

# United Schools Trust

(A company limited by guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2020

Company Registration number: 09255130 (England and Wales)

# United Schools Trust

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# United Schools Trust

## Reference and Administrative Details

<b>Members</b>	Mrs E Thompson Mr I Sheriff Mr G Smith Mrs J Stuchbery-Ullah Mrs C Mabin (appointed 1 November 2020)
<b>Directors</b>	Mrs J Stuchbery-Ullah, Chair Mr M Harding (resigned 6 December 2019) Dr P Fitch, Principal Mrs C Mabin (resigned 31 October 2020) Mrs S Clarke, Vice Chair Mrs C Vicary-Ward Mr K Presland Mrs H Hanks (resigned 2 September 2020) Mrs K West Mr D Barnett (appointed 13 February 2020) Mrs S Wharf (appointed 13 February 2020) Mrs C Peplow (appointed 14 September 2020)
<b>Senior Management Team</b>	Dr P Fitch Mrs K West
<b>Principal and Registered Office</b>	Kingsteignton School Heron Way Kingsteignton Newton Abbot Devon TQ12 3QY
<b>Company Registration Number</b>	09255130
<b>Independent Auditors</b>	PKF Francis Clark Chartered Accountants and Statutory Auditor Sigma House Oak View Close Edginswell Park Torquay Devon TQ2 7FF
<b>Bankers</b>	Lloyds Bank Plc 41 Courtenay Street Newton Abbot Devon TQ12 2QW

# United Schools Trust

## Reference and Administrative Details

**Solicitors**                      Wolferstans Solicitors  
60-66 North Hill  
Plymouth  
Devon  
PL4 8EP

# United Schools Trust

## Trustees' Report for the Year Ended 31 August 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Trust operates an Academy for pupils aged 4 to 11 serving a catchment area in Kingsteignton. It has a pupil capacity of 420 and had a roll of 143 in the latest school census (October 2020) with the school opening in September 2016.

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

#### ***Constitution***

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of the United Schools Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as the United Schools Trust.

Details of the Trustees who served throughout the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

#### ***Members' Liability***

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

#### ***Trustees' indemnities***

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

# United Schools Trust

## Trustees' Report for the Year Ended 31 August 2020

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

The Board of Trustees is currently made up of 10 Trustees. 7 of these were selected and appointed by the Members, the Principal continues to be the CEO (was previously appointed by Members), two trustees are parent trustees appointed following election arrangements and one trustee has been co-opted by the Trust Board (in line with the articles of association, articles 45-58). The membership of the board focuses on skills, and the primary consideration in the appointment and election of new trustees is the acquisition of the skills and experience the board needs to be effective. The Board has developed a skills-based set of criteria for Trustee selection and recruitment which can also be used to inform on going self-evaluation and Trustee training.

The two parent Trustees were elected or appointed as parents of a registered pupil at Kingsteignton School when they were elected or appointed. One parent trustee has an accountancy/finance background which was an area that the trustees had identified through a skills audit to be an area to develop on the board of trustees. The second parent trustee, has a background in Quality Improvement bringing skills, knowledge and experience of learning disabilities, mental health, quality improvement and change management.

The Principal of the academy is the CEO and remains a member of the board of Trustees. Two additional trustees were appointed by Members in February 2020 as part of our succession planning as two longer term trustees will be resigning at the end of October and December 2020.

Future appointments and recruitment will continue to be looked at in terms of the skills gap left by any vacancy and the Members will recruit and appoint appropriate trustees to fill the vacancy efficiently. Should a parent vacancy occur, this post will be filled through the recruiting a parent from the academy and the post will be voted on by the parents of the academy. A number of recruitment sites have been contacted to allow a wider search for suitable trustee candidates.

All policies are in place and induction and training of Trustees is on-going. The board is committed to ensuring that their policies and procedures follow the models of good practice outlined in DfE guidance.

# United Schools Trust

## Trustees' Report for the Year Ended 31 August 2020

### *Policies and procedures adopted for the induction and training of Trustees*

Boards are responsible for identifying and securing the induction and other ongoing training and development they need – including for those with specific responsibilities such as the lead on safeguarding including Prevent. As the Academies Financial Handbook requires, the United Schools Trust identifies and fills any skills gaps on the board through recruitment or training.

As part of induction and continuous development, the board encourages everyone, especially those new to the role, to make the most of the resources, guidance and training available to develop their knowledge and skills.

The board's code of conduct sets an ethos of professionalism and high expectations of everyone involved in governance, including an expectation that they undertake training and development activity to fill gaps in the skills they have to contribute to effective governance. Importantly, this includes their ability to understand and interpret educational and financial performance data. Everyone on the board should be able to engage fully with discussions on these matters and if they cannot, they undertake appropriate training or development to enable them to do so.

If, in the view of the board, an individual fails persistently to undertake the training and development they need to contribute effectively to the board, then they are likely to be in breach of the board's code of conduct. Where they have powers to do so, the board should consider suspending them on the grounds that they have acted in a way that is contrary to the board's ethos and has brought or is likely to bring the organisation, the board or their role into disrepute. Suspensions are for a fixed period of up to six months at a time.

Succession plans are in place so that any change in the chair or trust board does not impede the board's effectiveness.

# United Schools Trust

## Trustees' Report for the Year Ended 31 August 2020

### ***Organisational Structure***

#### The Trust Members

There are 4 Trust Members. All members have a clear understanding of the vision of the Academy Trust and are fully on board with its ethos.

The Members are responsible for appointing and removing trustees. In order to ensure that they do an effective job the Members will have a thorough knowledge of the school, its performance and where the Board of trustees lacks expertise (information gained through sight of Trust Board agendas, minutes and associated papers). The Members will appoint up to 8 trustees on a skills basis. They will consider the outcome of the skills audit and feedback on the Free School's performance to establish what person they need and then they should properly assess the skills set of any proposed candidate.

#### The Board of Trustees

The governance of the Trust is defined in the Articles of Association together with the funding agreements with the Department for Education.

The management structure is on 4 levels: the members, the Board of Trustees, The Chief Executive Officer and Principal and the senior leadership team.

All trustees are members of the full board of trustees. The chief executive officer and Principal is also the accounting officer of the academy trust.

A scheme of delegation has been agreed in order to devolve responsibility and encourage decision making at all levels. Each trustee, depending on their skills and/or experience holds a portfolio which covers an area of responsibility and has clear terms of reference that show where a decision can be made by the portfolio holder which is then reported to the full trust board and recorded in the minutes or where the portfolio holder makes a recommendation to the full trust board, who will make the decision. Portfolio holders undertake appropriate training in order to fully understand their role including, where possible and appropriate, joining relevant staff training to keep updated e.g. annual Safeguarding Level 2 training.

Currently, the board of trustees oversee Kingsteignton School only. When an additional school joins the UST, the board of trustees will oversee more than one academy. The board of trustees will be reconstituted as another academy joins the trust to incorporate the Principal and parental representatives of the academies within the MAT. Initially the board may oversee more than one academy with no local governing body.

#### Role of the Chief Executive Officer and Principal

The Principal is responsible for the everyday operation of the school and works strategically alongside the Board of trustees to plan the future direction of the school and Trust. The Principal and CEO are accountable to the Board of Trustees. The Principal is also the Accounting Officer.

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

The United Schools Trust has followed the LA agreed pay policy which has been endorsed annually by the trustees/members with regards to the setting of key management personnel pay.

Following the Principal's appraisal meeting comprising of trustees, an independent external reviewer and key management personnel, pay recommendations are discussed by the full board of trustees along with evidence of targets met.



# United Schools Trust

## Trustees' Report for the Year Ended 31 August 2020

### *Trade Union Facility Time*

There is no requirement for the Academy to disclose Trade Union Facility Time.

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

The United School's Federation provided support for the school improvement work during the pre-opening and opening of the academy and continue to provide this support, post-opening. The Trustees voted on this decision and all decisions around this area were discussed and voted upon with the full declaration of any interests. This is evidenced within the minutes of the trustee meetings and the declaration of interest forms. Appropriate procedures are followed, as set out in the Articles of Association to ensure there is no conflict of interests within discussion or voting in this area. The United Schools Federation is a group of 6 schools who work as school improvement partners to the United Schools Trust and Kingsteignton School; the USF and the UST form part of a co-operative trust – The United Schools Learning Partnership.

