

Company Registration No. 09896071 (England and Wales)

SPRING COMMON ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

SPRING COMMON ACADEMY TRUST

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SPRING COMMON ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

J Browning
K Strong
J Ward

Trustees

L Adam
S Bailey (Chair of Trustees)
J Browning
T G Gidi (Appointed 5 May 2020)
W Palmer
K Strong
K Taylor (Accounting Officer)
J A Ward
R Ward (Appointed 14 February 2020)
M Westcott Rudd (Appointed 5 May 2020)
I Yoney

Senior management team

- Head Teacher	K Taylor
- Deputy Head Teacher	J McIntosh
- Assistant Head Teacher	L Aitken
- Assistant Head Teacher	S Paynter
- Assistant Head Teacher	C Place
- Accounting Officer	K Taylor

Company registration number

09896071 (England and Wales)

Registered office

Spring Common Academy Trust
American Lane
Huntingdon
Cambridgeshire
PE29 1TQ

Independent auditor

Azets Audit Services
Ruthlyn House
90 Lincoln Road
Peterborough
PE1 2SP

Bankers

Lloyds Bank plc
6 Market Hill
Huntingdon
Cambridgeshire
PE18 6NR

SPRING COMMON 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.

The academy trust operates an academy for pupils aged 2 - 19 serving a catchment area in Huntingdonshire. The school Pupil Allocated Number (PAN) is 195.

Structure, governance and management

Constitution

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

The charitable company is known as Spring Common Academy Trust.

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

Members' liability

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

Method of recruitment and appointment or election of trustees

The Board of Trustees has set out in the articles of association that they must approve any new appointment of trustees to Spring Common Academy Trust. In the case of staff or parent representatives if more than one person is nominated an election for the post will be convened and that nominee will be subject to approval and adoption of the Board of Trustees. The Board of Trustees has contacted Academy Ambassadors and found additional trustees.

Policies and procedures adopted for the induction and training of trustees

Policies and induction training for new Trustees is arranged with Cambridgeshire Local Authority Governor Services as a bought in professional service.

Organisational structure

Spring Common Academy is a single entity part of a legal structure of a Multi – Academy Trust. The Executive Head Teacher is the Accounting Officer and leads day to day strategic work of the Trust, Finance Manager is the Chief financial Officer and Head of School leads on the operational delivery of the Academy. Strategic decisions are made by the Full Board of Spring Common Academy Trust through their Trustees Strategic plan as advised by the committee structures of Finance, Audit, People and Premises which includes audit and health & Safety (FPP), Teaching, learning & Welfare (which includes safeguarding TLW), Trustees approve the committees terms of reference annually and election of lead roles with the Trust.

SPRING COMMON ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Arrangements for setting pay and remuneration of key management personnel

The Full Board of Trustees provides authorisation in relation to remuneration of key management personnel linked to the agreed staffing structure and budget. Spring Common Academy adheres to the School Teachers Pay and Conditions Document and the pay scales therein and adopted Cambridgeshire Local Authority pay scales for Teaching Assistants and Support Staff. Remuneration for the Executive Head Teacher is determined by nominated Trustees with the support of an external adviser and approved by the Board of Trustees.

The Executive Head Teacher provides recommendations in relation to pay to the Finance, People and Premises Committee for authorisation using the salary scales approved by the Full Board of Trustees. For teachers pay, decisions are linked to a career stage expectation profile that sets the expectations for teachers within main scale and upper pay scales. Objectives for leaders are set in relation to the advisory document 'National Standards of Excellence for Head Teachers' (2015) which uses four domains, qualities and knowledge, pupils and staff, systems and processes and the self - improving system.

Trade union facility time

During the year no staff time was spent on trade union facility time and no requests for any time was made. No costs were incurred in the year in relation to trade union facility time.

Engagement with employees

The Trust does not have 250 employees therefore does not have requirements for Companies (Miscellaneous Reporting) regulations 2019. Spring Common Academy has a Staff Advisory group that provides information to staff on matters related to them, consultation about the budget and financial performance and opportunities to get involved in the annual Equalities review.

Related parties and other connected charities and organisations

Spring Common Academy is a designated National Support School and Teaching School with the National College of Teaching and Leadership and will be part of a bid for TSA super hub for Cambridgeshire and Peterborough. The Executive Head Teacher is a designated National Leader in Education. Our purpose is to deliver system leadership within our local area through Discovery Teaching School Alliance.

