

LDBS FRAYS ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

LDBS FRAYS ACADEMY TRUST

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LDBS FRAYS ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

The London Diocesan Board for Schools
The Bishop of Willesden
I Woolf
R Young
K Buckler

Trustees

A Brett
K Buckler (Chair of Trustees)
C Cole (Executive Headteacher & Accounting Officer)
J Duncan
I Woolf
A Belapurka (Appointed 6 September 2019 and resigned 3 February 2020)
S Carroll (Appointed 1 September 2019)
G Walker (Appointed 1 September 2019)

Senior management team

- Head of School - Cowley St Laurence	D Davies
- Head of School - St. Matthew's	L Barr
- Head of School - Laurel Lane	S Voisey
- Head of School - St Martin's	R Gumbs
- Head Teacher - Beechwood	S Hunter
- Chief Operating Officer	J Gaffney
- Chief Executive/Executive Headteacher	C Cole
- Head Of Finance	R Ahmad

Company secretary

C Mosdell

Company registration number

08335073 (England and Wales)

Principal and registered office

Cowley St Laurence C of E Primary School
Worcester Road
Cowley
Uxbridge
Middlesex
UB8 3TH

Academies operated

Location

Heads of School/ Head Teacher

Cowley St Laurence CofE Primary School	Cowley	D Davies
Laurel Lane Primary School	West Drayton	S Voisey
St Martin's CofE Primary School	West Drayton	R Gumbs
St Matthew's CofE Primary School	Yiewsley	L Barr
Beechwood Primary School	Wokingham	S Hunter

Independent auditor

Alliotts LLP
Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DL

LDBS FRAYS ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Winkworth Sherwood
Minerva House
Montague Close
London
SE1 9BB

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Structure, governance and management

Constitution

The Frays Academy Trust (from here known simply as the Trust) is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust.

The Trustees of LDBS Frays Academy Trust are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Frays Academy Trust. Details of the Trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

As at 31 August 2020 the Trust was made up of 5 academies. Cowley St Laurence Primary School and St Matthew's Primary School converted to academies on 1 February 2013 and were joined by Laurel Lane Primary School on 1 April 2013. St Martin's Primary School joined the Trust as a newly opened academy on 1 September 2015. The Trust also operates a 2-year-old provision within Laurel Lane called The Pond and a Special Resource Provision, "The Oasis", within St Martin's Primary School. Beechwood Primary School converted to an academy and joined the Trust on 1 September 2019. The academies provide high quality education to children of primary school age in Cowley, Yiewsley, West Drayton and Wokingham in accordance with the Trust's objective as set out in its Articles of Association.

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 Trust has taken out professional indemnity insurance which provides cover for Trustees (Directors) and Governors regarding liabilities arising from acts of neglects, errors and/or omissions committed in good faith. Such qualifying third party indemnity insurance remains in force at the date of approving this report.

Method of recruitment and appointment or election of Trustees

The number of Trustees shall not be less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The members shall appoint such number of Trustees as they decide, provided they appoint at least two Trustees. The Trustees shall appoint one Trustee who is a member of the clergy in the Church of England.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new governors and Trustees is in accordance with our policies. Where necessary, training is provided for by a Service Level Agreement (SLA) with the Local Authority under Governance Services or by independent companies depending on the need. Governors' training sessions are held regularly throughout the school year.

All new governors and Trustees are given a tour of the Trust academies and a chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budget plans and other documents that they need to undertake their role as governors.

Organisational structure

See Appendix 3 Organisational Structure for details of our governing structure how our teaching and learning is led and our management structure.

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Arrangements for setting pay and remuneration of key management personnel

The Trust's policies on Pay and Appraisal detail very clearly the process for setting performance management targets, the review of those targets and pay aligned to the performance reviews. Line managers are responsible for the review of the performance and pay of individual staff and the Board of Trustees are responsible for reviewing the performance of the Executive Headteacher. A Pay Committee has been established across the Trust to receive reports from senior leaders in order to scrutinise reasons for pay progression and consider supporting evidence. Schools HR Co-operative provides advice, guidance and support to the when setting salaries. The Trust continues to operate from the School Teachers Pay and Conditions and, for support staff, the National Joint Council (NJC) pay conditions.

Trade union facility time

Relevant union officials

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

-

Full-time equivalent employee number

-

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

-

1%-50%

-

51%-99%

-

100%

-

Percentage of pay bill spent on facility time

Total cost of facility time

-

Total pay bill

8,520,891

Percentage of the total pay bill spent on facility time

-

Paid trade union activities

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

-

Related parties and other connected charities and organisations

The Trust is affiliated with the London Diocese Board of Schools (LDBS) and buys in/receives support from both the LDBS and the London Borough of Hillingdon. The Trust also provides support to outer borough schools in the areas of curriculum development, staff training and raising standards through the CEO's role.

Objectives and activities

Objects and aims

The Trust's objectives, as set out in its Articles of Association, are specifically restricted to the following: to advance education for the public benefit in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing academies. To offer a broad and balanced curriculum. Any academy which is designated as having a Church of England character shall offer a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular for religious education and daily acts of worship (as required by the Funding Agreement). Also, in having regard for the advice and considering directives issued by the London Diocesan Board for Schools.

Objectives, strategies and activities

The vision is for each of the schools in the Trust to become Outstanding.

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Frays Academy Trust is a Church of England multi-academy trust affiliated to the London Diocesan Board for Schools (LDBS), the educational arm of the Diocese of London. The Trust is committed to delivering excellent primary education for children in Cowley, Yiewsley, West Drayton and Wokingham and to enabling our children, their families and our staff to flourish and realise their God-given potential. Our founding principles are Christian, based on the teachings of Jesus and the core belief that every person is loved and accepted by God, uniquely created in his image and given gifts and talents to be nurtured. The Bible (Proverbs 22 v6) states 'Train a child in the way they should go; even when they are old, they will not depart from it.'

We will realise these principles in an inclusive and open way, and we welcome both church schools and schools without a religious foundation into full membership of the Trust. In all our academies, every child will be given the opportunity to flourish in a health, safe and secure environment and to have their individual skills, talents and spiritual development nourished so that they bloom and prosper.

The Trust will enable all pupils to achieve and develop the skills, knowledge and understanding necessary for Secondary Education and beyond. The Trust will inspire excellence through high quality leadership, good and outstanding teaching as well as a highly creative curriculum. The learning culture within each Trust academy will inspire children to succeed academically and encourage pupils to aspire to reach their full potential.

At the foundation of our vision is a commitment to providing the highest quality, individualised, professional development for staff. The Trust will invoke high quality leaders of learning in order to provide an enriched curriculum for our pupils of today and tomorrow.

Within each academy in the Trust there are specific values, which are reviewed annually. The overall values of the Trust are:

- Equality to ensure that all pupils receive an outstanding education;
- Openness to be willing to adapt and change to respond to the needs of the school community;
- Honesty to critically evaluate leadership and teaching to ensure that the best possible provision can be developed in the Trust academies;
- Responsibility and accountability to ensure that leaders have high aspirations for all pupils in our Trust academies;
- Challenge to test our educational thinking to understand that there are always routes to improving provision within our academies;
- Partnership and support to enable all our academies to work jointly together, to critically analyse our work and support School Improvement.

Our Trust will support learners to reach and exceed expected standards of attainment and will be a leader of educational change in the wider community.

Aims

Our learners will:

- achieve high expectations;
- understand and celebrate the diversity of their community;
- develop resilience and a love of learning; and
- take an important role in being a positive impact on their community.

Our staff will:

- dedicate themselves to achieving the best outcomes for all learners;
- have a clear understanding of their roles and responsibilities and be accountable for their impact;
- develop their skills and knowledge in pursuit of the highest standards;
- work together to develop outstanding practice; and
- be committed to lifelong learning.

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Our leaders will:

- deploy their resources to secure best value and high outcomes for pupils;
- adopt robust ways of tracking the progress of pupils;
- support and challenge their teams to achieve sustained and sustainable improvement;
- be highly effective leaders of teaching and learning; and
- set high expectations for teaching and learning and expect all pupils and staff to achieve challenging targets.

Our schools will:

- have an inspiring curriculum;
- deliver teaching and learning that is consistently good and outstanding;
- raise levels of attainment and aspiration for all, which is above the national expectations;
- be supportive and create a caring environment for staff, learners and their families;
- have an inclusive, high quality learning environment;
- maintain safe environments where adults are dedicated to protecting the rights of pupils to a high quality education and life chances.

Public benefit

In setting our objectives and planning our activities, the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic report

Achievements and performance

See Appendices 1 & 2: Outcome for schools in Frays Trust 2019-20.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board of Trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The Trust showed Net Income for the Year of £1,424,000 income, which included the donation transfer of net assets from Beechwood Primary School of £1,865,134 on joining the academy trust at the beginning of the year. Without the introduction of Beechwood, the result was a deficit of £441,134 (2019 £139,425 deficit) before the actuarial loss of £572,000 (2019 - £1,137,000 loss) relating to the Local Government Pension Schemes. The overall Net Movement in Funds was £852,000 (2019 - £1,276,425 negative).

The total income of the Trust was £13,159,518 (2019: £9,510,674).

Most of the Trust's income is obtained from the Education & Skills Funding Agency (ESFA) in the form of grants. The grants received from the DfE and other government bodies during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Principal revenue funding from the ESFA amounted to £8,819,144 (2019: £7,354,085) and revenue funding from local authorities amounted to £1,704,280 (2019: £1,569,250).

A high percentage of this funding is spent on wages and salaries and support costs to deliver the academy's primary objective of the provision of education.