Kingsteignton School also shares its site with an external nursery and preschool, Humpty Dumpty Childcare (HDC). HDC has occupied the site since August 2019 on a peppercorn rent but subject to a service charge by the Academy for any supplies and services shared with the Academy.

### **Objectives and Activities**

#### ***Objects and Aims***

The United Schools Trust aims to provide all children at Kingsteignton School with an outstanding and inspiring education within a caring and nurturing environment. We value individuals, recognise and celebrate their gifts and talents and provide the opportunities they need to help them achieve personal and academic excellence. Our school motto is Aiming Higher, Achieving More, Together. The values for life that we promote throughout our school are Friendship, Compassion, Justice, Courage and Perseverance.

A child-centred vision is at the centre of all we do.

#### **AIMING HIGHER, ACHIEVING MORE, TOGETHER**

#### **OUR VISION:**

By the time you leave us you will:

- have grown healthy and strong and understand how to look after your body and mind
- feel part of our community, proud of yourselves and our school and inspired to make a difference
- love learning new things, feel ready for the future and want to keep on learning more
- know what it feels like to be good at something and have achieved your very best
- understand just how amazing you are, believe in yourself and have the confidence and resilience to follow your dream
- have known friendship and learned how to get along well with other people of all ages
- have been privileged to work alongside outstanding teachers who inspire, enthuse and motivate you in your learning
- have learned to love nature, the outdoor environment and learning 'without walls and ceiling'
- have embraced technology in all its forms and understand how it can help you in life
- have learned how to keep yourselves safe in all elements of your life
- have become a responsible global citizen who respects the rights of others

Our motto, values and school vision are relevant to all stakeholders including children, staff, trustees and volunteers.

# United Schools Trust

## Trustees' Report for the Year Ended 31 August 2020

### ***Objectives, Strategies and Activities***

Our curriculum aims to inspire and motivate children to explore and learn about the world around them. It helps them gain an awareness of the role within their communities and prepares them for their future lives. We actively encourage children to embrace technology and lead healthy and active lives.

The school places a great importance on developing links with the community. The school is a Dementia Friendly School, with a high-quality healthy curriculum that will prepare children for healthy adult lives. Community links will be a large part of this. A member of the teaching staff has taken over the role of Dementia team leader and will work towards ensuring that the physical and mental health of all stakeholders are a priority. This will include the development of the use of mindfulness and yoga across the school and the liaison with Early Help for Mental Health (EHCP) and other organisations and individuals who will help to maintain our dementia friendly initiative as an integral part of our ethos and curriculum. Children in the school regularly visit a local dementia care home to share their learning and other activities. We will continue to develop how we involve the local community, particularly the more elderly members of the community, in school life.

The Covid 19 pandemic has meant that community links have been put on hold until it is safe to resume in the future.

The school has invested heavily and will continue to invest heavily in Technology including notebooks, tablets, multimedia recording equipment, editing equipment and environmental and scientific monitoring tools, interactive tablespots and the use of robotics to inspire and motivate children in their learning. Technology will be used to support children and ensure that they make excellent progress and achieve their full potential. A new member of the teaching staff has expertise in digital learning and is developing and disseminating new initiatives across the school, Trust and Federation to enhance learning. This expertise was particularly useful in allowing the school to develop an effective platform for online learning during the Summer term when the majority of children were in lockdown and accessing learning virtually from home.

The use of the outdoors and nature to motivate and inspire children in their learning is an area which the school is eager to develop particularly now we are accommodated on the new site. This also links in with the dementia friendly ethos of the school and a vision of learning 'without walls and ceiling' is an integral part of our school development plan. A close link with Abbrook Farm (created by and maintained by the local secondary school – Teign) means that outdoor learning can be extended away from the developing school grounds on a regular basis. Regular trips and visits are planned in to ensure that learning is contextual and linked, in particular, to the new foundation curriculum described in the next paragraph.

Teaching is exciting and motivating, based on the experience acquired through the planning closely with the United Schools Federation. It inspires children to make excellent progress and ensures that they become confident, successful and independent learners. The foundation curriculum which is both knowledge rich and skills led has been embedded and has resulted in a lively and motivating curriculum linked to the school's context and which is enquiry-based and, wherever possible, child led.

# United Schools Trust

## Trustees' Report for the Year Ended 31 August 2020

All teaching staff benefit from team working with staff across the United Schools Federation which includes team planning, assessment and moderation which allows for quality assurance across the school. In addition, termly evaluation visits carried out by senior leaders across the trust and federation allow for further validation of standards. Trustees are fully involved in the evaluation of data and also provide a valuable role in ensuring the pupil voice is heard through pupil conferencing. Also, as portfolio holders for different areas of the school development, they are involved in the evaluation of these areas including for example the conferencing of all members of staff to ensure that the culture of safeguarding is one which remains a major focus of the school and that all members of staff (including volunteers) are confident in protocols and procedure and that they form an integral part of the whole school safeguarding team.

The Trust values the wider experiences of children as individuals and provides, through partnership with the USF, a wide range of curriculum and extra curriculum activities including a range of sporting, adventurous and creative activities are available for all children and residential experiences are available from Year 2 upwards. Due to the Covid-19 pandemic these activities were not available from March 20.

Kingsteignton school has been developing and embedding the Learning Challenge Curriculum over the course of the year and ensuring that the foundation subjects are taught building both progressive skills and knowledge in each foundation subject. The school teaches Mathematics and English using the new National Curriculum and is heavily supported with individualised learning through the use of ICT. Staff at Kingsteignton School work in partnership with the staff in the USF. This ensures that expertise is shared and children receive the highest quality learning experiences -providing a much broader, exciting and enriched curriculum than might be expected from a small school.

The projected numbers (from Devon County) show a clear demand for pre-school places in Kingsteignton for children aged 0-4. A new nursery run by an external provider - Humpty Dumpty Childcare opened in August 2019 and now forms part of Kingsteignton School. The experience within the Federation clearly shows that an attached nursery helps improve attainment on entry into school ensuring that children have a better starting point from which to progress. Staff in the school and the nursery are working together to develop a range of skills which are essential for all children to acquire before entering Reception so that they are Reception ready and ready to learn. These skills are based on ensuring children are able to listen well, focus on learning and can carry out basic life skill tasks.

Humpty Dumpty Childcare now provides 'wrap around' care from 8.00 am until 6.00 pm as well as a holiday club. The care outside of school hours is paid for by parents, but this will be offered at a reasonable cost to ensure that it is accessible to all parents. The United Schools Federation transferred the running (and assets) of SMASC (St Michael's School After School Club) to the UST. The accounts of SMASC will be audited alongside those of Kingsteignton School. SMASC will be transferred back to the management of the United Schools Federation before the end of the year including a transfer of assets and the tupe of all staff.

### ***Public Benefit***

The Academy Trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

# United Schools Trust

## Trustees' Report for the Year Ended 31 August 2020

### Strategic Report

#### Achievements and Performance

##### *Key Performance Indicators*

The school moved into its permanent site in January 2019 and had its first Ofsted inspection on 30th April and 1st May 2019. This resulted in a judgement of good in all areas with the inspector stating that the school had been judged to be at 'the very top end of good'. Our aim is to work towards an outstanding judgment in our next Ofsted inspection in 2022.

During the Year 2019-20, our school population consisted of a Reception class, a Year 1 class, a Year 2 class and a mixed age Year 3 / 4 class. Interim results from the last assessment that was carried out in the school showed that the vast majority of children were on track for Age Related Expectations with a significant number in each class on target to exceed age related expectations.

The onset of the COVID-19 pandemic in March 2020, started a period of considerable challenge. The school joined forces with St Michael's Primary School (part of the USF) to cater for vulnerable children and those of key workers from both schools over the Easter holidays. The decision was made to return to Kingsteignton School to cater for our own vulnerable and key worker children for the Summer term. All other children remained on lockdown at home and the school provided (in collaboration with the USF schools) online learning using Google Classroom as the virtual learning platform.