Spring Common Academy continues a good productive relationship with Cambridgeshire Local Authority and supports the local offer for SEND children and families. We strive to maintain quality standards and link to a wide range of external organisations for guidance and advice.

The Board of Trustees have authorised the development of the National Autistic Society standards for children with autism as a day school and the use of quality standards from Autism Education Trust.

Health training is provided by qualified nurses from NHS Cambridgeshire Community Services (CCS) and the team of special school nurses. We welcome children with medical conditions and disabilities who will be provided with friendly and dedicated staff who work in partnership with parents and health professionals. Staff are trained in moving and handling trainers accredited by Edge Training Ltd. We train staff in Rebound therapy provided by Hadrian's School in Newcastle upon Tyne using school based trainers to ensure the safe use of trampolines with therapeutic aims. Our staff are also trained as deaf / blind Interveners from training by SENSE UK.

Communication and interaction is an important part of Education, health and care plans and the school promotes the use of Makaton (Makaton UK) and PECS (Pyramid Education) as communication systems. We purchase these training programmes to enable staff to support the speech therapy aims of speech therapists. Pupils that require augmentative communication systems or support for eating and drinking will be provided with advice from speech therapists from CCS.

In terms of social and emotional and mental health the trust purchases courses to enable five staff to conduct TEAM TEACH training from Team - Teach Ltd to enable the school to reduce risk of restraint and restriction. The school has access to CAMH services locally and social care and community support services (Cambridgeshire County Council).

SPRING COMMON ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

Objects and aims

The Articles of Association of Spring Common Academy Trust determine that the objects are restricted to:

- a. To advance for the public benefit education in the UK. Establish, maintaining, carrying on, managing schools offering a broad and balanced curriculum appropriate to the needs of students who require special educational provision.
- b. To promote education for the benefit of inhabitants of which the Academy is situated with the object of improving the condition of life of pupils.
- c. Adhere to the Academies Financial Handbook and terms and conditions of the commercial transfer agreement and funding agreement.

Spring Common Academy Aims

1. Create a happy, healthy and safe environment in which pupils can enjoy their curiosity for learning.
2. Ensure our pupils are safe and can learn and respect how to keep themselves and others safe.
3. Listen to the views of children and young people and their parents and carers.
4. Deliver quality education that offers a broad and balanced curriculum to meet the needs of our pupils with special educational needs and disabilities with effective special education provision.
5. Promote spiritual, moral, social, cultural understanding so our pupils are prepared for adulthood in a multicultural and global society.
6. Support our pupil's over time to develop personal and emotional resilience and character to enable them to deal with the challenges faced with changing relationships overtime as adults.
7. Value the dedication, expertise and experience of staff and enable them to pursue additional training to enhance their capacity to support the development of Spring Common Academy.
8. Share our special educational needs expertise and practice with others as a Teaching School with NCTL as part of Discovery Teaching School Alliance.

Objectives, strategies and activities

The Spring Common Academy development plan 2019 -20 set out 5 priorities: 1) Curriculum pathways linked to EHCP 2) SEND provision using evidence informed practice and coaching model 3) Staff training and development 4) Teaching School action plan 5) Premises , facilities and resource management including Capital Build and Prestley Wood Academy. Progress on all objectives achieved and reported to Trustees.

The Trust strategy plan was developed to include 3 priorities for 2018 -19: 1) Trust vision statement, 2) review sponsorship and scheme of delegation, 3) Refresh Prestley Wood Academy plans and to secure timeline with Cambridgeshire Local Authority including information concerning pupil demand for SEND in local area from the SEND sufficiency research.

Following further Trust working party groups, Trustees and members began implementation of the role and job specification for Executive Head Teacher for the Trust as part of preparedness to move from a single academy to Trust with more schools including Free School by Local Authority presumption to be named Prestley Wood Academy September 2022- 3. In depth discussion and challenge reviewed the future of the Trust and refined the Strategic Plan. In addition The Trust working group of Members and Trustees refined the risk assessment and dashboard for the Trust and for Spring Common Academy and identified that Trustee recruitment for succession planning was a key objective for 2019 -20 which was partially achieved.

The Equalities Plan 2019 was reviewed and evaluated in January 2020 and following consultation to determine new Equality objectives and an accessibility plan from April 2020 was agreed by Trustees on 11 February 2020.

