767	440,380	7,032,470	5,595,785
- Allocated support costs	1,847,371	1,205,539	899,774	3,952,684	3,167,357
	<u>8,117,694</u>	<u>1,527,306</u>	<u>1,340,154</u>	<u>10,985,154</u>	<u>8,775,446</u>

Net income/(expenditure) for the year includes:

	<b>2020 £</b>	<b>2019 £</b>
Fees payable to auditor for audit services	35,000	24,010
Depreciation of tangible fixed assets	375,321	323,002
Net interest on defined benefit pension liability	138,000	121,000
	<u>548,321</u>	<u>468,012</u>

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Charitable activities	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<b>Direct costs</b>				
Educational operations	77,774	6,954,696	7,032,470	5,595,785
<b>Support costs</b>				
Educational operations	-	3,952,684	3,952,684	3,167,357
	<u>77,774</u>	<u>10,907,380</u>	<u>10,985,154</u>	<u>8,763,142</u>
			<b>2020</b> £	<b>2019</b> £
<b>Analysis of support costs</b>				
Support staff costs			1,852,944	1,477,381
Depreciation			53,554	48,738
Premises costs			1,151,985	900,956
Legal costs			68,255	20,141
Other support costs			774,323	686,180
Governance costs			51,623	33,961
			<u>3,952,684</u>	<u>3,167,357</u>

## 9 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 head of academy only receives remuneration in respect of services they provide undertaking the role of head of academy under their contract of employment, and not in respect of their services as a trustee.

The value of trustees' remuneration and other benefits was as follows: G Wilson (Chief Executive Officer) Remuneration £105,000 - £110,000 (2019 - £100,000 - £105,000). Employer's pension contributions £20,000 - £25,000 (2019 - £15,000 - £20,000).

During the year there were no travel and subsistence payments reimbursed or paid directly to trustees.

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

## 10 Insurance for trustees and officers

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 £1,000,000 on any one claim. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the combined insurance policy.

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 11 Staff

#### Staff costs

Staff costs during the year were:

	2020	2019
	£	£
Wages and salaries	5,843,670	4,652,391
Social security costs	432,232	348,987
Pension costs	1,724,627	1,250,160
	<u>8,000,529</u>	<u>6,251,538</u>
Staff costs - employees	8,000,529	6,251,538
Agency staff costs	117,165	98,209
	<u>8,117,694</u>	<u>6,349,747</u>
Staff development and other staff costs	41,912	40,995
	<u>8,159,606</u>	<u>6,390,742</u>

#### Staff numbers

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

	2020	2019
	Number	Number
Teachers	103	67
Administration and support	262	178
Management	18	12
	<u>383</u>	<u>257</u>

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

	2020	2019
	Number	Number
Teachers	90	59
Administration and support	160	108
Management	18	12
	<u>268</u>	<u>179</u>



# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 11 Staff

(Continued)

#### Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	4	3
£100,001 - £110,000	1	1
	<u>5</u>	<u>4</u>

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,129,945 (2019: £918,716).

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 12 Tangible fixed assets

	Leasehold land and buildings £	Leasehold improvements £	Assets under construction £	Computer equipment £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>						
At 1 September 2019	11,766,000	907,110	344,888	214,102	138,588	13,370,688
Transfer on conversion	-	-	-	6,621	20,986	27,607
Transfer of existing academy	4,125,270	14,123	-	30,525	14,042	4,183,960
Additions	-	75,447	464,408	73,032	20,633	633,520
Reclassification	-	808,600	(808,600)	-	-	-
At 31 August 2020	15,891,270	1,805,280	696	324,280	194,249	18,215,775
<b>Depreciation</b>						
At 1 September 2019	742,249	36,284	-	122,033	58,684	959,250
Charge for the year	260,510	28,461	-	53,873	32,477	375,321
At 31 August 2020	1,002,759	64,745	-	175,906	91,161	1,334,571
<b>Net book value</b>						
At 31 August 2020	14,888,511	1,740,535	696	148,374	103,088	16,881,204
At 31 August 2019	11,023,751	870,826	344,888	92,069	79,904	12,411,438

Upon conversion, land and buildings were transferred to Athersley South Primary School by the local authority.

The land and buildings valuations are not available, as these will be issued by the Education and Skills Funding Agency in March 2021.

Although the academy could have paid for an additional valuation to be carried out, the trustees did not believe that this was an efficient use of educational funds, nor was it for public benefit, given that the valuation will be available shortly.