In June, the majority of the Reception and Year 1 children returned to school along with the vulnerable and keyworker children. All teaching staff and some Teaching Assistants were utilised to support bubbles of 15 children, each in their own classroom. The abundance of space in the new school provided the perfect environment to accommodate this.

Where possible, additional children who were struggling to access the online learning, for whatever reason, were invited back into school to fill up bubbles.

Attendance figures during June and July 2020 showed that around 60% of the school population were learning in school with the remainder accessing virtual learning at home.

There was no statutory testing during the summer term so no key data to report on.

Working in partnership with the USF continues to be an important reason why the school has been able to develop at such a rate and with such confidence. The partnership work allows Trust teachers to plan, assess and moderate with a wider group of experienced practitioners and to avoid any sense of isolation that being part of very small school might have engendered. The children benefit hugely from this but also from the fact that they have access to the much wider range of learning experiences that are afforded through working in partnership. The partnership work with the USF will be ongoing into the future. The school day for children at Kingsteignton School starts and finishes earlier than other local schools in part to avoid the congestion that may occur as the nearby secondary school finishes their day but also to allow staff to continue to attend joint planning, assessment and moderation meetings and access to twilight sessions in a wide variety of subjects and issues with the USF staff.

Financially, the school has a healthy carry forward and year on year has presented a budget that is in credit. The three year budget forecast shows that the school will not be working in deficit at any time.

## **United Schools Trust**

### **Trustees' Report for the Year Ended 31 August 2020**

#### **Strategic Report**

A summary report produced by Devon Audit Partnership (our internal auditors) showed that based on the evaluation of system controls, review of documentary evidence and the results of testing a sample of transactions their overall opinion for the Academy is as follows:

High Standard - The system and controls in place adequately mitigate exposure to the risks identified. The system is being adhered to and substantial reliance can be placed upon the procedures in place. We have made only minor recommendations aimed at further enhancing already sound procedure.

#### **Executive Summary**

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The Principal takes responsibility for the day to day running of the Academy along with the support of the admin / finance staff. The Principal also implements the policies laid down by the Trustees and reports back to the Board on performance.

It is pleasing to note that the financial controls and procedures in place are well managed and comprehensive overall in the areas reviewed and this is much to the credit of the Trustees, Principal and the admin / finance staff.

The internal audit review that took place during the 2019/20 financial year has provided Trustees with assurance that the controls in place to manage the risks within the areas tested are well controlled and consistently practiced. Minimal findings have been made in the 2019/20 audit report that should be addressed by the Academy by implementing the suggested recommendations in order to ensure that the control framework is effective in managing and reducing the identified risks.

# United Schools Trust

## Trustees' Report for the Year Ended 31 August 2020

### Strategic Report

#### ***Going Concern***

The Board of Trustees consider Kingsteignton School to be a going concern because the Academy Trust has secure, steady incomes from the DFE and Devon County Council that cover the bulk of the operating costs and, in addition, the Academy Trust has strong cash reserves in the Bank Account, equivalent to in excess of a third of annual expenditure. The Budget for the 2020/2021 year shows an anticipated surplus of £17k, so the Board of Trustees expect this situation to remain stable going forward.

After making appropriate enquiries, the Board of Trustees has an expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

#### ***Promoting the success of the academy***

Under Section 172(1) (a) to (f) of the Companies Act 2006, directors of a company must act in a way most likely to promote the success of the company and in doing so must have regard to:

- The likely consequences of any decision in the long term
- The interests of the company's employees
- The need to foster the company's business relationships with suppliers, customers and others
- The impact of the company's operations on the community and the environment
- The desirability of the company maintaining a reputation for high standards of business conduct
- The need to act fairly as between members of the company

#### **Financial Review**

The Academy opened three years ago and is growing in size, therefore all comparative income and expenditure figure will reflect this fact. Income in the current period totalled £667,000 (2019: £6,899,000) and expenditure totalled £921,000 (2019: £843,000). After the loss of £76,000 (2019: loss of £14,000) on the pension scheme, the total net movement in funds for the year was a decrease of £330,000 (2019: an increase of £6,042,000). In the prior year, the academy received donated land and buildings of £6,259,000.

The Academy adheres to the financial management policies as contained in the Finance Policy.

#### ***Reserves and Investment policy***

The aims of this policy are to:

1. Regularly monitor Cash Flow and Current Account balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the current accounts have adequate balances to meet forthcoming commitments. In practice a working balance of between £20,000 and £30,000 is likely to be maintained in a primary school
2. The Trust will avoid any of its Current Accounts going overdrawn.
3. Identify funds surplus to immediate cash requirements and transfer to Lloyd's High Interest Deposit Accounts.
4. Periodically (at least annually) review interest rates and compare with other investment opportunities
5. The Trust's current policy is to only invest funds in risk free and immediately accessible Deposit Accounts.
6. Any change in policy requires the approval of the Trustees.

# United Schools Trust

## Trustees' Report for the Year Ended 31 August 2020

### Strategic Report

#### *Principal Risks and Uncertainties*

There is a need for a school in Kingsteignton and, therefore, minimal risk that the school will not continue to grow at its current rate and beyond into the future. The school was oversubscribed this year in contrast to other primary schools in the locality and the reputation of the school is high in the local community.

The United Schools Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been developed by the Trustees in conjunction with Devon Audit Services and include the financial risks to the Trust.

The trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities (including buildings) and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls. Where significant financial risk still remains, the trustees ensure that the Trust has adequate insurance cover. Working in partnership with the United Schools Federation and the opportunities and support that this provides in all areas help to mitigate many of the risks identified.

Whilst the local population continues to grow, risks to revenue funding from a falling roll are relatively small. However, changes in the Funding Formula, changes in funding arrangements for special educational needs and the increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The trustees examine the financial health of the Trust formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at Board of Trustee meetings.

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

# United Schools Trust

## Trustees' Report for the Year Ended 31 August 2020

### Strategic Report

#### Financial

The Trust has considerable reliance on continued Government funding through the EFSA with the majority of the Trust's incoming resources being ultimately Government funded and there is no assurance that Government policy or practice will remain the same or that public funding will continue on the same levels or on the same terms.

#### Failures in governance and/or management

The risk in this area arises from the potential failure to effectively manage the Trusts' finances, internal controls, compliance with regulations and legislation, statutory returns etc. The trustees will continue to review and ensure appropriate measures are in place to mitigate these risks.

#### Reputational

The continued success of the Trust is dependent on academic attainment and progress measures being at or above Devon and National figures thus maintaining the highest educational standards. This will ensure that applicants are attracted in sufficient numbers to ensure that the Trust remains financially sustainable.

#### Safeguarding and child protection

The trustees 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 and safety and behaviour. A strong culture of safeguarding for all stakeholders is an integral part of the school's ethos.

#### Staffing

The success of the Trust is reliant on the quality of its staff so the trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

#### Fraud and mismanagement of funds

The Trust has engaged its external auditors to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academies Financial Handbook. All finance staff receive training and support to keep them up to date with financial developments and to develop their skills in this area.

The Trust will continue to strengthen its risk management process into the future by continually reviewing and improving the process and ensuring staff awareness. A Risk Register is maintained and reviewed and updated on a regular basis by the Board of trustees.



# United Schools Trust

## Trustees' Report for the Year Ended 31 August 2020

### Strategic Report

#### *Investment Policy*

##### Introduction

At Kingsteignton School, we are careful with the public money we are entrusted with. We will carefully invest any money that is not required to cover anticipated expenditure and take steps to manage the risk associated with financial investments.

##### Objectives and targets

The purpose of this policy is to ensure that any surplus funds are invested well so that they achieve the best financial returns with the minimum risk. Good financial returns mean that more money can be spend on educating pupils.