The Teaching, Learning and Welfare Committee had scrutiny of standards including progress and targets for individual pupils linked to the legal process of Education, Health and Care plans. Review made consideration of progress of pupils from starting points, end of Key Stages used for reporting National Curriculum delivery using the Spring Common Academy assessment system called SCALES. Pupils not able to access subject specific curriculum continue to use the DFE approved Model of Engagement. Trustees noted the vital role of moderation and quality assurance processes which lead to innovation to the curriculum. The independent School Improvement Adviser and Local Authority 'Keep in Touch reviews' provide external scrutiny, challenge and support to Spring Common Academy and the Trust.

SPRING COMMON ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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

In November 2018 Spring Common Academy was Inspected by Ofsted and found to be outstanding in all respects. This aspiration for high standards has been sustained from the Academy conversion in January 2016. The school has developed an increasing reputation for collaboration, training and support to other schools. The External School Improvement Partner also visited to provide reports to develop leadership, curriculum and provision and supported review to safeguarding and behaviour practice by practitioners.

Outcomes for pupils are maintained at a high standard of quality education in relation to starting points within key stages. Due to the Covid-19 pandemic, there were no externally published examination results this year, but the prior year results are shown for information: 1) KS 1 90%, 2) KS 2 98%, KS 3 93%, KS4 98% met or exceeded in maths and English with no variation between vulnerable groups. 67 funded Pupil premium (over the year moved to 71 pupils) had slight improvement to other groups but not significant. Our SEND Adviser and School Improvement partner was able to verify these outcomes. Despite the constraints of Covid 19 all our school leavers moved to a detailed planned transition to other providers and gained accreditation to support independence and preparation for adulthood. The school had no permanent or fixed term exclusions for 2019 – 20. Our new assessment system continues to embed data to be reliable over time and supplemented by formative assessment. However, we continue to place focus on pace of pupils progress and achievement for similar cohorts of special needs pupils is in alignment with previous years for Spring Common Academy.

Key performance indicators

1. The Equalities Plan 2019 -20 included detailed work to consider the suitability of the Spring Common Academy site to support current cohorts of disabled pupils with medical conditions. As a result of detailed work with Cambridgeshire county Council and representation to The Children and Young Peoples Committee a Capital programme of additional works was developed and work commenced in July 2020 and projected end is September 2021 for the build on grounds of suitability. Although Cambridgeshire County Council will overtime remove two mobiles for 20 pupils and it is uncertain if the allocated placements will reduce from 195 to 175 as agreed in 2017 due to demand. Prestley Wood Academy design milestone 2 ends in December 2020 to enable more placements by 2023.
2. Tracking pupil outcomes and performance overtime: Spring Common Academy has digital learning journeys stored and assessment data includes school system called SCALES and this is appreciated by parents.
3. This year the school received Eco School Award green flag. Other awards are now being evaluated virtually but the schools continues to hold Arts Mark (Silver), Active Mark (Gold), Autism Accreditation and will use the new criteria for International School Award.
4. Personal development and welfare: The Autism Education Trust progression framework is used for communication and personal development lined to the objectives in EHC Plans. Residential visits have been successful for Key stage 3 and 4 pupils building team working between pupils but paused in summer term due to Covid 19. The 'crossing Borders' project with Sint Josef – Klein – Seminarie in St Niklass in Belgium continues to support an international dimension to the curriculum and unique opportunities to support independence of Post 16 learners. But the reciprocal visit was not possible due to the impact of Covid 19. The project supports fundamental British values and appreciation of different cultures to enhance cultural capital for life in modern Britain.
5. Discovery TSA: The work of strategic partners included Initial Teacher training, Continued professional development and leadership opportunities for the local area and Cambridgeshire. Face to face events were cancelled due to Covid 19. The TSA is now supporting an application for a super hub in Cambridgeshire and Peterborough.

SPRING COMMON ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

6. Parent questionnaire for Ofsted November 2018 and July 2019 indicates a high level of satisfaction for the service delivery of Spring Common Academy and effective safeguarding. Other questionnaire during Covid 19 have shown a high regard to the implementation of protective measures and full re- opening the school from June - September 2020.
7. Pupil attendance this year was affected by government guidance related to Covid 19 and lock down from March 2020 to limited opening in June 2020 and planning for full re- opening for September 2020. Spring Common Academy has successfully used a Re- engagement strategy to support the return to full time school for all pupils.
 - National average of 90% and the school continues to maximize attendance and rates of attendance this has been successful during Covid 19 due to adopting remote and virtual methods of school delivery for teaching and learning and for safety and welfare.
8. Staff retention: During a period of uncertainty due to Covid 19 the Academy suspended recruitment from March to August 2020 and a few staff left in the summer term for Teacher training programmes attached to Universities. Some staff left to care for dependent relatives due to Covid 19.