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 13 Stocks

	2020 £	2019 £
Stock	31,392	12,660

### 14 Fixed asset investments

Every Child Matters Academy Trust holds 50% of the voting rights of Tykes Teaching School Alliance Limited, a company limited by guarantee which incorporated on 11 June 2016. Another Academy Trust holds the remaining 50% of the voting rights. This has been accounted for as a jointly controlled entity, under the historic cost model within these financial statements. The cost of investment was £nil.

Tykes Teaching School Alliance Limited is a not-for-profit entity and any impact of recognising the investment on an equity method basis would not be material to these financial statements.

On 29 September 2020, Tykes Teaching School Alliance Limited was dissolved.

### 15 Debtors

	2020 £	2019 £
Trade debtors	4,000	-
VAT recoverable	51,924	57,165
Other debtors	-	14,323
Prepayments and accrued income	777,803	240,259
	<u>833,727</u>	<u>311,747</u>

### 16 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	215,216	155,200
Other taxation and social security	142,452	82,225
Other creditors	184,084	78,442
Accruals and deferred income	467,198	412,341
	<u>1,008,950</u>	<u>728,208</u>

### 17 Deferred income

	2020 £	2019 £
Deferred income is included within: Creditors due within one year	193,600	139,053

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

17 Deferred income	(Continued)	
Deferred income at 1 September 2019	139,053	175,641
Released from previous years	(139,053)	(175,641)
Resources deferred in the year	193,600	139,053
<b>Deferred income at 31 August 2020</b>	<b>193,600</b>	<b>139,053</b>

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals, Rates Relief, COVID Emergency Funding and 20/21 school trips.

18 Funds	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	9,357	8,074,439	(7,271,090)	(62,577)	750,129
Other DfE / ESFA grants	-	1,680,018	(1,680,018)	-	-
Other government grants	-	1,060,951	(1,060,951)	-	-
Other restricted funds	15,000	-	-	-	15,000
Pension reserve	(6,811,000)	(2,825,000)	(520,000)	(800,000)	(10,956,000)
	<u>(6,786,643)</u>	<u>7,990,408</u>	<u>(10,532,059)</u>	<u>(862,577)</u>	<u>(10,190,871)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	11,045,636	3,891,450	(271,402)	-	14,665,684
DfE group capital grants	778,087	343,774	(52,210)	-	1,069,651
Capital expenditure from GAG	54,658	112,414	(24,969)	62,577	204,680
LA donation in kind	870,826	159,105	(18,346)	-	1,011,585
Private sector capital sponsorship	15,752	1,073	(8,394)	-	8,431
	<u>12,764,959</u>	<u>4,507,816</u>	<u>(375,321)</u>	<u>62,577</u>	<u>16,960,031</u>
<b>Total restricted funds</b>	<u>5,978,316</u>	<u>12,498,224</u>	<u>(10,907,380)</u>	<u>(800,000)</u>	<u>6,769,160</u>
<b>Unrestricted funds</b>					
General funds	1,114,177	620,517	(77,774)	-	1,656,920
<b>Total funds</b>	<u>7,092,493</u>	<u>13,118,741</u>	<u>(10,985,154)</u>	<u>(800,000)</u>	<u>8,426,080</u>

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### 18 Funds

(Continued)

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

##### **General Annual Grant**

The General Annual Grant (GAG) funds have been spent in line with the terms of the Master Funding Agreement. Under this funding agreement, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

##### **Other DfE/ESFA grants**

This includes Pupil Premium funding, Universal Infant Free School Meals (UIFSM), Rates Relief, PE and Sports grant and the Teachers Pay & Pension Grants.

Pupil Premium is additional funding given to academies so that they can support their disadvantaged pupils and close the attainment gap between them and their peers.

Universal Infant Free School Meals is funding for the provision of free school meals to infant pupils.

Rates relief is given in respect of rates charged on non-domestic premises.

The PE and Sports grant is to support the sporting facilities of the academy.

The Teachers Pay & Pension grants are contributions towards increased pay and pension costs.

##### **Other government grants**

This includes High Needs, Early Years and Looked After Children funding.

The High Needs funding is to provide support and facilities for pupils with high needs.

The Early Years funding is to support the provision of the early years facility.

Looked After Children is additional funding given to academies so that they can support their disadvantaged pupils and close the attainment gap between them and their peers.

##### **Other restricted funds**

Other restricted funds include the restricted income received from Tykes Teaching School Alliance. The amount unspent at the year end for this grant is £15,000 (2019: £15,000).

##### **Restricted fixed asset funds**

Restricted fixed asset funds are used solely for capital purchases in line with the strategic objectives of the academy. A total of £62,577 (2019: £12,218) has been transferred from restricted funds to the restricted fixed asset fund, as permitted by the Accounts Direction 2019 to 2020.