The Trust also receives grants for repairs and capital works from the ESFA, which are also restricted in nature. Repair and capital grants received from the ESFA were £504,068 (relating to £49,752 DFC & £454,316 Condition Improvement Fund (CIF)) (2019: £337,554). The related expenditure was treated as buildings repairs and maintenance, unless capitalised.

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Reserves policy

The Trust free reserves (unrestricted) position is £1,325,540 this is a historical reserve, that has been built up over the years to meet the increasingly changing financial climate we are in. The reserves policy addresses the following risks:

- Falling pupil's numbers within 2 schools in Hillingdon. The pupil numbers have fallen by 43 in one school which equates to a reduction of income of £135,002. Forecasting forward with this trend predicted to continue.
- The increase in pupils with SEN who receive no funding, however need 1:1 support: one school with diseconomies funding is due to end in 2021 and pupil number predictions show a downturn in number.
- The Local Authority Minimum Funding Guarantee (MFG) slowly decreasing over the years.

Other factors effecting the reserve level are:

- Capital projects which may require the Trust to use reserves for the increasingly higher contributions to ensure funding applications are successful.
- Schools joining the Trust have come with no reserves.

As at 31 August 2020 the Trust had total funds of £10,509,247. This comprised £13,665,612 in restricted fixed assets funds, a negative restricted pension deficit reserve in respect of the LGPS of £5,787,000, and £2,630,635 of available reserves (being the amount of restricted general funds (excluding pension reserve) and unrestricted funds).

The policy of the Trust is to accumulate reserves to cover the following key areas:

- planned capital expenditure in excess of capital funding;
- to meet the Trust's asset management plans for the following two years;
- a contingency for income protection to ensure the Trust has a balanced budget in year and for following years for all the Trust schools. The medium-term financial plan is that no school will have in-year deficits going forward.

Investment policy

Under its Articles of Association, the Trust has the power to invest any funds not immediately required for the furtherance of its objects while ensuring that due regard is made to ensure that any investments are prudent and suitable to its needs.

The Trust has selected a low risk investment of 32 days as an initial step to generate higher return on cash balances. The investment policy states the notice period required to request funds and how interest will be distributed. However, in balancing risk against return, the Trust policy is geared more towards avoiding risk than to maximising return.

Principal risks and uncertainties

The Trust maintains a risk register identifying the major risks to which it is exposed and identifying actions and procedures to mitigate those risks. This register and actions arising from it are monitored by the Audit Committee. The register is also actively monitored on a regular and frequent basis in individual academies by their respective Senior Leadership Teams.

The Trust's reports that the financial and internal controls conform to guidelines issued by the Education & Skills Funding Agency (ESFA) and that improvements to the wider framework of systems dealing with business risk management strategy continue to be made and formally documented.

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Trust assesses the principal risks and uncertainties as follows:

- Staff retention: the Trust is proactive in staff development and retention and uses both staff survey feedback and exit interview data to inform improvements.
- Material decreases in income affecting provision. The budget meets needs with further work planned to increase efficiencies, the Trust cash flow is healthy and long-term planning predicts it will remain so.
- To ensure admission places are filled throughout the year. Continuous marketing of places and the new school (St Martin's) is monitored weekly.

The Trust monitors financial performance through its monthly Board meetings and termly sub committees.

The Head of Finance carries out additional scrutiny of financial data on a monthly basis and this is signed off by the Chief Operating Officer.

Each Federated Governing Body has a Finance & Resource Committee (F&R) which meets on a termly basis, whose remit includes the maintenance of sufficient reserves to meet projected expenditure. In view of the short-term budget, the reserves reflect a healthy position.

The Trust has planned more resources and development for the Central Unit but also investment into the individual academies to attain higher achievements for the future.

The Trust provides access to two pension schemes for staff: Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). The TPS is a centrally managed scheme, where the government are responsible for any deficits; the LGPS is administered locally. For both TPS & LGPS there is a risk that remains for the Trust. The percentage contributions can rise following a three year valuation carried out by LGPS actuaries.

The LGPS scheme is in deficit and to reduce this deficit the Trust has set its employer contribution rate at 24.9% which would be expected to fund the deficit in approximately 15 years.

Our pension liability, valued in line with FRS 102, continues to cause concern for the Trust as it does with all other academies in the UK. Note 19 to the accounts explains these commitments more clearly and shows that at 31 August 2020 there was a potential deficit of £5,787,000.

Fundraising

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

Covid-19

The impact of Covid-19 has been covered in the Governance Statement.

Plans for future periods

The Trust Board has agreed a robust 3 year strategy plan for 2019-22 areas and this is set out in the Trust Strategic Plan. The strategic plan for 19/20 is very detailed and reported on at Board meetings.

The Strategic plan identifies the following aims:

- By 2021, the Frays Academy Trust will provide 2,400 high quality primary school places for pupils aged 3 to 11 in the five schools currently in the Trust. The provision will allow for all pupils to make outstanding progress.
- The Early Years Foundation Stage in each school including in the provision for two year olds, will be 'Centres of Excellence', which will enable the lowest attaining pupils to leave the early years ready prepared for Key Stage 1.
- The Trust is considering offering Secondary places.
- By the beginning of 2021 the Trust will consider 1 school joining.

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

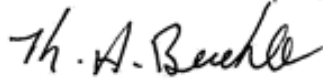
FOR THE YEAR ENDED 31 AUGUST 2020

Auditor

In so far as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on ~~16.12.20~~..... and signed on its behalf by:



.....
K Buckler

Chair of Trustees

LDBS FRAYS ACADEMY TRUST

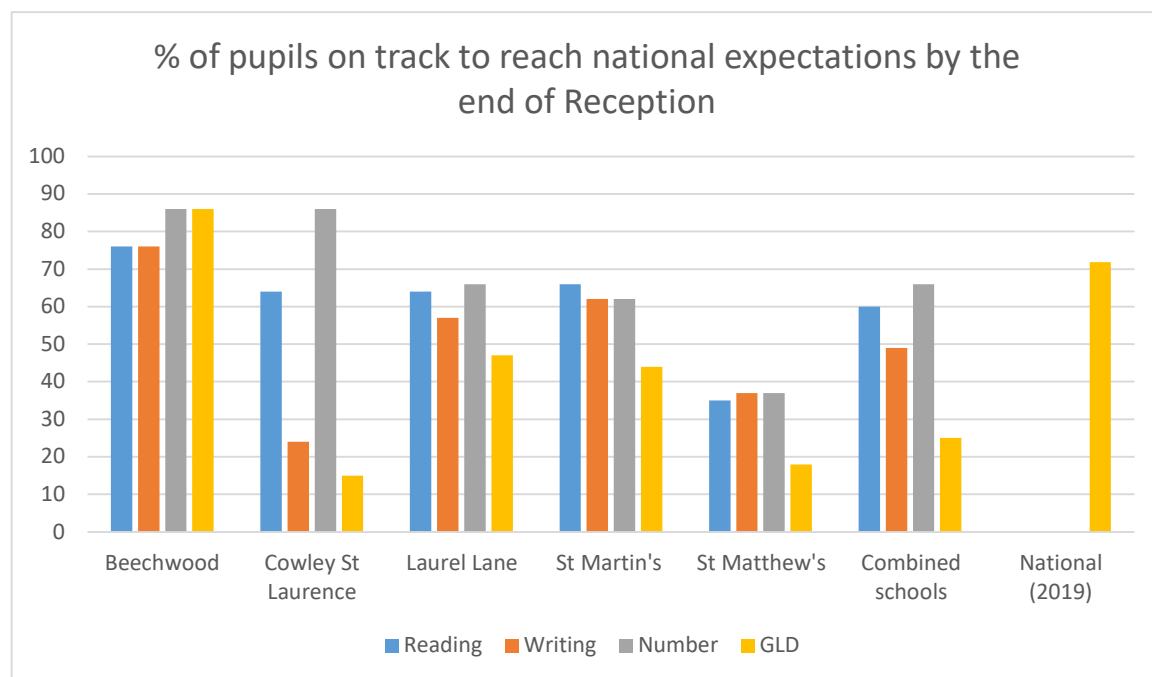
TRUSTEES' REPORT APPENDIX 1: PERFORMANCE OF SCHOOLS IN THE LDBS FRAYS ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

Section 1: Trust Outcomes

Early Years

At the time of the lockdown, 45% of pupils across the Trust were on track to achieve a Good Level of Development. This is not untypical at this time of the year as there are a number of statements in the Early Learning Goals which will not have been taught at this time of the year. Historically evidence shows that it is not uncommon for pupils to make more than expected progress in Reception. With another 27% of pupils making more than expected progress, this would give 72% of pupils achieving a 'Good Level of Development' by the end of the year. The data is broken down as follows:



Year 1 Phonics

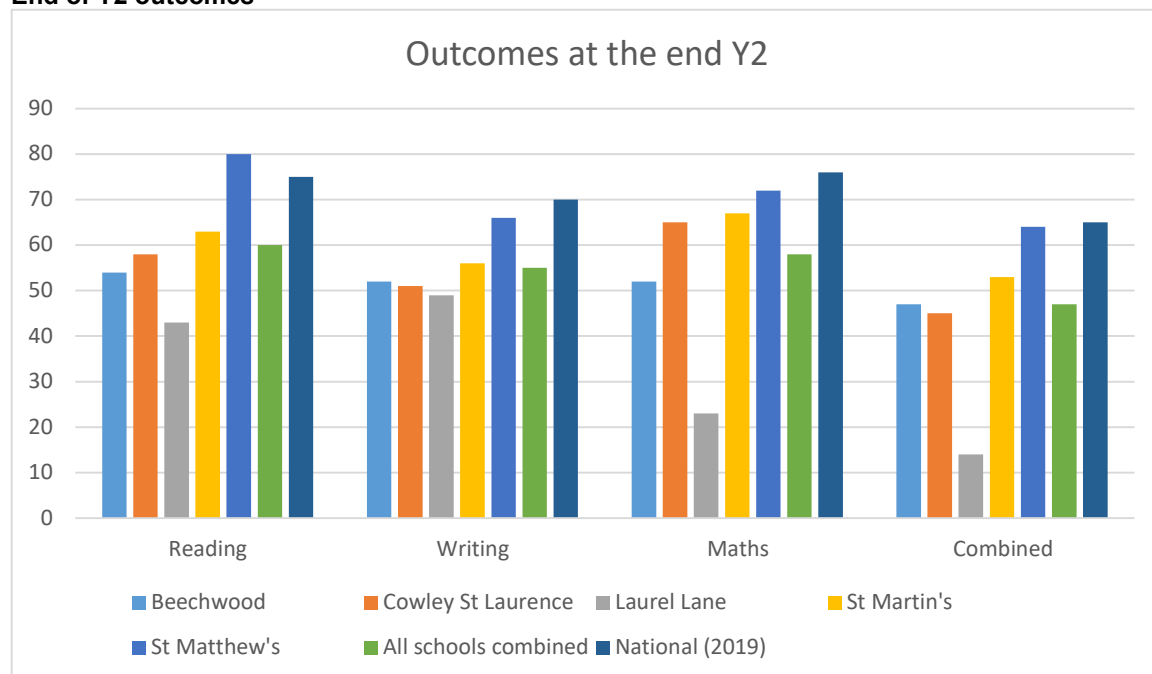
The initial assessments demonstrated that more pupils were on track to pass the phonics screening check in Y1 with most noticeable improvements in St Matthew's, St Martin's and Beechwood where scores were well below the national average in 2019. All schools were on track to achieve national averages in terms of numbers of pupils passing the phonics screening checks in 2020. This was the result of targeted professional development through the use of Read, Write Inc and access to the local English Hub for Hillingdon schools.

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT APPENDIX 1: PERFORMANCE OF SCHOOLS IN THE LDBS FRAYS ACADEMY TRUST

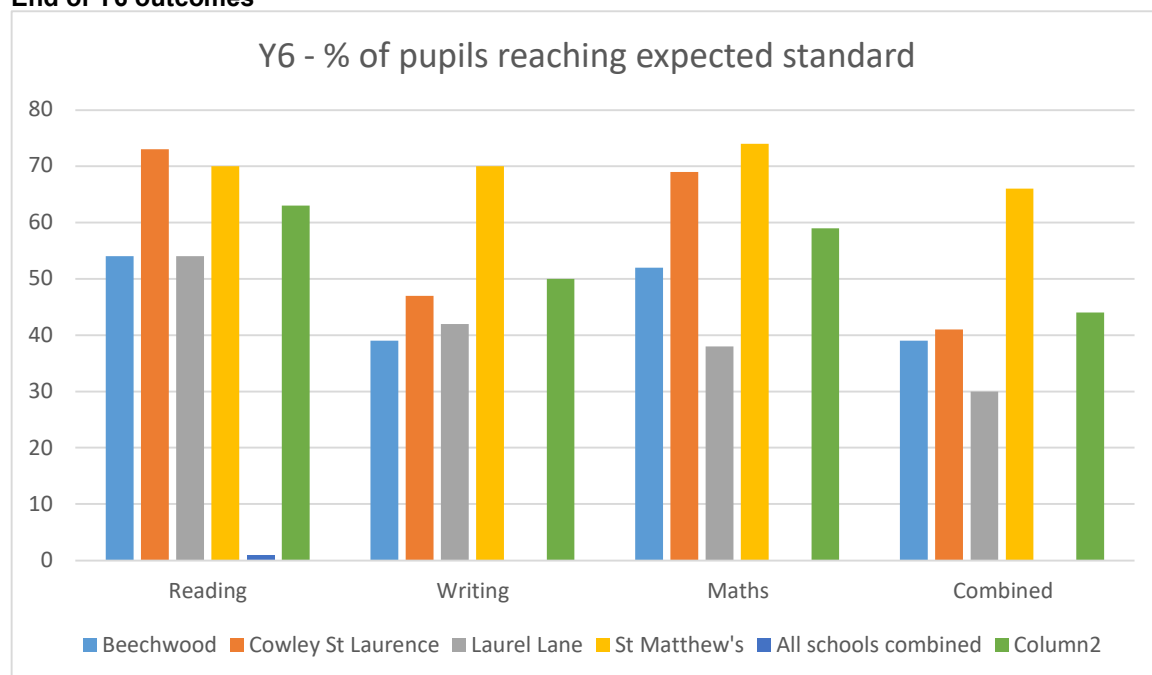
FOR THE YEAR ENDED 31 AUGUST 2020

End of Y2 outcomes



% of pupils on track to reach expected standard was much improved before the lockdown in March 2020. This was as the result of targeted support and intervention in St Martin's, St Matthew's and Beechwood Primary Schools. Lower attainment in Laurel Lane was as the result of vertically grouped classes across the year where provision was not as effective in supporting the needs of individual pupils.

End of Y6 outcomes



Outcomes were not as strong in Writing before the lockdown. In all schools, there were planned targeted intervention for those pupils who were not on track to achieve national expectations.

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT APPENDIX 2 : IMPROVEMENT MEASURES OF IN SCHOOLS IN THE TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

The individual plans for each school contributed to the improvements in achievement across the schools in the Trust.

Cowley St Laurence Primary School

- 1. To improve the quality of teaching and learning so it is consistently good or better across the school and the proportion of outstanding teaching increases**

Leading up to the lockdown, 80% of teaching and learning was judged to be good and 20% outstanding. There had been significant improvements in provision in the Early Years which was judged to be close to 'Good' and was also seen as strong during an external review.

- 2. To develop the wider curriculum so that it is broad and knowledge-rich**

External review of teaching and learning commented positively on the development of the curriculum and actions being taken. Significant work had been undertaken to review the curriculum map, establish curriculum goals and support curriculum leaders in the development of their subject areas. The development of the Maths curriculum and Reading provision was particularly strong however, it was hard to measure the impact of this due to the lockdown in March.

- 3. To improve outcomes for KS1 and KS2 pupils Teaching in Early Years significantly improved during the year**

Although outcomes in March Mock SATs were low, evidence that pupils were making at least expected progress from their starting points in Y2 and in Reading this was stronger.

Laurel Lane Primary School

- 1. To raise attainment by the end of Key Stage 2.**

Y6 pupils made very strong progress during the year and, on average, in each subject area they had made an additional term's progress. This had meant that pupils were catching and over time and close to making average progress. Given the booster support arrangements in place, we would have expected to have seen at least average progress figures for current Y6. Teaching and learning has improved across the school. Leaders had been focused on delivering a programme of professional development to improve practice in the classroom.

- 2. To narrow the attainment gap between vulnerable pupils and their peers.**

SEN pupils made strong progress during year across all subjects, catching up with their peers in Reading and Maths, although progress in Writing was weaker. However, a local authority SEN review in the Spring Term did not comment favourably about provision for SEN pupils. This will need to be focus in the new School Improvement Plan.

- 3. To improve attendance and behaviour**

Attendance continued to be low during the year and up to February half term, this was averaging at 94%. Learning behaviours in the classroom were showing improvements as teaching was improving. The number of fixed term exclusions up to Feb half term was 15 periods for 7 children - 4.95%. There was 1 permanent exclusion. Taking out the 1 permanent exclusion at the beginning of the academic year, this was a significant improvement on the previous year.

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT APPENDIX 2 : IMPROVEMENT MEASURES OF IN SCHOOLS IN THE TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

St Martin's Primary School

- 1. To improve the quality of teaching and learning so it is consistently good or better across the school and the proportion of outstanding teaching increases**

Before the lockdown, the proportion of good teaching and learning had increased to 60%. This had been as a result of targeted professional development through the use of the Creative Teacher Programme and 1:1 support for teaching staff. Where teaching was weak, new teachers had been recruited to join the staff team as a result of resignations. The school was on track to reach targets for good but not for the development of Outstanding teaching.

- 2. To improve outcomes across the school.**

Pupils were on track to reach national averages by the end of Key Stage 1 and Early Years. This demonstrates a significant improvement in attainment at end of Key Stage 1 where it was very low the previous year. A greater number of pupils were also on track to pass the phonics screening check in comparison to the previous year. This was because the quality of teaching and learning in Key Stage 1 had improved. Attainment in Y3 and Y4 remained low because curriculum provision and quality of teaching and learning was inconsistent.

- 3. Improve leadership and management**

There was still a lot of work to do to improve both leadership and management in the school. The Head was absent for a large proportion of the year and there was distinct lack of leadership capacity in the school. The school was heavily supported by the Trust throughout the year and going into the lockdown period. There is still significant work needed to improve the leadership and management of SEND in the school. Attendance also remained low.

St Matthew's Primary School

- 1. To improve the quality of teaching and learning so it is consistently good or better across the school and the proportion of outstanding teaching increases.**

Up to the lockdown, 75% of teaching and learning was judged as good or better with 31% outstanding.

- 2. To develop middle leadership**

External review of teaching and learning demonstrated that there is work to do to improve curriculum provision and whilst training and support has been put in place, this has not yet had the desired impact across the whole curriculum. Phase Leaders are now making a greater impact on teaching and learning and teaching is becoming for consistent across the school.