Staff recruitment continues to keep up with actual demand. Effective use of supply as a bridge to permanent appointment is being used as a strategy.
9. Coaching culture: The implementation of coaching teams has enabled teachers to reduce workload and has increased the culture of collaboration.
10. Staff induction and supervision: The programme for 2019 -20 was reviewed building on:
 - requirements from previous years and feedback from appraisals.
 - Ofsted 2018 praised the availability of staff training and the range of staff opportunities available
 - Impact of staff training and competency on raising standards and implementing SEND provision.

Going concern

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

Protecting the success of the academy trust

Under Section 172(1)(a) to (f) of Companies Act 2006 the Trustees consider the consequences of decisions in the longer term environment, interests of employees, business interests of suppliers, impact on community and environment, reputational standards and fairness between members of the company.

Financial review

Principal sources of funding and how expenditure has supported the key objectives:

A budget for 1 September 2019 - 31 August 2020 was approved by Trustees in July 2019. The sources of funding included:

- Carry forward recorded 31 August 2019 as £469,886
- General Annual Grant Statement 2018 -19 of £1,950,000
- Restricted funds included Teaching School and Discovery Teaching School Alliance, Pupil Premium, Sports premium and Year 7 literacy catch up.
- Cambridgeshire Local Authority top up funding not part of GAG statement for additional funded placements.

Note: Spring Common Academy inherited the Local Government pension scheme (LGPS) with a £2 million deficit.

SPRING COMMON ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Pressures on this initial budget build included:

- Additional costs due to Covid 19
- Increase in Local Government pension scheme for employees.
- Staff pay award as part of a local agreement.
- No increase in top up values for individual pupils and Local Authority High Needs fund deficit.

The Trust has continued to review the Financial management and governance self - assessment completed 4 April 2016 followed up with a DfE audit in April 2016. The competitive tendering policy and Business Continuity Plan are still fit for purpose. The 2016 risk log was reviewed in June 2018, October 2018 and June 2020. Trustees accepted this as complete with the introduction of a more robust performance dashboard of indicators to ensure Trustees have wider understanding of the financial responsibilities.

The Trust was in compliance with the review of the Teacher Pension Scheme in March 2020. A further review of the LGPS scheme was circulated to Azets Audit Services and for the Trust for audit in November 2019.

The Trust cash funds at 1 September 2019 was £568,589.

Trustees approved a budget from 1 September 2019 to 31 August 2020 based upon the trends of expenditure and staffing structure approved in July 2019. Trustees reviewed expenditure and submitted Finance budget control reports to the Education and Skills Funding Agency.

Value for money statement:

Over the last year Trustees made due regard to regulations and considered best value for all purchases using an agreed scheme of delegation and best value principles. Specialist tendering ensured ICT strategic plan for 2019 -2020 delivered effectively. A new ICT Strategic plan was approved by Trustees on 12 October 2020.

Budget September 2019 – End of August 2020:

The Annual budget was approved by Trustees for the period 1 September 2019 to 31 August 2020 in July 2019. A staffing structure for 2019 -20 was approved based upon the pupil admissions and funding known at end of July 2019.

Reserves policy

The trustees have agreed a reserves policy to maintain reserves of approximately £200,000. This represents approximately 5% of the trust's ongoing annual income. This is required to provide a level of contingency funds against changes to pupil numbers and funding levels; delays in receiving funds for new pupils and any unforeseen but necessary expenditure.

The trust brought forward £262,297 of unrestricted funds at the 1 September 2019, with most of these reserves transferring on conversion to an academy in January 2016. The unrestricted reserves at 31 August 2020 have increased to £269,044. A further £112,956 of unrestricted reserve funds has been designated for the Discovery Teaching School.

Total reserves of the academy trust were £559,733 at 31 August 2020 (excluding fixed assets and the pension deficit). This includes the £269,044 unrestricted general reserve and the £81,264 restricted reserve for the general annual grant which together total £350,308. This is in excess of the £200,000 targeted reserves level and will be reviewed by trustees in 2019-20. In addition, the academy trust holds the £112,956 designated reserve for the Discovery Teaching School.

Investment policy

Spring Common Academy does not have any investments because all funding is required to be available to the Board of Trustees and to be assigned to their strategic priorities. The investment income at 31 August 2020 of £409 was accrued bank interest.