##### **Pension reserve**

The restricted pension fund is in deficit to the value of £10,956,000 as at 31 August 2020 (2019: £6,811,000). The Trustees will continue to monitor this situation closely.

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 18 Funds

(Continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	63,784	5,867,375	(5,909,584)	(12,218)	9,357
Other DfE / ESFA grants	-	977,513	(977,513)	-	-
Other government grants	-	928,047	(928,047)	-	-
Other restricted funds	-	20,500	(5,500)	-	15,000
Pension reserve	(4,559,000)	-	(492,000)	(1,760,000)	(6,811,000)
	<u>(4,495,216)</u>	<u>7,793,435</u>	<u>(8,312,644)</u>	<u>(1,772,218)</u>	<u>(6,786,643)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	11,298,540	-	(252,904)	-	11,045,636
DfE group capital grants	85,802	717,621	(25,336)	-	778,087
Capital expenditure from GAG	61,042	-	(18,602)	12,218	54,658
LA donation in kind	888,968	-	(18,142)	-	870,826
Private sector capital sponsorship	23,770	-	(8,018)	-	15,752
	<u>12,358,122</u>	<u>717,621</u>	<u>(323,002)</u>	<u>12,218</u>	<u>12,764,959</u>
<b>Total restricted funds</b>	<u>7,862,906</u>	<u>8,511,056</u>	<u>(8,635,646)</u>	<u>(1,760,000)</u>	<u>5,978,316</u>
<b>Unrestricted funds</b>					
General funds	<u>828,025</u>	<u>425,952</u>	<u>(139,800)</u>	<u>-</u>	<u>1,114,177</u>
<b>Total funds</b>	<u>8,690,931</u>	<u>8,937,008</u>	<u>(8,775,446)</u>	<u>(1,760,000)</u>	<u>7,092,493</u>

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 18 Funds

(Continued)

#### Total funds analysis by academy

	2020	2019
	£	£
Fund balances at 31 August 2020 were allocated as follows:		
Wellgate Primary School	384,225	244,815
Kexborough Primary School	200,631	190,683
High View Primary Learning Centre	433,361	366,820
Wombwell Park Street Primary School	26,667	47,300
Hoyland Springwood Primary School	64,592	113,621
Laithes Primary School	737,291	-
Sandhill Primary School	76,947	-
Athersley South Primary School	214,013	-
Central services	284,322	175,295
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	2,422,049	1,138,534
Restricted fixed asset fund	16,960,031	12,764,959
Pension reserve	(10,956,000)	(6,811,000)
	<hr/>	<hr/>
Total funds	<u>8,426,080</u>	<u>7,092,493</u>

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2020

#### 18 Funds

(Continued)

#### Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Wellgate Primary School	1,218,817	287,775	17,363	276,764	1,800,719
Kexborough Primary School	673,240	144,649	8,327	217,864	1,044,080
High View Primary Learning Centre	1,428,210	344,301	28,067	650,918	2,451,496
Wombwell Park Street Primary School	1,072,799	233,486	21,428	423,710	1,751,423
Hoyland Springwood Primary School	636,667	253,711	10,875	157,600	1,058,853
Laithes Primary School	488,770	62,605	18,347	186,248	755,970
Sandhill Primary School	382,891	44,967	11,410	151,391	590,659
Athersley South Primary School	158,889	39,483	643	17,381	216,396
Central services	246,379	441,967	348	251,543	940,237
	<u>6,306,662</u>	<u>1,852,944</u>	<u>116,808</u>	<u>2,333,419</u>	<u>10,609,833</u>

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £
Wellgate Primary School	1,097,009	279,154	29,945	330,312	1,736,420
Kexborough Primary School	629,388	150,213	15,918	207,766	1,003,285
High View Primary Learning Centre	1,357,071	273,780	34,104	650,799	2,315,754
Wombwell Park Street Primary School	1,002,865	170,335	23,486	383,678	1,580,364
Hoyland Springwood Primary School	643,744	180,013	15,602	152,296	991,655
Laithes Primary School	-	-	-	-	-
Sandhill Primary School	-	-	-	-	-
Athersley South Primary School	-	-	-	-	-
Central services	183,284	425,001	639	216,042	824,966
	<u>4,913,361</u>	<u>1,478,496</u>	<u>119,694</u>	<u>1,940,893</u>	<u>8,452,444</u>



# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 19 Analysis of net assets between funds