##### Action Plan

Adequate cash balances must be maintained to ensure that there are always sufficient funds in the school's current account to cover financial commitments such as payroll and day-to-day expenses. If there is a surplus of funds after all financial commitments have been considered, this surplus will be invested. Funds should be invested in tranches of £10,000 where possible and after agreement from the Board of trustees. It may be beneficial to invest each tranche with a different financial institution. Funds, and any interest they earn, will be automatically reinvested, unless they are required for immediate or anticipated expenditure.

##### Monitoring and Evaluation

The Accounting officer will compare alternative investment opportunities every six months to ensure that the school's funds achieve the best interest rates.

The Chief Executive Officer and Business Manager will carry out a review of this policy on a regular basis to ensure that any new or changed legislation is adhered to. Next school review due January 2021.

1. For the last four years, the trustees have deemed that with the uncertainty of actual costs in occupying the new school, investment is not appropriate at present and that the returns achieved by investing in risk free and immediately accessible Deposit Accounts does not justify the time spent in organising the investment.

#### **Fundraising**

The academy trust does not use any external fundraisers at present. All fundraising undertaken during the year was monitored by the Trustees.

#### *Plans for Future Periods*

The United Schools Trust will look to grow the trust over the next few years. An interest has been registered with the DfE in the development of any new free schools in the local area. Initial discussions with the Regional Schools Commissioner have taken place and the possibility of other already established schools joining the MAT is being investigated. This intention has been communicated to the local authority and the diocese.

The number of children admitted into the future will increase in line with local need. When full, the school will have the capacity to take 15 classes of 30 children including a nursery class. This will provide enough places for 420 primary and 60 nursery children.

# United Schools Trust

## Trustees' Report for the Year Ended 31 August 2020

### Strategic Report

#### Funds Held as Custodian Trustee on Behalf of Others


The Trust and its Trustees do not act as custodian trustees for any other charities.

#### 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.

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the Governing Body, as the company directors, on ~~17/12/2020~~ and signed on its behalf by:



.....  
Dr P Fitch  
Director

# United Schools Trust

## Governance Statement

### Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that United Schools 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.

As trustees, we have reviewed and taken account of the guidance in DfE's Government Handbook and competency framework for governance.

The Governing Body has delegated the day-to-day responsibility to Dr P Fitch, 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 United Schools Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mrs J Stuchbery-Ullah	5	6
Mr D Barnett	3	3
Mrs S Clarke	4	6
Dr P Fitch	6	6
Mrs H Hanks	2	6
Mr M Harding	2	2
Mrs C Mabin	5	6
Mr K Presland	6	6
Mrs C Vicary-Ward	6	6
Mrs S Wharf	3	3

David Barnett was appointed to the Board of trustees by Members on 13th February 2020. As a recently retired local primary school Headteacher, he will be responsible for the standards and school improvement portfolio as well as the inclusion and SEND portfolio. The current standards and school improvement portfolio holder will be retiring from the post in December 2020. David is also leading on reviewing and developing our strategic planning. Suzannah Wharf, a local secondary headteacher, was also appointed to the Board of Trustees on the 13th February 2020 and will take responsibility for the Curriculum Portfolio.

Martin Harding resigned from the Board of trustees on 6th December 2019. He had previously resigned as CEO with effect from 31 March 2019 (Penny Fitch became CEO on 1 April 2019).

# United Schools Trust

## Governance Statement

### Impact report

The Board of Trustees continue to play a very strong role in driving the school forward and ensuring that the pupils progress very well in their education. The board appreciates that for this to happen pupils must be supported by a well led, enthusiastic and motivated staff who constantly strive for excellence in all that they do. Trustees and staff work as a cohesive team within a safe, supportive yet challenging, working environment and support the values and vision of the school at all times. We work in close partnership with the United Schools Federation under the umbrella of the United Schools Learning Partnership to develop skills, share outstanding practice and ensure that standards are at a very high level and that both staff and pupils are aspirational in terms of their targets and outcomes.

Throughout the summer term, (March - July 2020) the Chair and Principal had regular meetings and sent updates to trustees as the Covid-19 guidance and circumstances at school changed. This meant trustees were clear about planning and actions being taken to enable our most vulnerable children and those who have key worker parents to continue to attend school safely. Trustees had the opportunity to question the Principal and develop a good understanding of the complex arrangements that enabled school to open to our Reception and Year 1 children in June. The provision of online teaching and learning and communication with families has also been understood by trustees. Trustee monitoring visits were reduced during the 'lockdown', but some visits including safeguarding and premises visits were conducted outside of school hours.

The Trust Boards 'Strategy and School Improvement' meeting scheduled in June 2020 has been rescheduled for October 2020. The headings of the 3-year strategic plan will remain similar to our previous plan, but will ensure that we focus on tackling issues related to the impact of Covid-19 and refocus on the longer term strategic developments of both Kingsteignton School and the United Schools Trust.

The key targets for the school improvement plan 19-20 were:

.....

### OUTCOMES FOR PUPILS Judgement: Good

- ✓ OP1 To ensure there is sufficient challenge in all areas of teaching and learning and that all children including the more able are challenged to work and a proportion (20-25%) to achieve at greater depth
- ✓ OP2 To ensure that pupils are able to develop and apply a wide range of age appropriate skills in reading, writing and maths within the context of the Learning Challenge Curriculum with a particular focus on the quality of cross-curricular writing and the acceleration of progress particularly with the more able to achieve greater depth in writing
- ✓ OP3 To try to accelerate progress of identified children where potential to exceed prior targets is identified

### LEADERSHIP AND MANAGEMENT Judgement: Good

#### Next steps, including those identified from the SEF:

- ✓ LM1 To ensure there is sufficient challenge in all areas of teaching and learning and that all children including the more able are challenged to work and a proportion (20-25%) to achieve at greater depth
- ✓ LM2 To try to accelerate progress of identified children where potential to exceed prior target is identified
- ✓ LM3 To ensure that pupils are able to develop and apply a wide range of age appropriate skills in reading, writing and maths within the context of the Learning Challenge Curriculum with a particular focus on the quality of cross-curricular writing and the acceleration of progress particularly with the more able to achieve greater depth in writing
- ✓ LM3 To try to accelerate progress of identified children where potential to exceed prior target is identified
- ✓ LM4 As the school grows, to continue to develop a model of **distributive leadership** across the school

# United Schools Trust

## Governance Statement

### QUALITY OF TEACHING, LEARNING AND ASSESSMENT Judgement: Good

#### Next steps, including those identified from the SEF:

- ✓ TL1: Challenge all children including the more able to ensure maximum progress is achieved and that an increasing proportion achieve at greater depth
- ✓ TL2: To further develop and embed mastery within all lessons and levels.
- ✓ TL3: To ensure that pupils are able to develop and apply a wide range of age appropriate skills in reading, writing and maths within the context of the Learning Challenge Curriculum with a particular focus on the quality of cross-curricular writing and the acceleration of progress particularly with the more able to achieve greater depth in writing.

### PERSONAL DEVELOPMENT, BEHAVIOUR AND WELFARE Judgement: Good/outstanding

#### Next steps, including those identified from the SEF:

- ✓ PDBW1 Alongside the development of higher order thinking and questioning skills develop the use of 'Growth Mindset' to enhance learning and to develop resilience and a culture of increased challenge
- ✓ PDBW2 To continue to promote healthy lifestyles by ensuring that children have a secure understanding of how to keep themselves healthy, including mental health with a focus on dementia friendly initiatives.
- ✓ PDBW3 Develop the use of outdoor space for learning

### THE EFFECTIVENESS OF EARLY YEARS PROVISION Judgement: Good/outstanding

#### Next steps, including those identified from the SEF:

- ✓ EEYP1: To ensure that Reception and external providers of nursery/preschool work closely in partnership to ensure maximum alignment and to ensure a smooth transition into Reception.
- ✓ EEYP2: To develop the outdoor area in the new school

### SUSTAINABILITY

#### Next steps, including those identified from the SEF:

- ✓ S1: To continue to raise the profile of the school in the local community and to engage local businesses in the life of the school as well as for sponsorship and fundraising with a focus on dementia friendly initiatives.
- ✓ S2: To work with appointed external provider to set up and manage a nursery for up to 60 children and wrap around care including before and after school care and a holiday club and to provide seamless transition into Reception.
- ✓ S3: To investigate ways to generate income from the school building and grounds