- 3. To improve outcomes for KS1 and KS2 pupils**

Outcomes in EYFS improved significantly since across the year and up to the lockdown with 77% of pupils achieving a Good Level of Development. With 69% of pupils on track to achieve the expected standard across all subjects at end of Y2, this was significantly better than the previous year and would have put attainment broadly in line with the national average. School leaders were confident that 80% of pupils were on track to achieve the combined expected standard at the end of Key Stage 2. Again, this would have been stronger than the previous year.

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT APPENDIX 2 : IMPROVEMENT MEASURES OF IN SCHOOLS IN THE TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

Beechwood Primary School

- 1. To improve the quality of teaching and learning so it is consistently good or better across the school and the proportion of outstanding teaching increases.**

Teaching and learning had beginning to improve in the school. By the lockdown, it was strong in Early Years and had improved significantly in upper key stage 2. Although improved, teaching and learning remained inconsistent in other year groups in the school.

% of pupils who were on track to achieve phonics was better than last year (69%). Attainment in Y6 before the lockdown was low due to the Writing. Plans were in place to improve attainment in Writing and progress across the year for Y6 pupils was on average better than expected. In Key Stage 1, whilst 49% of pupils were on track to achieve expected standard, there was potential for 67% who were 1 'step' away from the target.

- 2. To improve leadership and management**

Up to the lockdown, there had been support in place for middle leaders in improving outcomes in the core subjects. This was beginning to impact an impact in Reading and Writing where phonics results were on track to be improved on previous year and the development of Writing was becoming more evident. During the lockdown, leaders focused on the development of the curriculum map and development of subject leaders.

- 3. To improve provision for SEND pupils**

Y6 data for Spring Term demonstrates that SEN pupils were beginning to catch up in Writing and Maths. Progress rates in other year groups were not strong enough although there was evidence in books to show the progress SEN pupils were making was improving.

Section 3: Trust improvement

The Trust's Strategic Plan for 2019-20 set key targets for each of our schools to achieve, which were linked clearly to the plan.

Evaluation of impact of targets in the Trust's Strategic Plan 2018-19

Strand 1: Leadership Development

- Termly phase leader training was established in the Autumn Term, organised and run by Heads
- All schools have established clear succession and leadership development plans. There was further recruitment to St Martin's Primary for September 2020 which will enhance leadership capacity.
- Heads Executive Board have reviewed terms of reference for each of the curriculum teams in the Trust and set expectations that teams should focus on disseminating good practice. Schools have a calendar in place for moderation which is integrated into the Trust's monitoring and evaluation schedule.
- The National Professional Qualification for Middle Leaders Programme was due to start in June. We had 17 leaders across the Trust who were willing to engage in this programme and 3 leaders from outside the Trust. The programme was postponed due to the lockdown and we will review how and when this can be implemented with the programme providers.

Strand 2: Governance

- We ran the first training for Governors in the Wokingham Learning Hub during the Spring Term based on current OfSTED framework. This was well received, and the feedback was positive. All other training has been postponed.
- The induction of new Governors has been less successful and will making decisions how this will be organised next year.
- We had agreed that Governors would undertake Safeguarding training either independently or by joining staff training. This has not been highly successful as not all Governors have attended training. Feedback from online Safeguarding training has also not been as strong. We will be moving back to a centralised approach to Safeguarding training next year.

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT APPENDIX 2 : IMPROVEMENT MEASURES OF IN SCHOOLS IN THE TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

- 2 new Chairs for both the Federated Governing Bodies were recruited for our Hillingdon schools for September.

Strand 3: High Quality Teaching

Comments

- Overall, the quality of teaching and learning across all schools in the Trust was at 65% good or better and 16% outstanding before the lockdown. This was on track to be much stronger by the end of year.
- Improvements were becoming evident at St Martin's as a result of teaching and learning support, the support by 2 consultants and the focus on weekly pupil progress meetings.
- The quality of teaching and learning was also improving at Laurel Lane where a consultant was supporting in class. The external SIP report on Laurel Lane (Spring Term 2020) was also positive about teaching and learning
- There have also been improvements to the teaching and learning in Beechwood, particularly in Y1 and Y4 where teaching was previously seen to be a lot weaker. Evidence in books and in class demonstrates that pupils are now making progress and expectations are higher. However, teaching is not consistent enough where it is stronger and during the last review, only 38% of teaching and learning was judged to be good
- Staff in St Martin's, Laurel Lane and Beechwood Primary Schools have had access to the Creative Teacher Programme. This was well-received and there was evidence that this was beginning to improve practice in the classroom.
- We had our best year last year for retention of teaching staff and our recruitment had been the most successful leaving only 1 long term supply in post.

Strand 4: Curriculum Provision

Whilst there had been positive developments in the curriculum in 4 out of the 5 schools in Frays, there were still gaps in the development of subjects across the curriculum. Three external reviews of teaching and learning took place before the lockdown and these were positive about developments in the curriculum. Leaders used time during the lockdown to undertake further improvements in the curriculum and put training in place for subject leaders. Further plans for joint training of curriculum leaders had to put on hold for September 2020 due to the restrictions placed on the current pandemic.

Strand 5: Christian Distinctiveness of Church Schools

- St Matthew's Primary had a successful SIAMS inspection just before the lockdown. The report is on DB Primary and was judged 'Good' across the board.
- Cowley St Laurence Primary had a fairly successful SIAMS inspection in the Autumn Term and was judged to be 'Good' overall. However, RE was judged to be 'Requiring Improvement'.
- Leaders in St Martin's Primary have begun to review the Christian vision for the school and are beginning to consult with staff and stakeholders. The review should be complete by the end of term. Collective Worship in St Martin's has improved, however, there is work to do to ensure that the Christian vision of the school flows through all worship. School leaders are making effective use of collective worship planning from St Matthew's and Cowley St Laurence.

Strand 6: Reading

- Phonics results were on track to have improved in 4 out of the 5 schools as a result of the development of Read, Write Inc and intervention support
- Whilst most schools were on track with their plans to improve Reading provision, St Martin's was behind. The development of the English leader is a current priority for the school. The school has also ensured that one of the Leading Practitioners appointed has a strong background in teaching Literacy.

Attendance in schools was not as strong as last with one school being above the national average of 95.8%. Attendance will remain as a key priority in the new strategic plan.

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT APPENDIX 2 : IMPROVEMENT MEASURES OF IN SCHOOLS IN THE TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

Strand 7: Narrow the Attainment Gap between disadvantaged pupils and their peers

The evaluation below is based on outcomes in March for Y6 pupils:

There was an overall improvement in attainment of SEN pupils, particularly in Reading although attainment is still low in Writing. The progress in Reading for SEN pupils was stronger and showing that they are making better progress than their peers. SEN pupils in Y6 in all schools have made at least expected progress. Where progress has been stronger, this has been at Laurel Lane Primary, where pupils were beginning to catch up, Cowley St Laurence in Reading and St Matthew's in Writing.

Strand 8: Early Years as 'Centres of Excellence'

- Up to the lockdown, Improvements were seen in the quality of provision across Early Years settings
- In St Matthew's, the 3 teachers are showing elements of good in their practice and close to being judged as 'good' overall.
- In Cowley St Laurence, the external review commented that teaching in Early Years was strong. There had been some strong improvements in provision since the Autumn Term as a result of the support that was put in place. The school is still recording Early Years as 'requiring improvement' as quality of work in the Learning Journeys is not strong enough and not demonstrating enough progress.
- St Martin's provision in Early Years has continued to improve with a focus on developing the Nursery. At the time of the lockdown, a Nursery teacher was being recruited to improve outcomes in the setting.
- The provision in Laurel Lane was noted as a strength by the external School Improvement Partner
- Beechwood's provision has significantly improved since joining the Trust, now judged to be strong.
- Staff who are new into leadership in Early Years settings, or who are considering leadership, have started to work with Nikki Cole (Trust leader) in developing their leadership skills through visiting settings outside of the Trust. From September 2020, each school has a phase leader for Early Years, a big improvement on the previous academic year where there were 2 vacancies across the Trust.

Strand 9: Attendance

School	2019	2020	Evaluation (comparison against last year)
Laurel Lane	94.3%	94.1%	-0.2%
St Matthew's	96.7%	96.6%	-0.1%
St Martin's	94.4%	92.9%	-1.5%
Cowley St Laurence	95.3%	95.2%	-0.1%
Beechwood	(Not part of the Trust)	96.2%	

Strand 10: Growth

- Beechwood Primary School joined Frays on 1st September 2019 and a 100-day integration plan was created to align the school with Frays. This has had a positive impact on outcomes for pupils and the effective management of the school. One particular positive aspect is that the school now has appropriate budget carry forward where historically the school set deficit budget plans.
- The pandemic slowed down the progress of Keep Hatch joining the Trust and the school is due to academise and join Frays in January 2021.
- The MAT Development and Improvement Grant continues to support growth which has led to the training and development of leaders across the Trust to support practitioners in improving practice in the classroom

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT APPENDIX 2 : IMPROVEMENT MEASURES OF IN SCHOOLS IN THE TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

Section 4: Safeguarding

The Trust has continued to ensure high priority has been placed on safeguarding of children. In response to this, the following has been either introduced implemented during the year:

- Safeguarding Policy has been revised to take account of the changes introduced
- Governors in the Trust have completed training on Safeguarding
- All Governors have signed to state they have read part one of the 'Keeping Children Safe in Education' 2016 statutory guidance.
- Each school's Single Central Record has been updated to reflect best practice and has been checked on a termly basis for compliance
- Each Governing Body monitors the implementation of the Safeguarding Policy on a termly basis. A full Safeguarding audit and report is put together on a termly basis, which is submitted to the Board of Directors.