	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	Funds
	£	£	£	£
<b>Fund balances at 31 August 2020 are represented by:</b>				
Tangible fixed assets	-	-	16,881,204	16,881,204
Current assets	1,666,495	1,651,980	191,351	3,509,826
Creditors falling due within one year	(9,575)	(886,851)	(112,524)	(1,008,950)
Defined benefit pension liability	-	(10,956,000)	-	(10,956,000)
<b>Total net assets</b>	<b>1,656,920</b>	<b>(10,190,871)</b>	<b>16,960,031</b>	<b>8,426,080</b>

	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	Funds
	£	£	£	£
<b>Fund balances at 31 August 2019 are represented by:</b>				
Tangible fixed assets	-	-	12,411,438	12,411,438
Current assets	1,126,751	385,523	707,989	2,220,263
Creditors falling due within one year	(12,574)	(361,166)	(354,468)	(728,208)
Defined benefit pension liability	-	(6,811,000)	-	(6,811,000)
<b>Total net assets</b>	<b>1,114,177</b>	<b>(6,786,643)</b>	<b>12,764,959</b>	<b>7,092,493</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 Mercer Limited. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £184,084 (2019 - £76,973) were payable to the schemes at 31 August 2020 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.

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 20 Pension and similar obligations

(Continued)

#### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% 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 £754,704 (2019 - £410,974).

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

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

#### Local Government Pension Scheme

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

The Academy Trust has entered into an agreement with the Trustees to make additional contributions in addition to normal funding levels. These amount to £5,133 for High View Primary Learning Centre, £2,425 for Wombwell Park Street Primary School, £2,342 for Hoyland Springwood Primary School, £1,958 for Kexborough Primary School, £3,600 for Wellgate Primary School, £2,525 for Laithes Primary School, £2,383 for Sandhill Primary School and £233 for Athersley South Primary School to be paid monthly during the period September 2020 to March 2021. The Academy Trust will continue to make additional contributions after March 2021 at a revised rate.

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.

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations	(Continued)	
Total contributions made	2020	2019
	£	£
Employer's contributions	567,000	466,000
Employees' contributions	134,000	110,000
Total contributions	<u>701,000</u>	<u>576,000</u>
<b>Principal actuarial assumptions</b>	<b>2020</b>	<b>2019</b>
	%	%
Rate of increase in salaries	3.55	3.35
Rate of increase for pensions in payment/inflation	2.40	2.20
Discount rate for scheme liabilities	1.80	1.80
Inflation assumption (CPI)	<u>2.30</u>	<u>2.10</u>

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

	2020	2019
	Years	Years
Retiring today		
- Males	22.4	23.1
- Females	25.2	25.9
Retiring in 20 years		
- Males	23.9	25.3
- Females	<u>27.1</u>	<u>28.3</u>

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

	2020	2019
	£'000	£'000
Discount rate + 0.1%	-365	-236
Mortality assumption + 1 year	483	175
CPI rate + 0.1%	<u>373</u>	<u>241</u>

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 20 Pension and similar obligations

(Continued)

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

	2020 Fair value £	2019 Fair value £
Equities	2,903,000	1,632,000
Government bonds	900,000	446,000
Other bonds	539,000	228,000
Cash	220,000	100,000
Property	514,000	271,000
Other assets	1,047,000	443,000
	<u>6,123,000</u>	<u>3,120,000</u>

The actual return on scheme assets was £106,000 (2019: £202,000).

#### Amount recognised in the Statement of Financial Activities

	2020 £	2019 £
Current service cost	937,000	561,000
Past service cost	-	268,000
Interest income	(75,000)	(75,000)
Interest cost	213,000	196,000
Administration expenses	12,000	8,000
	<u>1,087,000</u>	<u>958,000</u>

#### Changes in the present value of defined benefit obligations

	2020 £	2019 £
At 1 September 2019	9,931,000	6,984,000
Obligations acquired on conversion / transfer	5,117,000	-
Current service cost	937,000	561,000
Interest cost	213,000	196,000
Employee contributions	134,000	110,000
Actuarial loss	870,000	1,887,000
Benefits paid	(123,000)	(75,000)
Past service cost	-	268,000
	<u>17,079,000</u>	<u>9,931,000</u>

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 20 Pension and similar obligations (Continued)

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

	2020 £	2019 £
At 1 September 2019	3,120,000	2,425,000
Assets acquired on conversion / transfer	2,292,000	-
Interest income	75,000	75,000
Actuarial gain	70,000	127,000
Employer contributions	567,000	466,000
Employee contributions	134,000	110,000
Benefits paid	(123,000)	(75,000)
Administration expenses	(12,000)	(8,000)
	<u>6,123,000</u>	<u>3,120,000</u>
At 31 August 2020	<u>6,123,000</u>	<u>3,120,000</u>