### FINANCE/AUDITS

#### Next steps identified from Francis Clark internal control findings (Accounts audit Dec 2019) & Devon audit Partnership Key Financial Systems Reviews 2019-20

### OFSTED PRIORITIES (May 2019)

- Further increase the accountability of leaders by ensuring that:
  - School improvement plans are more sharply focused, for example with clear targets and time scales, to ensure that they have the required impact on raising pupils' achievement, particularly for pupils with SEND
  - Leaders, including trustees, monitor plans regularly and make adjustments to increase the effectiveness of their work
- Improve the quality of teaching and learning by ensuring that teachers:
  - Develop pupils' ability to use their knowledge and skills in writing across the curriculum, in order to increase the number of pupils reaching the higher standards of which they are capable
  - Improve the teaching and assessment of spelling across Key Stage 1 so that pupils understand spelling patterns and rules and spell words correctly

# United Schools Trust

## Governance Statement

The Board of trustees demonstrates its focus on its three core strategic functions: firstly, ensuring clarity of vision, ethos and strategic direction; secondly, holding the Principal to account for educational performance of the school and its pupils; and finally overseeing the financial performance of the school and making sure its money is well spent.

### **1. Vision, ethos and strategic direction**

The Board of trustees seek to provide all children at Kingsteignton School with an outstanding and inspiring education within a caring and nurturing environment.

We value individuals, recognise and celebrate their gifts and talents and provide the opportunities they need to help them achieve personal and academic excellence.

Our curriculum aims to inspire and motivate children to explore and learn about the world around them, it will help them gain an awareness of the role within their communities and prepare them for their future lives. We actively encourage children to embrace technology and aim to be at the cutting edge of using technology in the classroom.

The values for life that we promote through our Trust are Friendship, Compassion, Justice, Courage and Perseverance.

We are a dementia friendly school and actively encourage children to lead healthy and active lives and to engage with more elderly members of the local community in a wide range of ventures and activities. The school and its trustees will be central to developing a dementia friendly local community.

Finally, our trust is aspirational - we want every child to reach his or her potential and every member of staff to do the same. Our overarching motto is 'Aiming Higher, Achieving More, Together' and this encompasses everything we do.

# United Schools Trust

## Governance Statement

Our child-centred ethos states that for all stake holders including pupils, staff and trustees:

By the time you leave us you will:

- have grown healthy and strong and understand how to look after your body and mind
- feel part of our community, proud of yourselves and our school and inspired to make a difference
- love learning new things, feel ready for the future and want to keep on learning more
- know what it feels like to be good at something and have achieved your very best
- understand just how amazing you are, believe in yourself and have the confidence and resilience to follow your dream
- have known friendship and learned how to get along well with other people of all ages
- have been privileged to work alongside outstanding teachers who inspire, enthuse and motivate you in your learning
- have learned to love nature, the outdoor environment and learning 'without walls and ceiling'
- have embraced technology in all its forms and understand how it can help you in life
- have become a responsible global citizen who respects the rights of others

The challenges of opening a new school have continued to form a major part of the strategic development of the school by the trustees during its fourth year. Ensuring that the school is valued within the local community continues to be a priority and this has been achieved through a range of marketing strategies and the development of an aspirational culture which allows children to perform at a high level (see below). The school started with 14 pupils in September 2016 - and finished the 2019-2020 academic year with 109. The school is now held in high regard by the local community and the trustees are confident that the school will continue to grow rapidly towards its capacity of 420 pupils. Managing the growth of both the school and the Trust will form part of the revised strategic plan 2020-2023.

### **2. Holding the Principal to account for education performance or the school**

The trustees are rigorous in their evaluation of the educational performance of the school and individual trustees work alongside the Principal as described in their portfolio terms of reference. The trustees and the Principal are aspirational in terms of pupil progress and attainment and half termly assessment results are shared with the trustees. SMART interventions are put in place to accelerate progress where a child is falling behind and the impact of these interventions is closely monitored. The outcome of this is that pupils have performed well above national and Devon expectations at the end of each year and it is expected that these will be maintained into the future. The onset of the COVID pandemic has meant that this year there is no statutory data with which to benchmark the school, however mid-year assessments in March showed that the majority of pupils were on track to achieve their targets and that, given a normal year, would have continued the high level of performance that the school has exhibited up to the present.

Trustees actively promote the partnership work between the UST and the USF and recognise the importance of this work in the development of our school. The significant benefits of working in partnership have also been recognised by external agencies including Ofsted and the Department of Education. Individual trustees have clear responsibilities for monitoring particular areas of school business as part of their portfolio terms of reference and meetings are scheduled every term with the Principal. Monitoring visits since March 2020 have been virtual meetings or telephone calls.

The school's first Ofsted inspection in the Summer term 2019 showed that the school was working 'at the very top end of good' in all areas and the areas of development continue to form the driving force behind the School Improvement plan as well as addressing the impact of covid-19 on our children and staff.

# United Schools Trust

## Governance Statement

### 3. Overseeing the financial performance of the school

The majority of trustees have been trained in School Finance management. The impact of the trustees' role in the school ensures that the budget is managed effectively and improvements are effective and continuous. The appointment of a parent trustee with accountancy qualifications has developed the financial expertise of the board of trustees - this was an area identified for development in a trustee skills audit.

The internal audit review that took place during the 2019/20 financial year has provided Trustees with assurance that the controls in place to manage the risks within the areas tested are well controlled and consistently practiced. Minimal findings have been made in the 2019/20 audit report that should be addressed by the Academy by implementing the suggested recommendations in order to ensure that the control framework is effective in managing and reducing the identified risks. The overall opinion of the internal auditors is that the systems in place are of a high standard.

#### Review of Value for Money

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

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

- Working in partnership with the United Schools Federation enabling economies of scale by sharing, where possible IT expertise, curriculum procurement costs and CPD.
- Partnership work has also enabled the sharing of good practice educationally to drive up standards. Whilst there are no statutory assessment results this year due to the Covid19 pandemic, teacher assessments in March showed that the vast majority of children were on track to achieve ARE at the end of the academic year. Those children who had fallen behind due to lockdown will be supported to make accelerated progress over the course of the next academic year and an additional teacher has been appointed to lead the catch up interventions required and to cover PPA from September 2020.
- Tendering is used appropriately and effectively to get the best deal and market

The impact of delivering improved value for money is that Kingsteignton School has, once again, a very healthy carry forward for this year and the budget forecast shows that for the next 3 years, the school will operate on a positive credit budget.

#### The Purpose of the System of Internal Control

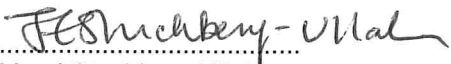
The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an 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 United Schools Trust for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.




# United Schools Trust

## Governance Statement

Approved by order of the members of the Governing Body on 17/12/2020 and signed on its behalf by:

  
.....  
Mrs J Stuchbery-Ullah  
Director

  
.....  
Dr P Fitch  
Accounting officer  
Director

# United Schools Trust

## Governance Statement

### Capacity to Handle Risk

The board of trustees are reviewing 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 and a Risk Management Strategy and a Risk Register have been developed and is reviewed regularly at Board of trustee meetings.

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

The board of trustees has considered the need for a specific internal audit function and has appointed Devon Audit Partnership as an internal auditor. Internal checks are carried out on a termly basis and include 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:

- Governance, accounting and financial control
- Accounting and financial control – anti fraud
- Internal financial control - income
- Internal financial control – purchases and payments
- Internal financial control – contracts and tendering
- Internal financial control – salaries, wages and expenses
- Internal financial control – assets
- Internal financial control – investments

On a termly basis, the internal auditor produces a report following the audit visit and the principal/accounting officer reports to the board of trustees on the operation of systems of control and on the discharge of the board of trustee's financial responsibilities.