Section 5: Performance Management in the Trust

The Trust's policies on Pay and Appraisal detail very clearly the process for setting performance management targets, the review of those targets and the pay aligned to the performance reviews. Line managers are responsible for the review of performance and pay of individual staff and the Board of Directors are responsible for review of performance of the Executive Headteacher. A Pay Committee has been established across the Trust to receive reports from senior leaders in order to scrutinise reasons for pay progression and consider supporting evidence. Schools HR Co-operative provide advice, guidance and support to the Trust when setting salaries. The Trust continue to operate from the School Teachers Pay and Conditions.

Section 6: Response to the Trust during the pandemic

The majority of school improvement activities were halted during and after the lockdown. All schools stayed open for vulnerable pupils and pupils of 'key worker' families. Attendance during the period of 22nd March to 8th June was very low. St Martin's and Laurel Lane Primary Schools combined pupils to save on efficiencies. Attendance was also very low in Cowley St Laurence during this time, averaging 3 pupils sometimes with no pupils attending. Attendance was highest in St Matthew's and Beechwood averaging on 20 pupils.

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT APPENDIX 2 : IMPROVEMENT MEASURES OF IN SCHOOLS IN THE TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

The schools opened their doors to YR, Y1 and Y6 pupils on 8th June. By the 16th June, we were able to report the following attendance in our schools:

Pupil Numbers updated 16th June 2020

Cowley St Laurence

Year Group	Number of pupils accessing provision on site across the week (planned or currently accessing)	Total number of pupils in each year group	% of pupils attending
Nursery	6	32	19%
Reception	20	60	33%
Y1	13	53	25%
Y6	30	48	63%
Total number of priority pupils being educated on site	69		
Keyworker/vulnerable pupils (today's attendance figure)	10	(15 on the list)	

St Matthew's

Year Group	Number of pupils accessing provision on site across the week (planned or currently accessing)	Total number of pupils in each year group	% of pupils attending
Nursery	0 (currently closed)	46	0%
Reception	17	59	29%
Y1	21	58	36%
Y6	25	53	47%
Total number of priority pupils being educated on site	63		
Keyworker/vulnerable pupils (today's attendance figure)	39	47 (total across a week)	

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT APPENDIX 2 : IMPROVEMENT MEASURES OF IN SCHOOLS IN THE TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

Laurel Lane

Year Group	Number of pupils accessing provision on site across the week (planned or currently accessing)	Total number of pupils in each year group	% of pupils attending
Nursery	10	35	29%
Reception	16	54	30%
Y1	12	43	28%
Y6	22	50	44%
Total number of priority pupils being educated on site		60	
Keyworker/vulnerable pupils (today's attendance figure)		16	

St Martin's

Year Group	Number of pupils accessing provision on site across the week (planned or currently accessing)	Total number of pupils in each year group	% of pupils attending
Nursery	0	17	0%
Reception	17	53	32%
Y1	0 (currently closed)	50	0%
Y6	N/A	N/A	N/A
Total number of priority pupils being educated on site		17	
Keyworker/vulnerable pupils (today's attendance figure)		20	

LDBS FRAYS ACADEMY TRUST

TRUSTEES' REPORT APPENDIX 2 : IMPROVEMENT MEASURES OF IN SCHOOLS IN THE TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

Beechwood

Year Group	Number of pupils accessing provision on site across the week (planned or currently accessing)	Total number of pupils in each year group	% of pupils attending
Nursery	N/A	N/A	N/A
Reception	14	41	34%
Y1	28	52	54%
Y6	0 (currently closed)	48	0%
Total number of priority pupils being educated on site	42		
Keyworker/vulnerable pupils (today's attendance figure)	10	(15 on the list)	

Lower numbers attending meant that we were able to open additional year groups as follows by July:

Cowley St Laurence – Y5

Laurel Lane – Y2 and Y5

St Martin's – Y1

Beechwood - other year groups were invited in the last week of term to support with transition

Throughout the latter part of the Spring and for the whole of the Summer Term, the Trust's Heads Executive Board met regularly and often weekly in response to DfE's request to open schools. The risk assessment was devised by the central team with input from Heads Executive Board. The Trust consulted with unions and staff in a timely way before opening schools. The Covid Risk Assessment was reviewed each week following feedback from staff and parents.

Whilst most school improvement activities were not able to be progressed with, certain activities continued. These included the development of curriculum maps and curriculum planning and the development of subject leaders.

LDBS FRAYS ACADEMY TRUST

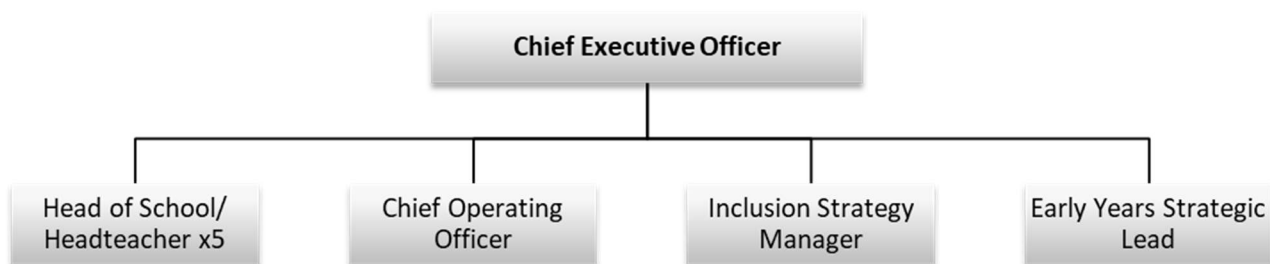
APPENDIX 3 : FRAYS ACADEMY TRUST ORGANISATIONAL STRUCTURE

FOR THE YEAR ENDED 31 AUGUST 2020

Governance Structure



Senior Leadership Structure

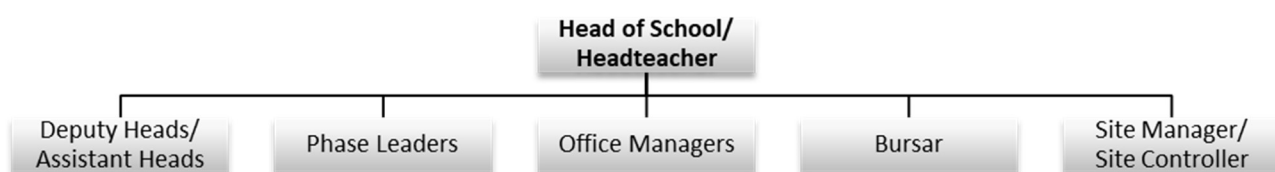


Operational Structure



Typical School Leadership Structure

Each school as a variation of this structure



Our Hillingdon schools have additional roles which are: Admissions Officer, Family Support Manager and Director of Sport, reporting in to a Hillingdon Head of School

LDBS FRAYS ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive Headteacher, 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 LDBS Frays Academy Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 10 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
A Brett	8	10
K Buckler (Chair of Trustees)	10	10
C Cole (Executive Headteacher & Accounting Officer)	10	10
J Duncan	9	10
I Woolf	9	10
A Belapurka (Appointed 6 September 2019 and resigned 3 February 2020)	1	4
S Carroll (Appointed 1 September 2019)	8	10
G Walker (Appointed 1 September 2019)	7	10

The Board undertakes a self-evaluation each year. During the last academic year the Board reviewed how it operated and recommended to Members to adopt a flatter structure as reflected in Appendix 3 to the Trustees Report. This was agreed at the Annual General Meeting. As a result the Articles and Schemes of Delegation were revised with the new Articles reflecting a skills based model and allowing for five members. Using the skills based model there was successful recruitment for new Directors who bring further legal, educational and business experience to the Board. Board have a schedule of reports from the CEO which identify progress against milestones in the Strategic Plan and provides data on pupil outcomes. Management accounts are reviewed monthly by the Chair and each Board meeting is provided with financial data. The Risk Register is reviewed by Board each term. At the end of each Board meeting Directors are asked to evaluate the impact of the meeting.

LDBS FRAYS ACADEMY TRUST
GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- review the Trust risk register;
- review all matters of Audit & Internal Controls;
- ensure the Trust's internal services meet or exceeds the standards specified in the Government Internal Audit Manual.

Attendance at meetings in the year was as follows:

Audit committee members	Meetings attended	Out of possible
D Green (Chair)	2	3
I Woolf	3	3
L Ksis (Resigned 10 Dec 2019)	1	1
H Mehta	3	3
<i>Attendees</i>		
C Cole (Executive Headteacher and Accounting officer)	3	3
J Gaffney (Chief Operating Officer)	3	3
R Ahmad (Head of Finance)	3	3

Pay Committee

Meets once per year for teachers' pay review.

Attendance at this meeting in the year was as follows:	Meetings attended	Out of possible
J Lack (Governor Laurel Lane/ St Martins)	1	1
L Dennis (Chair of Governor Beechwood)	1	1
C Allen (Governor St Matthews & Cowley St Laurence)	1	1

LDBS FRAYS ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Review of value for money

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

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

- ensuring the Trust works closely with its academies. The Heads of School and Senior leaders on a monthly basis to share ideas, good practice and discuss issues. This method of collaboration has had a massive effect on the education outcomes within the Trust.
- The Trust leadership groups review expenditure within each budget heading termly, the strengthening of governance and financial oversight has improved across the trust and expenditure challenged and discussed with the best value principles in mind.

The Head of Finance/Finance Bursars strive to find best value in purchasing and use a number of established consortia. Large building works are placed via the Academies' consultants who are part of the London Diocesan Board of Schools who apply Best Value principles within a safe legal framework

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 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 LDBS Frays Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

The risk and control framework

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Trustees have appointed Alliotts, the external auditor, to perform additional checks.