SPRING COMMON ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Principal risks and uncertainties

1. The trust acknowledges that a principal risk is the recruitment of experienced senior staff with sufficient experience of special educational needs and disabilities management experience to lead Spring Common Academy Trust ahead to maintain the highest standards. For this reason trustees have created a Sustainability and succession plan 2016 - 2020 to prioritise staff training and coaching required to prepare staff for the next level of post from their current position. The Teaching School status also enables access to high quality training and opportunities for teachers and leaders to refine their skills by supporting others and leading through collaboration to determine best special education practice.
2. The trust is aware that no uplift in top up or funding has occurred over the last four years and pay uplifts, pension and national insurance on-costs have been absorbed. Our pupils require a highly trained and motivated workforce and that will require a staff training and development budget.
3. The trust is actively preparing for growth with the Regional Schools Commissioner and achieved approved sponsorship status with the DfE in 2017. The trust will open a new special school at Alconbury Weald by Local Authority presumption by 2022-23.

Fundraising

The trust is compliant with the recognised standards of fundraising set out in the Code of Fundraising Practice. Spring Common Academy Trust does not use professional fundraisers and there have been no complaints received by the trust about fund raising activities carried out by the trust in the year.

Streamlined energy and carbon reporting

The Trust does not consume over 40,000 KWH of energy and is not required under Companies (Directors report) and Limited liability partnerships (Directors report) & Limited liabilities partnerships (Energy and carbon reporting) regulations 2018.

Plans for future periods

Trustees agreed the 2020 – 21 Spring Common Academy priorities:

1. Strategic plan and recovery milestones from Covid 19.
2. Curriculum implementation and resource management.
3. SEND provision restoration from Temporary easements and re-visioning due to Covid 19.
4. Staff training and leadership strengthened.
5. Teaching School Action Plan 2020 until move to super hub.
6. Premises, facilities and resource management

Trustees agreed the Strategic Plan 2019 - 23: Building quality and success (Review in 2020 - 21)

1. To be a leading provider of special schools in the Eastern region,
2. Contribute to system leadership for special education in the region and national,
3. Prepare our pupils for adulthood, help overcome barriers to disadvantage and improve life chances.

The Trustees aim to continue positive relationships with Cambridgeshire Local Authority and their SEND Commissioning to enable placement planning to continue to meet parental demand for special school placements in the local area. It is intended to build upon relations with DfE and Regional School Commissioner to support system leadership for special educational needs provision as opportunities arise. Connections have begun with other Local Authorities to enable them to understand the Trust aims and expertise available.

Trustees will ensure due diligence that plans for future growth will not be detrimental to the aims and values of Spring Common Academy staff and pupils or a reduction in standards.

SPRING COMMON 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.

On 7 September 2020 Group Audit Services Limited trading as Baldwins Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

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

.....

S Bailey

Chair of Trustees

SPRING COMMON 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 Spring Common 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.

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

The board of trustees has delegated the day-to-day responsibility to the Head teacher, 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 Spring Common 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 eight times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
L Adam	6	8
S Bailey (Chair of Trustees)	8	8
J Browning	6	8
T G Gidi (Appointed 5 May 2020)	2	4
W Palmer	6	8
K Strong	7	8
K Taylor (Accounting Officer)	8	8
J A Ward	8	8
R Ward (Appointed 14 February 2020)	6	6
M Westcott Rudd (Appointed 5 May 2020)	4	4
I Yoney	5	8

The Trust has trustees with wide business and strategic planning skills.

The Trust has a committee structure including Finance, People and Premises (FPP) and Teaching, Learning and Welfare (TLW) that report to the Board of Trustees. A working group of Trustees has created new operational and strategic delivery of governance to review the Strategic plan and growth strategy and plan for the Multi Academy Trust working structures of Advisory Groups for schools within the Trust in readiness for Prestley Wood Academy (the new special school by LA presumption located at Alconbury Weald).

As part of the working group reporting to the Board of Trustees a review of governance clarified the composition of skills sets required for the sustainability of the Trust using a wider business model. A review of the committee terms of reference and policy review was conducted in relation to the committees and clarification about the role of senior executive leader continued during the year.

Information about the quality of the data used by the board, and why the board finds it acceptable:

The Board and its committees receives regular management information from the executive management on the financial and educational performance of the academy. The academy has developed its own approach to setting targets and measuring pupil's educational progress using available national data and guidance and also the Academy's own historic data and experience. Information on financial performance against the submitted budget and also the half year forecast out-turn is provided throughout the year to the audit, finance, premises and health and safety committee. This information is sufficient to allow the committee to monitor and review the academy's financial performance.