A new finance/accounting system - Access for Education was introduced at the beginning of the 2019-20 academic year and the administration team have been fully trained on the new system. The reason for the change was to allow the introduction of a system that was specifically aligned to the reporting arrangements required for academies.

### Review of Effectiveness

As accounting officer, the Principal 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 and the financial consultant employed from Babcock LDP working with the Chief Financial Officer of the Trust.

The accounting officer has been advised of the implications of the review of the system of internal control by the Board of Trustees and a plan to ensure continuous improvement of the system is in place.


# United Schools Trust

## Statement of Regularity, Propriety and Compliance

As Accounting Officer of United Schools Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Trust board of trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2019.

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

..........  
Dr P Fitch  
Accounting officer

Date: 17/12/2020

# United Schools Trust

## Statement of Trustees' Responsibilities

The Trustees (who are also directors of United Schools Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction 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 financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 17/12/2020 and signed on its behalf by:

  
.....  
Mrs J Stuchbery-Ullah  
Trustee

  
.....  
Dr P Fitch  
Trustee

# United Schools Trust

## Independent Auditor's Report on the Financial Statements to the Members of United Schools Trust

### Opinion

We have audited the financial statements of United Schools Trust (the 'Academy') for the year ended 31 August 2020, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2020 and of its 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, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

### Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)

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

## United Schools Trust

### Independent Auditor's Report on the Financial Statements to the Members of United Schools Trust

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

We have nothing to report in this regard.

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

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

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

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

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

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

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

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 26], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

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

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

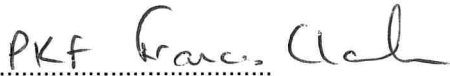
## United Schools Trust

### Independent Auditor's Report on the Financial Statements to the Members of United Schools Trust

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](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 Academy'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 Academy'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 Academy's Members, as a body, for our audit work, for this report, or for the opinions we have formed.



Sharon Austen FCCA (Senior Statutory Auditor)  
PKF Francis Clark, Statutory Auditor

Sigma House  
Oak View Close  
Edginswell Park  
Torquay  
Devon  
TQ2 7FF

Date: 21 December 2020

## United Schools Trust

### Independent Reporting Accountant's Assurance Report on Regularity to United Schools Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 13 October 2020 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 United Schools 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 United Schools Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to United Schools Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than United Schools Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of United Schools Trust's Accounting Officer and the reporting Accountant**

The Accounting Officer is responsible, under the requirements of United Schools Trust's funding agreement with the Secretary of State for Education dated 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 year from 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

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

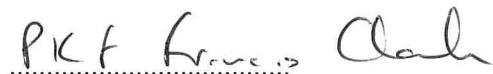


## United Schools Trust

### Independent Reporting Accountant's Assurance Report on Regularity to United Schools Trust and the Education and Skills Funding Agency

#### Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Sharon Austen FCCA

PKF Francis Clark, Chartered Accountants

Sigma House  
Oak View Close  
Edginswell Park  
Torquay  
Devon  
TQ2 7FF

Date: 21 December 2020

## United Schools Trust

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

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2019/20 Total £ 000
<b>Income and endowments from:</b>					
Donations and capital grants	2	-	-	1	1
<i>Charitable activities:</i>					
Funding for the Academy Trust's educational operations	3	-	611	-	611
Other trading activities	4	9	46	-	55
Total		9	657	1	667
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	6	5	702	214	921
Net income/(expenditure)		4	(45)	(213)	(254)
Transfers between funds		-	(48)	48	-
<b>Other recognised gains and losses</b>					
Actuarial gain/(loss) on defined benefit pension schemes	21	-	(76)	-	(76)
Net movement in funds/(deficit)		4	(169)	(165)	(330)
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 September 2019		1	205	6,564	6,770
Total funds carried forward at 31 August 2020		5	36	6,399	6,440

## United Schools Trust

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

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2018/19 £ 000
<b>Income and endowments from:</b>					
Donations and capital grants	2	-	-	6,340	6,340
<i>Charitable activities:</i>					
Funding for the Academy Trust's educational operations	3	-	485	-	485
Other trading activities	4	-	74	-	74
Total		-	559	6,340	6,899
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	6	-	597	246	843
Net (expenditure)/income		-	(38)	6,094	6,056
Transfers between funds		-	36	(36)	-
<b>Other recognised gains and losses</b>					
Actuarial gain/(loss) on defined benefit pension schemes	21	-	(14)	-	(14)
Net movement in (deficit)/funds		-	(16)	6,058	6,042
<b>Reconciliation of funds</b>					
Total funds brought forward at 1 September 2018		1	221	506	728
Total funds carried forward at 31 August 2019		1	205	6,564	6,770

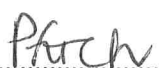
# United Schools Trust

## (Registration number: 09255130) Balance Sheet as at 31 August 2020

	Note	2020 £ 000	2019 £ 000
<b>Fixed assets</b>			
Intangible assets	10	3	1
Tangible assets	11	<u>6,291</u>	<u>6,446</u>
		<u>6,294</u>	<u>6,447</u>
<b>Current assets</b>			
Debtors	12	158	200
Cash at bank and in hand		<u>273</u>	<u>258</u>
		431	458
Creditors: Amounts falling due within one year	13	<u>(100)</u>	<u>(79)</u>
Net current assets		<u>331</u>	<u>379</u>
Total assets less current liabilities		<u>6,625</u>	<u>6,826</u>
Net assets excluding pension liability		6,625	6,826
Defined benefit pension scheme liability	21	<u>(185)</u>	<u>(56)</u>
Net assets		<u><u>6,440</u></u>	<u><u>6,770</u></u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund		221	261
Restricted fixed asset fund		6,399	6,564
Restricted pension fund		<u>(185)</u>	<u>(56)</u>
		6,435	6,769
<b>Unrestricted funds</b>			
Unrestricted general fund		<u>5</u>	<u>1</u>
Total funds		<u><u>6,440</u></u>	<u><u>6,770</u></u>

The financial statements on pages 32 to 59 were approved by the Trustees, and authorised for issue on 17/12/2020 and signed on their behalf by:

  
.....  
Mrs J Stuchbery-Ullah  
Director

  
.....  
Dr P Fitch  
Director

## United Schools Trust

### Statement of Cash Flows for the Year Ended 31 August 2020

	Note	2020 £ 000	2019 £ 000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	17	75	211
Cash flows from investing activities	18	<u>(60)</u>	<u>(166)</u>
Change in cash and cash equivalents in the year		15	45
Cash and cash equivalents at 1 September		<u>258</u>	<u>213</u>
Cash and cash equivalents at 31 August	19	<u><u>273</u></u>	<u><u>258</u></u>

# United Schools Trust

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

### 1 Accounting policies

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

#### **Basis of preparation**

The financial statements of the Academy Trust 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 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.

United Schools Trust meets the definition of a public benefit entity under FRS 102.

#### **Going concern**

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

#### **Income**

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

#### **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

# United Schools Trust

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

### 1 Accounting policies (continued)

The trust is benefiting from the ESFA's Free School Building Programme for the construction of Kingsteignton Primary School. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the trust controls (through lease) the site where the development is occurring. The expenditure is capitalised in assets under construction until the project is complete.

#### ***Sponsorship income***

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

#### ***Donations***

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

#### ***Other income***

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

#### ***Donated goods, facilities and services***

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

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

#### ***Expenditure***

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

All resources expended are inclusive of irrecoverable VAT.

# United Schools Trust

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

### 1 Accounting policies (continued)

#### **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.

#### **Intangible fixed assets**

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

<b>Asset class</b>	<b>Amortisation method and rate</b>
Software	20% straight line

#### **Tangible fixed assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

Leasehold land and buildings	Straight line over the period from purchase date to 14 January 2019 or 2% straight line
Plant and equipment	33% straight line
Furniture and fixtures	25% straight line
Motor Vehicles	20% straight line

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

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



# United Schools Trust

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

### 1 Accounting policies (continued)

#### 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.

#### Provisions

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

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

#### Leased assets

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

#### Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

#### 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.

# United Schools Trust

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

### 1 Accounting policies (continued)

#### Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

#### Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Trustees.