LDBS FRAYS ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

- bank and cash management;
- income;
- purchasing;
- payroll; and
- month end.

On a termly basis, the auditor reports to the Board of Trustees through the Audit Committee on the operation of the systems of control and on the discharge of the financial responsibilities of the Board of Trustees.

No material failures or weaknesses were identified during the year as a result of the extended assurance work.

Review of effectiveness

As accounting officer the Executive Headteacher 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 external auditor.

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

Approved by order of the Board of Trustees on 10/12/20... and signed on its behalf by:



K Buckler
Chair of Trustees



C Cole
Executive Headteacher & Accounting Officer

LDBS FRAYS ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of LDBS Frays Academy Trust, I have considered my responsibility to notify the Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the 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 Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the 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.



C Cole
Accounting Officer

..10/12/2020.....

LDBS FRAYS ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of LDBS Frays Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the Trustees are required to:

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

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

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

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

Approved by order of the members of the Board of Trustees on 10/12/20 and signed on its behalf by:



K Buckler
Chair of Trustees

LDBS FRAYS ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LDBS FRAYS ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

LDBS FRAYS ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LDBS FRAYS ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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

LDBS FRAYS ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LDBS FRAYS ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Use of our report

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



Stephen Meredith BA FCA DChA (Senior Statutory Auditor)
for and on behalf of Alliotts LLP

17/12/2020

.....

Chartered Accountants
Statutory Auditor

Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DL

LDBS FRAYS ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 14 March 2019 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 LDBS Frays Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of LDBS Frays Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of LDBS Frays Academy Trust's funding agreement with the Secretary of State for Education dated 30 August 2012 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

LDBS FRAYS ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LDBS FRAYS ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The work undertaken to draw to our conclusion includes:

- analytical review of the Trust's general activities to ensure that they are within the Trust's framework of authorities;
- consideration of the evidence supporting the accounting officer's statement on regularity, propriety and compliance;
- review of the general control environment for the Trust on financial statements and on regularity;
- sample testing of expenditure transactions to ensure the activity is permissible within the Trust's framework of authority;
- confirmation that a sample of expenditure has been appropriately authorised in accordance with the Trust's delegated authorities;
- formal representations obtained from the governing body and the accounting officer acknowledging the responsibilities, including disclosing all non-compliance with laws and regulations specific to the authorising framework;
- confirmation that any extra-contractual payments such as severance and compensation payments have been appropriately authorised;
- review of credit card expenditure for any indication of personal use by staff, Executive Headteacher or Trustees;
- review of specific terms of grant funding within the funding agreement;
- review of related party transactions for connections with the Executive Headteacher or Trustees;
- review of income received in accordance with the activities permitted within the Trust's charitable objectives.

Conclusion

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



Reporting Accountant

Alliotts LLP

Dated: 17/12/2020

LDBS FRAYS ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2020 £	Total 2019 £	
Income and endowments from:						
Donations and capital grants	3	4,340	478,477	61,983	544,800	359,733
Donations - transfer from local authority on conversion	27	(35,000)	(760,000)	2,660,134	1,865,134	-
Charitable activities:						
- Funding for educational operations	4	21,843	10,640,944	-	10,662,787	9,007,069
- Funding for teaching school	25	-	29,167	-	29,167	50,000
Other trading activities	5	53,049	-	-	53,049	86,266
Investments	6	4,581	-	-	4,581	7,606
Total		48,813	10,388,588	2,722,117	13,159,518	9,510,674
Expenditure on:						
Raising funds	7	474	4,751	-	5,225	5,901
Charitable activities:						
- Educational operations	9	-	11,378,683	280,571	11,659,254	9,601,140
- Teaching School	26	-	71,039	-	71,039	43,058
Total	7	474	11,454,473	280,571	11,735,518	9,650,099
Net income/(expenditure)		48,339	(1,065,885)	2,441,546	1,424,000	(139,425)
Transfers between funds	17	-	(35,426)	35,426	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	19	-	(572,000)	-	(572,000)	(1,137,000)
Net movement in funds		48,339	(1,673,311)	2,476,972	852,000	(1,276,425)
Reconciliation of funds						
Total funds brought forward		1,277,201	(2,808,594)	11,188,640	9,657,247	10,933,672
Total funds carried forward		1,325,540	(4,481,905)	13,665,612	10,509,247	9,657,247

LDBS FRAYS ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds	Restricted funds:		Total 2019
		£	General £	Fixed asset £	£
Income and endowments from:					
Donations and capital grants	3	18,732	310,474	30,527	359,733
Charitable activities:					
- Funding for educational operations	4	6,188	9,000,881	-	9,007,069
- Funding for teaching school	26	-	50,000	-	50,000
Other trading activities	5	52,087	34,179	-	86,266
Investments	6	7,606	-	-	7,606
Total		<u>84,613</u>	<u>9,395,534</u>	<u>30,527</u>	<u>9,510,674</u>
Expenditure on:					
Raising funds	7	5,901	-	-	5,901
Charitable activities:					
- Educational operations	9	-	9,364,966	236,174	9,601,140
- Teaching School	26	-	43,058	-	43,058
Total	7	<u>5,901</u>	<u>9,408,024</u>	<u>236,174</u>	<u>9,650,099</u>
Net income/(expenditure)		78,712	(12,490)	(205,647)	(139,425)
Transfers between funds	17	-	202,472	(202,472)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(1,137,000)	-	(1,137,000)
Net movement in funds		78,712	(947,018)	(408,119)	(1,276,425)
Reconciliation of funds					
Total funds brought forward		<u>1,198,489</u>	<u>(1,861,576)</u>	<u>11,596,759</u>	<u>10,933,672</u>
Total funds carried forward		<u>1,277,201</u>	<u>(2,808,594)</u>	<u>11,188,640</u>	<u>9,657,247</u>


LDBS FRAYS ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13		13,528,697		11,082,924
Current assets					
Debtors	14	1,066,232		609,414	
Cash at bank and in hand		2,855,754		2,427,280	
		3,921,986		3,036,694	
Current liabilities					
Creditors: amounts falling due within one year	15	(1,154,436)		(637,371)	
Net current assets			2,767,550		2,399,323
Net assets excluding pension liability			16,296,247		13,482,247
Defined benefit pension scheme liability	19		(5,787,000)		(3,825,000)
Net assets			10,509,247		9,657,247
Funds of the Trust:					
Restricted funds	17				
- Fixed asset funds			13,665,612		11,188,640
- Restricted income funds			1,305,095		1,016,406
- Pension reserve			(5,787,000)		(3,825,000)
Total restricted funds			9,183,707		8,380,046
Unrestricted income funds	17		1,325,540		1,277,201
Total funds			10,509,247		9,657,247

The accounts on pages 21 to 46 were approved by the Trustees and authorised for issue on 10/12/20 and are signed on their behalf by:



K Buckler
Chair of Trustees

Company Number 08335073

LDBS FRAYS ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	20		155,307		(166,970)
Cash flows from investing activities					
Dividends, interest and rents from investments		4,581		7,606	
Capital grants from DfE Group		299,171		88,135	
Capital funding received from sponsors and others		35,625		-	
Purchase of tangible fixed assets		(66,210)		(54,324)	
Net cash provided by investing activities			273,167		41,417
Net increase/(decrease) in cash and cash equivalents in the reporting period			428,474		(125,553)
Cash and cash equivalents at beginning of the year			2,427,280		2,552,833
Cash and cash equivalents at end of the year			2,855,754		2,427,280

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Conversion to an academy trust

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

The assets and liabilities transferred on conversion from Beechwood Primary School to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 26.

1.4 Income

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

Grants

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

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

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

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Sponsorship income

Sponsorship income provided to the 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 Trust has provided the goods or services.

Donated goods, facilities and services

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

Donated fixed assets

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

1.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the 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 Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

1.6 Tangible fixed assets and depreciation

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

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

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

Land and buildings	50 years
Leasehold improvements	50 years
Computer equipment	3 years
Fixtures, fittings & equipment	5-10 years

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

1.7 Liabilities

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

1.8 Leased assets

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

1.9 Financial instruments

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

Financial assets

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

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

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Financial liabilities

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

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

1.10 Taxation

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

1.11 Pensions benefits

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

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

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

1.12 Fund accounting

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

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

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

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Capital grants	-	539,693	539,693	337,554
Other donations	4,340	767	5,107	22,179
	<u>4,340</u>	<u>540,460</u>	<u>544,800</u>	<u>359,733</u>

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
DfE / ESFA grants				
General annual grant (GAG)	-	7,629,564	7,629,564	6,376,106
Start up grants	-	50,000	50,000	175,000
Other DfE group grants	-	1,139,580	1,139,580	802,979
	-	8,819,144	8,819,144	7,354,085
Other government grants				
Local authority grants	-	1,572,564	1,572,564	1,345,099
Special educational projects	-	131,716	131,716	224,151
	-	1,704,280	1,704,280	1,569,250
Other funding				
Teaching School income	-	29,167	29,167	50,000
Other incoming resources	21,843	117,520	139,363	83,734
	21,843	146,687	168,530	133,734
Total funding	21,843	10,670,111	10,691,954	9,057,069

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Hire of facilities	23,479	-	23,479	3,589
Other income	29,570	-	29,570	82,677
	53,049	-	53,049	86,266

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Short term deposits	4,581	-	4,581	7,606

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2020 £	Total 2019 £
Expenditure on raising funds					
- Direct costs	-	-	5,225	5,225	5,901
Academy's educational operations					
- Direct costs	7,241,358	-	435,712	7,677,070	6,467,453
- Allocated support costs	2,025,975	1,266,889	689,320	3,982,184	3,133,687
Teaching School					
- Direct costs	71,039	-	-	71,039	43,058
	<u>9,338,372</u>	<u>1,266,889</u>	<u>1,130,257</u>	<u>11,735,518</u>	<u>9,650,099</u>

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Fees payable to auditor for:		
- Audit	13,850	11,500
- Other services	4,575	10,880
Depreciation of tangible fixed assets	280,571	236,174
Net interest on defined benefit pension liability	87,000	69,000

8 Central services

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

- management and financial services;
- legal and professional services;
- audit and accountancy.