SPRING COMMON ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The audit, finance, premises, and health & safety committee is a sub-committee of the main board of trustees. Its purpose is to advise the governing body on all financial, regulatory and premises matters.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
S Bailey (Chair of Trustees)	5	6
J Browning	4	6
T G Gidi (Appointed 5 May 2020)	1	2
W Palmer	5	6
K Strong	6	6
K Taylor (Accounting Officer)	6	6
J A Ward	5	6
R Ward (Appointed 14 February 2020)	3	3
M Westcott Rudd (Appointed 5 May 2020)	2	2
I Yoney	2	6

Review of value for money

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

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

Review of staffing structure and recruitment of staff to meet pupil demand

A staffing plan for 2019- 2020 was delivered linking pupil needs to staff sufficiency. Detailed planning was undertaken by the Executive Head Teacher, Head of School and Senior leadership team and then costed for affordability by the Finance Manager as the Chief Financial Officer and Executive Head Teacher. Our pupil outcome information indicated no variation in pupil's performance or detriment making use of special teaching assistants directly into the classroom to provide expertise. Our feedback from new staff indicated that working with experienced staff supported modelling of effective practice. We therefore need to ensure a strategy of qualifications on recruitment and recognise that real time experience and supervision creates the most responsive staff.

Review of support staff roles in relation to administration and teaching school:

Over the last year again the school has reviewed the scope of administrative duties and begun to consider capacity for a wider central team for the growth of the Trust. The wider system leadership role of the Trust has placed additional administration, marketing and website maintenance.

Review of cover supply costs and policies:

The impact of the rolling year for tracking sickness after staff consultation continues to have impact positively on staff overall absence. From recruitment staff are provided with advice about maintaining wellbeing and introduced to a culture of discussing stressful situations that may arise as a result of working with special needs pupils that have behaviours that challenge. The impact of Covid 19 meant the school focussed on safeguarding and infection control and did not use supply as a strategy compared to previous years.

Benchmarking and Resource management:

The school makes effective use of the Resource management self – assessment tool and benchmarking costs to gain value for money compared to other schools and special schools. No comparative data available during Covid 19.

SPRING COMMON ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Spring Common Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the audit, finance, premises, and health & safety committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- 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 appointed Azets Audit Services to perform additional checks. The newly revised FRC Ethical Standard for auditors will impact on the services delivered to the Trust and the board of trustees are in the process of reviewing the internal scrutiny arrangements for the coming year.

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

- reviewing trustees' expense claims
- reviewing trustees' business interests
- reviewing ESFA income and agreeing back to source documentation
- sample checking miscellaneous income
- sample checking expenditure including salaries
- reviewing bank reconciliations and balances
- reviewing petty cash

On a twice yearly basis, the auditor reports to the board of trustees through the audit, finance, premises, and health & safety committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees.

Azets Audit Services have delivered their schedule of work as planned. there were no material control issues arising as a result of the work undertaken and all minor issues reported to the academy have been addressed.

The trustees are satisfied with work undertaken by Azets Audit Services in the year.

SPRING COMMON ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Review of effectiveness

As accounting officer the Head teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit, finance, premises, and health & safety 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 and signed on its behalf by:

S Bailey
Chair of Trustees

K Taylor
Accounting Officer

SPRING COMMON ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

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

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

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

K Taylor
Accounting Officer

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SPRING COMMON ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of Spring Common 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 and signed on its behalf by:

S Bailey
Chair of Trustees

SPRING COMMON ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRING COMMON ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the accounts of Spring Common 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 academy trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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.

SPRING COMMON ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRING COMMON 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 academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the accounts

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

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.

SPRING COMMON ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRING COMMON 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.

Mr Graham Jones BA FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor

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Ruthlyn House
90 Lincoln Road
Peterborough
PE1 2SP

SPRING COMMON ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SPRING COMMON 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 5 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Spring Common 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 Spring Common 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 Spring Common 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 Spring Common Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Spring Common Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Spring Common Academy Trust's funding agreement with the Secretary of State for Education dated 18 December 2015 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- a review of the activities of the academy, by reference to sources of income and other information available to us;
- sample testing of expenditure, including payroll;
- a review of minutes of Trustees' meetings.