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

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

#### Critical accounting estimates and areas of judgement

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

# United Schools Trust

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

### 1 Accounting policies (continued)

#### *Critical accounting estimates and assumptions*

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21 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

	<b>Restricted fixed asset funds £ 000</b>	<b>2019/20 Total £ 000</b>	<b>2018/19 Total £ 000</b>
Capital grants	1	1	81
Donated fixed assets	-	-	6,259
	<u>1</u>	<u>1</u>	<u>6,340</u>

# United Schools Trust

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

### 3 Funding for the Academy Trust's educational operations

	Restricted funds £ 000	Total 2019/20 £ 000	Total 2018/19 £ 000
<b>DfE/ESFA revenue grants</b>			
General Annual Grant (GAG)	456	456	410
PE and Sports	17	17	16
Pupil Premium	21	21	16
Universal Infant Free School Meals (UIFSM)	33	33	28
Post Opening Grant	56	56	15
Other DfE Revenue Grant	19	19	-
	<u>602</u>	<u>602</u>	<u>485</u>
<b>Other government grants</b>			
High Needs Funding	9	9	-
	<u>9</u>	<u>9</u>	<u>-</u>
Total grants	<u><u>611</u></u>	<u><u>611</u></u>	<u><u>485</u></u>

### 4 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	2019/20 Total £ 000	2018/19 Total £ 000
Recharges and reimbursements	-	3	3	6
Other income	9	43	52	68
	<u>9</u>	<u>46</u>	<u>55</u>	<u>74</u>
	<u><u>9</u></u>	<u><u>46</u></u>	<u><u>55</u></u>	<u><u>74</u></u>

# United Schools Trust

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

### 5 Expenditure

	Non Pay Expenditure			2019/20	2018/19
	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total £ 000	Total £ 000
<b>Academy's educational operations</b>					
Direct costs	324	-	78	402	328
Allocated support costs	192	260	67	519	515
	<u>516</u>	<u>260</u>	<u>145</u>	<u>921</u>	<u>843</u>
<b>Net income/(expenditure) for the year includes:</b>					
				<b>2019/20</b> <b>£ 000</b>	<b>2018/19</b> <b>£ 000</b>
Fees payable to auditor - audit				9	7
- other audit services				<u>3</u>	<u>-</u>

# United Schools Trust

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

### 6 Charitable activities

	<b>Total 2019/20 £ 000</b>	<b>Total 2018/19 £ 000</b>	
<b>Direct costs - educational operations</b>	402	328	
<b>Allocated support costs</b>	519	515	
	<u>921</u>	<u>843</u>	
	<b>Educational operations £ 000</b>	<b>Total 2019/20 £ 000</b>	<b>Total 2018/19 £ 000</b>
<b>Analysis of support costs</b>			
Support staff costs	192	192	91
Depreciation	212	212	246
Premises costs	48	48	31
Other support costs	47	47	129
Governance costs	20	20	18
<b>Total support costs</b>	<u>519</u>	<u>519</u>	<u>515</u>

# United Schools Trust

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

### 7 Staff

#### Staff costs

	2019/20 £ 000	2018/19 £ 000
<b>Staff costs during the year were:</b>		
Wages and salaries	369	287
Social security costs	23	17
Pension costs	130	73
	<u>522</u>	<u>377</u>
Supply teacher costs	4	-
Staff restructuring costs	1	-
	<u>527</u>	<u>377</u>
		<b>2019/20 £ 000</b>
<b>Staff restructuring costs comprise:</b>		
Severance payments		<u>1</u>

#### **Non statutory/non-contractual staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £1,000 (2019: £Nil). Individually, the payments were:

Non-contractual payments £1,000

# United Schools Trust

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

### 7 Staff (continued)

#### Staff numbers

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

	2019/20 No	2018/19 No
<b>Charitable Activities</b>		
Teachers	8	5
Administration and Support	5	3
Management	1	1
	<u>14</u>	<u>9</u>

#### Staff numbers

The average number of persons (including senior management team) employed by the Academy Trust during the year expressed as average headcount was as follows:

	2019/20 No	2018/19 No
<b>Charitable Activities</b>		
Teachers	9	7
Administration and support	14	10
Management	2	2
	<u>25</u>	<u>19</u>

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £85,000 (2019: £70,000).



# United Schools Trust

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

### 8 Related party transactions - Trustees' remuneration and expenses

Dr P Fitch (CEO - United Schools Trust):

Remuneration: £55,000 - £60,000 (2019 - £50,000 - £55,000)

Employer's pension contributions: £10,000 - £15,000 (2019 - £5,000 - £10,000)

Mrs K West (Deputy Head Teacher):

Remuneration: £5,000 - £10,000 (2019 - £0 - £5,000)

Employer's pension contributions: £0 - £5,000 (2019 - £0 - £5,000)

No other remuneration or expenses have been paid to any directors in the period.

Other related party transactions involving the Trustees are set out in note 22.

### 9 Trustees' and officers' insurance

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

### 10 Intangible fixed assets

	Software £ 000	Total £ 000
<b>Cost</b>		
At 1 September 2019	4	4
Additions	5	5
Impairment	(2)	(2)
At 31 August 2020	<u>7</u>	<u>7</u>
<b>Amortisation</b>		
At 1 September 2019	3	3
Charge for the year	1	1
At 31 August 2020	<u>4</u>	<u>4</u>
<b>Net book value</b>		
At 31 August 2020	<u>3</u>	<u>3</u>
At 31 August 2019	<u>1</u>	<u>1</u>

## United Schools Trust

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

#### 11 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and fixtures £ 000	Plant and equipment £ 000	Motor vehicles £ 000	Total £ 000
<b>Cost</b>					
At 1 September 2019	6,263	102	222	19	6,606
Additions	-	40	16	-	56
At 31 August 2020	<u>6,263</u>	<u>142</u>	<u>238</u>	<u>19</u>	<u>6,662</u>
<b>Depreciation</b>					
At 1 September 2019	70	20	68	2	160
Charge for the year	113	27	67	4	211
At 31 August 2020	<u>183</u>	<u>47</u>	<u>135</u>	<u>6</u>	<u>371</u>
<b>Net book value</b>					
At 31 August 2020	<u>6,080</u>	<u>95</u>	<u>103</u>	<u>13</u>	<u>6,291</u>
At 31 August 2019	<u>6,193</u>	<u>82</u>	<u>154</u>	<u>17</u>	<u>6,446</u>

#### 12 Debtors

	2020 £ 000	2019 £ 000
Trade debtors	4	1
Prepayments	17	1
Accrued grant and other income	122	198
VAT recoverable	15	-
	<u>158</u>	<u>200</u>

## United Schools Trust

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

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

	2020 £ 000	2019 £ 000
Trade creditors	47	-
Other taxation and social security	17	14
VAT grant repayable	-	5
Other creditors	-	25
Accruals	17	19
Deferred income	19	16
	<u>100</u>	<u>79</u>
	<b>2020</b> <b>£ 000</b>	<b>2019</b> <b>£ 000</b>
<b>Deferred income</b>		
Deferred income at 1 September 2019	16	11
Resources deferred in the period	19	16
Amounts released from previous periods	<u>(16)</u>	<u>(11)</u>
Deferred income at 31 August 2020	<u>19</u>	<u>16</u>

At the balance sheet date the Academy was holding income in advance in relation to UIFSM funding for the academic year 2020/21 of £19,000.