The Trust charges for these services at an equal flat rate of based on the expected amount required for running each academy.

The amounts charged during the year were as follows:

	2020 £	2019 £
Cowley St Laurence CofE Primary School	200,000	200,000
Laurel Lane Primary School	200,000	200,000
St Martin's CofE Primary School	150,000	128,800
St Matthew's CofE Primary School	200,000	200,000
Beechwood Primary School	66,000	-
	<u>816,000</u>	<u>728,800</u>

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Charitable activities

	2020 £	2019 £
All from restricted funds:		
Direct costs		
Educational operations	7,677,070	6,467,453
Teaching School	71,039	43,058
Support costs		
Educational operations	3,982,184	3,133,687
	<u>11,730,293</u>	<u>9,644,198</u>

	Teaching School £	Educational operations £	Total 2020 £	Total 2019 £
Analysis of support costs				
Support staff costs	-	2,026,967	2,026,967	1,426,051
Depreciation	-	280,571	280,571	236,174
Technology costs	-	184,761	184,761	110,306
Premises costs	-	986,318	986,318	750,675
Legal costs	-	19,705	19,705	22,936
Other support costs	-	458,723	458,723	561,905
Governance costs	-	25,139	25,139	25,640
	<u>-</u>	<u>3,982,184</u>	<u>3,982,184</u>	<u>3,133,687</u>

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

Staff costs

Staff costs during the year were:

	2020 £	2019 £
Wages and salaries	6,204,225	4,937,196
Social security costs	526,544	432,315
Pension costs	1,790,122	1,074,286
Staff costs - employees	8,520,891	6,443,797
Agency staff costs	815,245	1,050,798
Staff restructuring costs	2,236	26,966
Staff development and other staff costs	9,338,372 96,469	7,521,561 58,880
Total staff expenditure	9,434,841	7,580,441
Staff restructuring costs comprise:		
Severance payments	2,236	26,966

Staff numbers

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

	2020 Number	2019 Number
Teachers	88	66
Administration and support	218	159
Management	3	3
	309	228

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

	2020 Number	2019 Number
Teachers	90	62
Administration and support	117	78
Management	3	3
	210	143

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	4	3
£70,001 - £80,000	2	2
£110,001 - £120,000	-	1
£150,001 - £160,000	-	1
£160,001 - £170,000	1	-

Key management personnel

The key management personnel of the 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 Trust was £851,379 (8 employees) (2019: £766,528 to 7 employees).

11 Trustees' remuneration and expenses

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

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

C Cole (Executive Headteacher and trustee):

- Remuneration £160,000 - £165,000 (2019: £155,000 - £160,000)
- Employer's pension contributions £35,000 - £40,000 (2019: £25,000 - £30,000)

During the year, travel and subsistence payments totalling £708 (2019: £932) were reimbursed or paid directly to 1 trustee (2019: 1 trustee).

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

12 Insurance for Trustees and officers

The 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 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.

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

13 Tangible fixed assets

	Land and buildings	Leasehold improvements	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2019	10,151,779	1,074,000	1,040,008	1,230,783	13,496,570
Transfer on conversion	2,500,000	-	65,682	94,452	2,660,134
Additions	-	2,731	57,010	6,469	66,210
At 31 August 2020	12,651,779	1,076,731	1,162,700	1,331,704	16,222,914
Depreciation					
At 1 September 2019	436,311	52,000	912,155	1,013,180	2,413,646
Charge for the year	125,902	10,000	76,835	67,834	280,571
At 31 August 2020	562,213	62,000	988,990	1,081,014	2,694,217
Net book value					
At 31 August 2020	12,089,566	1,014,731	173,710	250,690	13,528,697
At 31 August 2019	9,715,468	1,022,000	127,853	217,603	11,082,924

14 Debtors

	2020 £	2019 £
Trade debtors	7,952	7,140
VAT recoverable	155,077	109,596
Other debtors	252	-
Prepayments and accrued income	902,951	492,678
	1,066,232	609,414

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	642,406	225,327
Other taxation and social security	189,768	108,167
Other creditors	339	-
Accruals and deferred income	321,923	303,877
	1,154,436	637,371

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

16 Deferred income

	2020 £	2019 £
Deferred income is included within:		
Creditors due within one year	181,607	122,341
Deferred income at 1 September 2019	122,341	127,976
Released from previous years	(122,341)	(127,976)
Resources deferred in the year	181,607	122,341
Deferred income at 31 August 2020	181,607	122,341

At the balance sheet date the Trust was holding funds received in advance for Universal Infant Free School Meals and Devolved Formula Capital grants.

17 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	799,534	7,629,564	(7,175,463)	(35,426)	1,218,209
Start up grants	175,000	50,000	(138,114)	-	86,886
Other DfE / ESFA grants	-	1,617,290	(1,617,290)	-	-
Other government grants	-	1,704,280	(1,704,280)	-	-
Teaching School	41,872	29,167	(71,039)	-	-
Other restricted funds	-	118,287	(118,287)	-	-
Pension reserve	(3,825,000)	(760,000)	(630,000)	(572,000)	(5,787,000)
	<u>(2,808,594)</u>	<u>10,388,588</u>	<u>(11,454,473)</u>	<u>(607,426)</u>	<u>(4,481,905)</u>
Restricted fixed asset funds					
Inherited on conversion	9,592,158	2,660,134	(106,520)	-	12,145,772
DfE group capital grants	919,660	61,983	(53,121)	-	928,522
Capital expenditure from GAG	547,309	-	(120,930)	35,426	461,805
Local authority capital grants	129,513	-	-	-	129,513
	<u>11,188,640</u>	<u>2,722,117</u>	<u>(280,571)</u>	<u>35,426</u>	<u>13,665,612</u>
Total restricted funds	<u>8,380,046</u>	<u>13,110,705</u>	<u>(11,735,044)</u>	<u>(572,000)</u>	<u>9,183,707</u>
Unrestricted funds					
General funds	<u>1,277,201</u>	<u>48,813</u>	<u>(474)</u>	<u>-</u>	<u>1,325,540</u>
Total funds	<u>9,657,247</u>	<u>13,159,518</u>	<u>(11,735,518)</u>	<u>(572,000)</u>	<u>10,509,247</u>

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

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

General annual grant

This includes all monies received from the ESFA to carry out the objectives of the Trust. It includes the School Budget Share. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Pension reserve

This represents the negative reserve in respect of the liability on the LGPS defined benefit pension scheme.

Other DfE/ESFA grants

Other grants include funding received from the DfE and ESFA for specific purposes.

Fixed asset funds

The fixed asset fund includes grants received from the DfE and other sources to finance the development and building of the academy and other tangible fixed assets, and the annual charges for depreciation of these assets.

Unrestricted funds

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

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	481,494	6,376,106	(6,058,066)	-	799,534
Start up grants	-	175,000	-	-	175,000
Other DfE / ESFA grants	-	1,110,006	(1,312,478)	202,472	-
Other government grants	-	1,569,250	(1,569,250)	-	-
Teaching School	34,930	50,000	(43,058)	-	41,872
Other restricted funds	-	115,172	(115,172)	-	-
Pension reserve	(2,378,000)	-	(310,000)	(1,137,000)	(3,825,000)
	<u>(1,861,576)</u>	<u>9,395,534</u>	<u>(9,408,024)</u>	<u>(934,528)</u>	<u>(2,808,594)</u>
Restricted fixed asset funds					
Transfer on conversion	9,306,319	-	(82,020)	367,859	9,592,158
DfE group capital grants	1,407,440	30,527	(33,412)	(484,895)	919,660
Capital expenditure from GAG	753,000	-	(120,742)	(84,949)	547,309
Local authority capital grants	130,000	-	-	(487)	129,513
	<u>11,596,759</u>	<u>30,527</u>	<u>(236,174)</u>	<u>(202,472)</u>	<u>11,188,640</u>
Total restricted funds	<u>9,735,183</u>	<u>9,426,061</u>	<u>(9,644,198)</u>	<u>(1,137,000)</u>	<u>8,380,046</u>
Unrestricted funds					
General funds	<u>1,198,489</u>	<u>84,613</u>	<u>(5,901)</u>	<u>-</u>	<u>1,277,201</u>
Total funds	<u>10,933,672</u>	<u>9,510,674</u>	<u>(9,650,099)</u>	<u>(1,137,000)</u>	<u>9,657,247</u>

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

Total funds analysis by academy

	2020 £	2019 £
Fund balances at 31 August 2020 were allocated as follows:		
Cowley St Laurence CofE Primary School	347,659	310,532
Laurel Lane Primary School	563,418	651,469
St Martin's CofE Primary School	209,627	183,452
St Matthew's CofE Primary School	714,913	634,970
Beechwood Primary School	232,116	-
Central services	562,902	513,184
Total before fixed assets fund and pension reserve	2,630,635	2,293,607
Restricted fixed asset fund	13,665,612	11,188,640
Pension reserve	(5,787,000)	(3,825,000)
Total funds	10,509,247	9,657,247