SPRING COMMON ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

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

Azets Audit Services
Ruthlyn House
90 Lincoln Road
Peterborough
PE1 2SP

Dated:

SPRING COMMON 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	4,462	-	10,521	14,983	42,052
Charitable activities:						
- Funding for educational operations	4	8,149	4,064,541	-	4,072,690	4,032,541
- Funding for teaching schools		6,240	51,223	-	57,463	56,305
Other trading activities	5	12,672	12,300	-	24,972	49,902
Investments	6	409	-	-	409	342
Total income and endowments		31,932	4,128,064	10,521	4,170,517	4,181,142
Expenditure on:						
Charitable activities:						
- Educational operations	8	18,945	4,458,615	116,805	4,594,365	4,456,036
- Teaching schools		-	25,506	-	25,506	47,749
Total expenditure	7	18,945	4,484,121	116,805	4,619,871	4,503,785
Net income/(expenditure)		12,987	(356,057)	(106,284)	(449,354)	(322,643)
Transfers between funds		-	(33,640)	33,640	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	20	-	42,000	-	42,000	(1,143,000)
Net movement in funds		12,987	(347,697)	(72,644)	(407,354)	(1,465,643)
Reconciliation of funds						
Total funds brought forward		369,013	(4,434,127)	6,792,186	2,727,072	4,192,715
Total funds carried forward		382,000	(4,781,824)	6,719,542	2,319,718	2,727,072

SPRING COMMON 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		Unrestricted Funds	Restricted funds:		Total 2019
	Notes	£	General	Fixed asset	£
Income and endowments from:					
Donations and capital grants	3	12,016	-	30,036	42,052
Charitable activities:					
- Funding for educational operations	4	30,639	4,000,402	-	4,031,041
- Funding for teaching schools		5,680	47,500	-	53,180
Other trading activities	5	19,624	34,903	-	54,527
Investments	6	342	-	-	342
Total income and endowments		68,301	4,082,805	30,036	4,181,142
Expenditure on:					
Charitable activities:					
- Educational operations	8	33,580	4,317,511	115,419	4,466,510
- Teaching schools		-	37,275	-	37,275
Total expenditure	7	33,580	4,354,786	115,419	4,503,785
Net income/(expenditure)		34,721	(271,981)	(85,383)	(322,643)
Transfers between funds		-	(23,523)	23,523	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	20	-	(1,143,000)	-	(1,143,000)
Net movement in funds		34,721	(1,438,504)	(61,860)	(1,465,643)
Reconciliation of funds					
Total funds brought forward		334,292	(2,995,623)	6,854,046	4,192,715
Total funds carried forward		369,013	(4,434,127)	6,792,186	2,727,072

SPRING COMMON ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13		6,678,985		6,762,150
Current assets					
Debtors	15	82,104		68,877	
Cash at bank and in hand		679,138		568,589	
		<u>761,242</u>		<u>637,466</u>	
Current liabilities					
Creditors: amounts falling due within one year	16	(201,509)		(137,544)	
Net current assets			559,733		499,922
Net assets excluding pension liability			7,238,718		7,262,072
Defined benefit pension scheme liability	20		(4,919,000)		(4,535,000)
Total net assets			<u>2,319,718</u>		<u>2,727,072</u>
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds			6,719,542		6,792,186
- Restricted income funds			137,176		100,873
- Pension reserve			(4,919,000)		(4,535,000)
Total restricted funds			<u>1,937,718</u>		<u>2,358,059</u>
Unrestricted income funds	18		<u>382,000</u>		<u>369,013</u>
Total funds			<u>2,319,718</u>		<u>2,727,072</u>

The accounts on pages 21 to 45 were approved by the trustees and authorised for issue on and are signed on their behalf by:

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S Bailey
Chair of Trustees

Company Number 09896071

SPRING COMMON 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 operating activities	21		133,259		306,843
Cash flows from investing activities					
Dividends, interest and rents from investments		409		342	
Capital grants from DfE Group		10,521		30,036	
Purchase of tangible fixed assets		(33,640)		(23,523)	
Net cash (used in)/provided by investing activities			(22,710)		6,855
Net increase in cash and cash equivalents in the reporting period			110,549		313,698
Cash and cash equivalents at beginning of the year			568,589		254,891
Cash and cash equivalents at end of the year			679,138		568,589
Relating to:					
Bank and cash balances			579,016		568,589
Short term deposits			100,122		-

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

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

1.1 Basis of preparation

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

The accounts are prepared in sterling, which is the functional currency of the academy trust. Monetary amounts in these financial statements are rounded to the nearest £.