### 21 Reconciliation of net income to net cash flow from operating activities

	2020 £	2019 £
Net income for the reporting period (as per the statement of financial activities)	2,133,587	161,562
Adjusted for:		
Net deficit on conversion to academy	751,441	-
Net surplus on transfer of academy in the trust	(3,149,153)	-
Capital grants from DfE and other capital income	(285,943)	(717,621)
Investment income receivable	(2,986)	(2,908)
Defined benefit pension costs less contributions payable	382,000	371,000
Defined benefit pension scheme finance cost	138,000	121,000
Depreciation of tangible fixed assets	375,321	323,002
(Increase) in stocks	(18,732)	(3,649)
(Increase) in debtors	(521,980)	(89,734)
Increase in creditors	280,742	279,165
Stocks, debtors and creditors transferred on conversion	81,146	-
	<u>163,443</u>	<u>441,817</u>
<b>Net cash provided by operating activities</b>	<u>163,443</u>	<u>441,817</u>

### 22 Analysis of changes in net funds

	1 September 2019 £	Cash flows £	Transfer of existing academies £	31 August 2020 £
Cash	1,895,856	10,050	738,801	2,644,707
	<u>1,895,856</u>	<u>10,050</u>	<u>738,801</u>	<u>2,644,707</u>

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 23 Capital commitments

	2020	2019
	£	£
Expenditure contracted for but not provided in the accounts	1,282,573	157,559

### 24 Commitments under operating leases

At 31 August 2020 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2020	2020	2018	2019
	PFI	Operating	PFI	Operating
	£	Leases	£	Leases
	£	£	£	£
Amounts due within one year	408,580	3,392	299,429	10,298
Amounts due in two and five years	1,640,569	548	1,204,700	1,467
Amounts due after five years	3,925,812	-	2,385,237	-
	<u>5,974,961</u>	<u>3,940</u>	<u>3,889,366</u>	<u>11,765</u>

### PFI Arrangements

The Academy premises for High View Primary Learning Centre and Wombwell Park Street Primary School are subject to PFI contracts. The contracts cover the cost of managing the facilities including utility costs, repairs & maintenance, caretaking, grounds maintenance and cleaning. The contracts expire in June 2032.

The Academy premises for Sandhill Primary School is subject to a PFI contract. The contract cover the cost of managing the facilities including utility costs, repairs & maintenance, caretaking, grounds maintenance and cleaning. The contract expires in August 2042.

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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### 25 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account:

Tykes Teaching School Alliance Limited is an associate undertaking of Every Child Matters Academy Trust, with both G Wilson and I W Ward being active directors. During the period, Every Child Matters Academy Trust received £7,891 (2019 - £27,719) for training and support services provided to other educational establishments and recharges of costs of £153 through the Tykes Teaching School Alliance Limited.

After the year end, Tykes Teaching School Alliance Limited was dissolved.

In addition, Every Child Matters Academy Trust paid £5,900 (2019 - £5,405) for training courses provided by Tykes Teaching School Alliance Limited, all of which were provided at no more than cost.

Total amounts outstanding at the year end from Tykes Teaching School Alliance Limited were £Nil (2019 - £600).

In entering into these transactions, the academy trust has complied with the requirements of the Academies Financial Handbook 2019.

### 26 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.

### 27 Transfer of existing academies into the academy trust

#### The Shire Multi Academy Trust

During the year the following academy transferred all the operations and assets and liabilities to Every Child Matters Academy Trust from The Shire Multi Academy Trust for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net loss in the statement of financial activities as donations – transfer of existing academy into the trust.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

# EVERY CHILD MATTERS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

### 27 Transfer of existing academies into the academy trust (Continued)

	Transfer in recognised £
<b>Net assets acquired</b>	
Freehold land and buildings	1,995,138
Leasehold land and buildings	2,130,132
Other tangible fixed assets	59,721
Debtors	150,762
Creditors	(71,401)
Cash and cash equivalents	738,801
Pension scheme	(1,852,000)
<b>Total net assets</b>	<b>3,151,153</b>

There were no fair value adjustments required to the values reported by the transferring trust.

### 28 Conversion to an academy

#### Athersley South Primary School

During the year the following converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Every Child Matters Academy Trust from the Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net loss in the statement of financial activities as donations – transfer from local authority on conversion.

The above table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2020 £
<b>Net assets transferred:</b>				
Other tangible fixed assets	-	-	27,607	27,607
Stock	2,754	-	-	2,754
Cash	191,198	-	-	191,198
Pension scheme deficit	-	(973,000)	-	(973,000)
	<u>193,952</u>	<u>(973,000)</u>	<u>27,607</u>	<u>(751,441)</u>