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Cowley St Laurence CofE Primary School	1,638,213	232,363	58,307	307,422	2,236,305	2,070,442
Laurel Lane Primary School	1,636,898	231,974	37,480	513,139	2,419,491	2,449,113
St Martin's CofE Primary School	1,275,670	218,298	85,625	221,653	1,801,246	1,650,585
St Matthew's CofE Primary School	1,466,662	226,912	36,304	370,882	2,100,760	2,115,270
Beechwood Primary School	1,007,142	205,845	91,303	214,098	1,518,388	-
Central services	312,198	368,576	31,195	71,788	783,757	818,515
	7,336,783	1,483,968	340,214	1,698,982	10,859,947	9,103,925

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	13,528,697	13,528,697
Current assets	1,325,540	2,459,531	136,915	3,921,986
Creditors falling due within one year	-	(1,154,436)	-	(1,154,436)
Defined benefit pension liability	-	(5,787,000)	-	(5,787,000)
Total net assets	1,325,540	(4,481,905)	13,665,612	10,509,247

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	11,082,924	11,082,924
Current assets	1,277,201	1,653,777	105,716	3,036,694
Creditors falling due within one year	-	(637,371)	-	(637,371)
Defined benefit pension liability	-	(3,825,000)	-	(3,825,000)
Total net assets	1,277,201	(2,808,594)	11,188,640	9,657,247

19 Pension and similar obligations

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and two Local Government Pension Schemes (LGPS) for non-teaching staff, these LGPS schemes are managed by London Borough of Hillingdon and the Royal County of Berkshire. All pension schemes are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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

Teachers' Pension Scheme

Introduction

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

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

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £653,521 (2019: £357,889).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

Local Government Pension Schemes

London Borough of Hillingdon Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 19.6 to 24.9% for employers and 5.5 to 12.5% for employees.

The LGPS obligation relates to the employees of the Trust, being the employees transferred as part of the original conversion from the maintained schools and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor schools and the Trust at the balance sheet date.

Total contributions made	2020 £	2019 £
Employer's contributions	476,000	474,000
Employees' contributions	118,000	119,000
	<hr/>	<hr/>
Total contributions	594,000	593,000
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LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	2.5	2.7
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.8

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

	2020 Years	2019 Years
Retiring today		
- Males	22.1	21.7
- Females	24.3	23.7
Retiring in 20 years		
- Males	22.8	22.4
- Females	25.5	25.0

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

	2020 £	2019 £
Discount rate + 0.1%	(422,000)	(217,000)
Discount rate - 0.1%	422,000	217,000
Mortality assumption + 1 year	368,000	300,000
Mortality assumption - 1 year	(368,000)	(300,000)
CPI rate + 0.1%	418,000	187,000
CPI rate - 0.1%	(418,000)	(187,000)

The Trust's share of the assets in the scheme	2020 Fair value £	2019 Fair value £
Equities	1,905,000	1,729,000
Bonds	1,256,000	1,288,000
Property	608,000	405,000
Other assets	284,000	258,000
Total market value of assets	4,053,000	3,680,000

The actual return on scheme assets was £(122,000) (2019 £214,000).

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

Amount recognised in the Statement of Financial Activities	2020 £	2019 £
Current service cost	884,000	674,000
Past service cost	-	41,000
Interest income	(73,000)	(90,000)
Interest cost	146,000	159,000
Total operating charge	957,000	784,000

Changes in the present value of defined benefit obligations	2020 £	2019 £
At 1 September 2019	7,505,000	5,307,000
Current service cost	884,000	674,000
Interest cost	146,000	159,000
Employee contributions	118,000	119,000
Actuarial loss	242,000	1,261,000
Benefits paid	(80,000)	(56,000)
Past service cost	-	41,000
At 31 August 2020	8,815,000	7,505,000

Changes in the fair value of the Trust's share of scheme assets	2020 £	2019 £
At 1 September 2019	3,680,000	2,929,000
Interest income	73,000	90,000
Actuarial (loss)/gain	(214,000)	124,000
Employer contributions	476,000	474,000
Employee contributions	118,000	119,000
Benefits paid	(80,000)	(56,000)
At 31 August 2020	4,053,000	3,680,000

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Royal County of Berkshire Pension Fund

As described in note 27 the LGPS obligation relates to the employees of the Trust, being the employees transferred as part of the conversion from the maintained Beechwood Primary School and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 19.6 to 21.6% for employers.

Total contributions made	2020	
	£	
Employer's contributions	77,000	
Employees' contributions	20,000	
	<hr/>	
Total contributions	97,000	
	<hr/>	
 Principal actuarial assumptions	 2020	2019
	%	%
Rate of increase in salaries	3.25	3.2
Rate of increase for pensions in payment/inflation	2.25	2.2
Discount rate for scheme liabilities	1.65	1.9
	<hr/>	<hr/>

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

	2020	2019
	Years	Years
Retiring today		
- Males	21.5	21.4
- Females	24.1	24.0
Retiring in 20 years		
- Males	22.9	22.8
- Females	26.5	25.5
	<hr/>	<hr/>

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

	2020
	£
Discount rate + 0.1%	(45,000)
Discount rate - 0.1%	45,000
Mortality assumption + 1 year	55,000
Mortality assumption - 1 year	(55,000)
CPI rate + 0.1%	5,000
CPI rate - 0.1%	(5,000)
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LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Trust's share of the assets in the scheme	2020 Fair value £
Equities	316,000
Bonds	70,000
Property	76,000
Other assets	76,000
	<hr/>
Total market value of assets	538,000
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The actual return on scheme assets was £(122,000).

Amount recognised in the Statement of Financial Activities	2020 £
Current service cost	178,000
Past service cost	34,000
Interest income	(9,000)
Interest cost	23,000
	<hr/>
Total operating charge	226,000
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Changes in the present value of defined benefit obligations	2020 £
At 1 September 2019	-
Obligations acquired on conversion	1,182,000
Current service cost	178,000
Interest cost	23,000
Employee contributions	20,000
Actuarial loss	126,000
Benefits paid	-
Past service cost	34,000
	<hr/>
At 31 August 2020	1,563,000
	<hr/>

Changes in the fair value of the Trust's share of scheme assets	2020 £
At 1 September 2019	-
Assets acquired on conversion	422,000
Interest income	9,000
Actuarial loss/(gain)	10,000
Employer contributions	77,000
Employee contributions	20,000
Benefits paid	0
	<hr/>
At 31 August 2020	538,000
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LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

	2020 £	2019 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	1,424,000	(139,425)
Adjusted for:		
Net surplus on conversion to academy	(1,865,134)	-
Capital grants from DfE and other capital income	(539,693)	(337,554)
Investment income receivable	(4,581)	(7,606)
Defined benefit pension costs less contributions payable	543,000	241,000
Defined benefit pension scheme finance cost	87,000	69,000
Depreciation of tangible fixed assets	280,571	236,174
(Increase)/decrease in debtors	(251,921)	93,659
Increase/(decrease) in creditors	517,065	(322,218)
Stocks, debtors and creditors transferred on conversion	(35,000)	-
Net cash provided by/(used in) operating activities	155,307	(166,970)

21 Analysis of changes in net funds

	1 September 2019 £	Cash flows £	31 August 2020 £
Cash	2,427,280	428,474	2,855,754

22 Commitments under operating leases

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

	2020 £	2019 £
Amounts due within one year	8,653	6,081
Amounts due in two and five years	9,970	10,135
	18,623	16,216

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

23 Related party transactions

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and in accordance with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Expenditure related party transactions

Mr I. Woolf is a director of Grow Education Partners Limited, a company that provided project management and survey services in the period to the Trust totalling £600 (2019: £882) to cover employee costs.

Mr I Woolf is an employee of the London Diocesan Board for Schools which acts as trustee of a consortium which provides teacher training course; the Trust paid fees of £9,250 for one student (2019: £nil).

24 Members' liability

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

25 Contingent Liability

The academy trust is currently taking legal action in connection with a debt, against the London Borough of Hillingdon, which the trust's legal advisers are confident will be successful, but the costs and their timings are unknown and have not been provided in these accounts

26 Teaching School trading account

	2020		2019	
	£	£	£	£
Direct income				
Other external funding		29,167		50,000
Direct costs				
Direct staff costs	71,039		43,058	
Total operating costs		(71,039)		(43,058)
(Deficit)/surplus from teaching school		(41,872)		6,942
Teaching School balances at 1 September 2019		41,872		34,930
Teaching School balances at 31 August 2020		-		41,872

LDBS FRAYS ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

27 Conversion to an academy

On 1 September 2019 Beechwood Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to LDBS Frays Academy Trust from the Wokingham Local Authority for £nil consideration.

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

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

Academy	Location	Date of conversion		
Beechwood Primary School	Reading	1 September 2019		
	Unrestricted funds	Restricted funds:		Total
	£	General	Fixed asset	2020
Net assets transferred:		£	£	£
Freehold land and buildings	-	-	2,500,000	2,500,000
Other tangible fixed assets	-	-	160,134	160,134
Borrowing obligations	(35,000)	-	-	(35,000)
Pension scheme deficit	-	(760,000)	-	(760,000)
	<u>(35,000)</u>	<u>(760,000)</u>	<u>2,660,134</u>	<u>1,865,134</u>
	Unrestricted funds	Restricted funds:		Total
	£	General	Fixed asset	2020
Funds surplus/(deficit) transferred:		£	£	£
Fixed assets funds	-	-	2,660,134	2,660,134
LA budget funds	(35,000)	-	-	(35,000)
LGPS pension funds	-	(760,000)	-	(760,000)
	<u>(35,000)</u>	<u>(760,000)</u>	<u>2,660,134</u>	<u>1,865,134</u>