# United Schools Trust

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

### 14 Funds

	Balance at 1 September 2019 £ 000	Income £ 000	Expenditure £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2020 £ 000
<b>Restricted general funds</b>					
Start up Grant	115	-	-	(115)	-
General Annual Grant	93	456	(513)	67	103
Pupil Premium	-	21	(21)	-	-
PE and Sports	3	17	(10)	-	10
UIFSM	-	33	(33)	-	-
High Needs Funding	1	9	(10)	-	-
Trips	3	1	(1)	-	3
Clubs	27	45	(38)	-	34
Post Opening Grant	15	56	-	-	71
Other Restricted Income	4	5	(9)	-	-
Teachers' Pension Grant	-	14	(14)	-	-
	<u>261</u>	<u>657</u>	<u>(649)</u>	<u>(48)</u>	<u>221</u>
<b>Restricted fixed asset funds</b>					
ESFA - Free School Building Grant	6,393	(4)	(181)	(2)	6,206
Capital expenditure from GAG	43	-	(16)	54	81
ESFA Capital Funding	128	5	(17)	(4)	112
	<u>6,564</u>	<u>1</u>	<u>(214)</u>	<u>48</u>	<u>6,399</u>
<b>Restricted pension funds</b>					
Defined Benefit Pension Liability	<u>(56)</u>	<u>-</u>	<u>(53)</u>	<u>(76)</u>	<u>(185)</u>
Total restricted funds	6,769	658	(916)	(76)	6,435
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>1</u>	<u>9</u>	<u>(5)</u>	<u>-</u>	<u>5</u>
Total funds	<u><u>6,770</u></u>	<u><u>667</u></u>	<u><u>(921)</u></u>	<u><u>(76)</u></u>	<u><u>6,440</u></u>

# United Schools Trust

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

### 14 Funds (continued)

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

	Balance at 1 September 2018 £ 000	Income £ 000	Expenditure £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2019 £ 000
<b>Restricted general funds</b>					
Start up Grant	115	-	-	-	115
General Annual Grant	97	410	(450)	36	93
Pupil Premium	-	16	(16)	-	-
PE and Sports	1	16	(14)	-	3
UIFSM	9	28	(37)	-	-
High Needs Funding	4	-	(3)	-	1
Trips	2	2	(1)	-	3
Clubs	6	63	(42)	-	27
Post Opening Grant	-	15	-	-	15
Other Restricted Income	1	9	(6)	-	4
	<u>235</u>	<u>559</u>	<u>(569)</u>	<u>36</u>	<u>261</u>
<b>Restricted fixed asset funds</b>					
ESFA - Free School Building Grant	350	6,259	(151)	(65)	6,393
Start Up Grant	1	-	(1)	-	-
Capital expenditure from GAG	16	-	(11)	38	43
ESFA Capital Funding	139	81	(83)	(9)	128
	<u>506</u>	<u>6,340</u>	<u>(246)</u>	<u>(36)</u>	<u>6,564</u>
<b>Restricted pension funds</b>					
Defined Benefit Pension Liability	(14)	-	(28)	(14)	(56)
Total restricted funds	727	6,899	(843)	(14)	6,769
<b>Unrestricted funds</b>					
Unrestricted general funds	1	-	-	-	1
Total funds	<u><u>728</u></u>	<u><u>6,899</u></u>	<u><u>(843)</u></u>	<u><u>(14)</u></u>	<u><u>6,770</u></u>

# United Schools Trust

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

### 15 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Intangible fixed assets	-	-	3	3
Tangible fixed assets	-	-	6,291	6,291
Current assets	5	321	105	431
Current liabilities	-	(100)	-	(100)
Pension scheme liability	-	(185)	-	(185)
Total net assets	<u>5</u>	<u>36</u>	<u>6,399</u>	<u>6,440</u>

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Intangible fixed assets	-	-	1	1
Tangible fixed assets	-	-	6,446	6,446
Current assets	1	340	117	458
Current liabilities	-	(79)	-	(79)
Pension scheme liability	-	(56)	-	(56)
Total net assets	<u>1</u>	<u>205</u>	<u>6,564</u>	<u>6,770</u>

### 16 Capital commitments

	2020 £ 000	2019 £ 000
Contracted for, but not provided in the financial statements	<u>1</u>	<u>8</u>

# United Schools Trust

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

### 17 Reconciliation of net (expenditure)/income to net cash inflow/(outflow) from operating activities

	2020 £ 000	2019 £ 000
Net (expenditure)/income	(254)	6,056
Amortisation	1	1
Depreciation	211	246
Non-cash assets transferred from ESFA	-	(6,259)
Capital grants from DfE and other capital income	(1)	(81)
Defined benefit pension scheme cost less contributions payable	53	28
Decrease in debtors	42	257
Increase/(decrease) in creditors	21	(37)
Impairment	2	-
Net cash provided by Operating Activities	<u>75</u>	<u>211</u>

### 18 Capital expenditure and financial investment

	2020 £ 000	2019 £ 000
Purchase of intangible fixed assets	(5)	-
Purchase of tangible fixed assets	(56)	(247)
Capital grants from DfE/EFA	1	81
Net cash used in investing activities	<u>(60)</u>	<u>(166)</u>

### 19 Analysis of cash and cash equivalents

	2020 £ 000	2019 £ 000
Cash at bank and in hand	<u>273</u>	<u>258</u>
Total cash and cash equivalents	<u>273</u>	<u>258</u>

### 20 Members' liability

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

# United Schools Trust

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

### 21 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 Devon County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £7,000 (2019 - £Nil) were payable to the schemes at 31 August 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 member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

#### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- 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. 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.



# United Schools Trust

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

### 21 Pension and similar obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £49,000 (2019: £26,000).

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

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

### Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £37,000 (2019 - £26,000), of which employer's contributions totalled £28,000 (2019 - £19,000) and employees' contributions totalled £9,000 (2019 - £7,000). The agreed contribution rates for future years are 17.6 per cent plus £291 per month for employers and 5.5 - 12.5 per cent for employees.

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

On 27 June 2019 the Supreme Court upheld the Court of Appeal's ruling that government reform's made in 2015 to the pensions of judges and firefighters were unlawful on the grounds of age discrimination. This case has become known as the 'McCloud judgement' and the ruling will have wider implications for all public service schemes affected by the reforms. Accordingly, the valuation provided by the actuary at 31 August 2019 includes the expected impact of compensation payments arising from this judgement.

### Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.20	3.70
Rate of increase for pensions in payment/inflation	2.20	2.20
Discount rate for scheme liabilities	<u>1.70</u>	<u>1.90</u>

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

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

# United Schools Trust

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

### 21 Pension and similar obligations (continued)

#### Sensitivity analysis

	At 31 August 2020 £000	At 31 August 2019 £000
Discount rate +0.1%	266	94
Discount rate -0.1%	288	100
Mortality assumption – 1 year increase	286	100
Mortality assumption – 1 year decrease	268	94
CPI rate +0.1%	288	100
CPI rate -0.1%	266	94

# United Schools Trust

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

### 21 Pension and similar obligations (continued)

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

	<b>2020</b>	<b>2019</b>
	<b>£ 000</b>	<b>£ 000</b>
Equities	55	25
Gilts	3	-
Other bonds	4	1
Property	7	4
Cash and other liquid assets	1	-
Other	22	11
	<hr/>	<hr/>
Total market value of assets	<u>92</u>	<u>41</u>

The actual return on scheme assets was £Nil (2019 - £1,000).

# United Schools Trust

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

### 21 Pension and similar obligations (continued)

#### Amounts recognised in the statement of financial activities

	2019/20 £ 000	2018/19 £ 000
Current service cost	79	47
Net interest cost	1	-
Total amount recognised in the SOFA	<u>80</u>	<u>47</u>

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

	2019/20 £ 000	2018/19 £ 000
At start of period	97	28
Current service cost	79	47
Interest cost	2	1
Employee contributions	9	7
Actuarial (gain)/loss	90	14
At 31 August	<u>277</u>	<u>97</u>

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

	2019/20 £ 000	2018/19 £ 000
At start of period	41	14
Interest income	-	1
Actuarial gain/(loss)	14	-
Employer contributions	28	19
Employee contributions	9	7
At 31 August	<u>92</u>	<u>41</u>

The net position deficit as at 31 August 2019 was £185,000 (2019: £56,000).

### 22 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 a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 8.

# United Schools Trust

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

### 23 Analysis of changes in net debt

	<b>At 1 September 2019 £000</b>	<b>Cash flows £000</b>	<b>At 31 August 2020 £000</b>
Cash	<u>258</u>	<u>15</u>	<u>273</u>
Total	<u>258</u>	<u>15</u>	<u>273</u>