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 including the impact of COVID-19. The trustees have made this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants receivable

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.

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.

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Leasehold land and buildings have been valued by the trustees and brought into the accounts at that valuation.

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/reducing balance basis over its expected useful life, as follows:

Leasehold buildings	2% per annum on a straight line basis
Fixtures, fittings & equipment	15% per annum on a reducing balance basis
Motor vehicles	20% per annum on a reducing balance basis

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.

1.6 Liabilities

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

1.7 Leasing and hire purchase commitments

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

The land and buildings from which the academy operate are leased from the Local Authority at £nil rent. A commercial value of the lease has not been included in these accounts as expenditure or donated income.

1.8 Financial instruments

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

Financial assets

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

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

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Financial liabilities

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

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

1.9 Taxation

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

1.10 Pensions benefits

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

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

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

1.11 Fund accounting

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

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

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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	-	10,521	10,521	30,036
Other donations	4,462	-	4,462	12,016
	<u>4,462</u>	<u>10,521</u>	<u>14,983</u>	<u>42,052</u>

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
DfE / ESFA grants				
General annual grant (GAG)	-	1,950,000	1,950,000	1,969,259
Other DfE group grants	-	122,732	122,732	110,841
	-	2,072,732	2,072,732	2,080,100
Other government grants				
Local authority grants	-	2,001,264	2,001,264	1,952,802
Exceptional government funding				
Coronavirus exceptional support	-	26,393	26,393	-
Other funding				
Other incoming resources	14,389	15,375	29,764	51,319
Total funding	14,389	4,115,764	4,130,153	4,084,221

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

The funding received for coronavirus exceptional support covers £26,393 of additional costs. These costs are included in notes 7 and 8 below as appropriate.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Catering income	11,795	-	11,795	18,133
Uniform sales	-	-	-	491
Supply teacher insurance receipts	-	12,300	12,300	34,903
Other income	877	-	877	6,680
	12,672	12,300	24,972	60,207

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Interest receivable	409	-	409	342

SPRING COMMON 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 £
Academy's educational operations					
- Direct costs	3,173,178	-	121,093	3,294,271	3,220,074
- Allocated support costs	786,923	275,741	262,936	1,325,600	1,283,711
	<u>3,960,101</u>	<u>275,741</u>	<u>384,029</u>	<u>4,619,871</u>	<u>4,503,785</u>

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Fees payable to auditor for:		
- Audit	6,660	6,400
- Other services	775	2,475
Depreciation of tangible fixed assets	116,805	112,579
Net interest on defined benefit pension liability	90,000	89,000
	<u></u>	<u></u>

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Direct costs				
Educational operations	6,577	3,287,694	3,294,271	3,220,074
Support costs				
Educational operations	12,368	1,313,232	1,325,600	1,283,711
	<u>18,945</u>	<u>4,600,926</u>	<u>4,619,871</u>	<u>4,503,785</u>

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

8 Charitable activities

(Continued)

Analysis of costs	2020 £	2019 £
Direct costs		
Teaching and educational support staff costs	3,173,178	3,042,039
Staff development	15,349	24,767
Technology costs	24,877	39,967
Educational supplies and services	54,510	72,403
Other direct costs	26,357	40,898
	<u>3,294,271</u>	<u>3,220,074</u>
Support costs		
Support staff costs	786,923	710,195
Depreciation	116,805	115,419
Technology costs	7,842	8,837
Maintenance of premises and equipment	46,235	62,348
Rent, rates and other occupancy costs	112,701	118,540
Security and transport	6,447	9,183
Catering	60,070	65,532
Finance costs	90,000	89,000
Other support costs	86,895	89,221
Governance costs	11,682	15,436
	<u>1,325,600</u>	<u>1,283,711</u>

9 Governance costs

	Total 2020 £	Total 2019 £
All from restricted funds:		
Amounts included in support costs		
Auditor's remuneration		
- Audit of financial statements	6,660	6,400
- Other audit costs	775	2,475
Trustees' expenses	1,057	276
Other governance costs	3,190	6,285
	<u>11,682</u>	<u>15,436</u>

SPRING COMMON 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	2,593,708	2,568,592
Social security costs	220,671	220,650
Pension costs	911,226	706,183
Staff costs - employees	3,725,605	3,495,425
Agency staff costs	234,496	256,809
Staff development and other staff costs	3,960,101 15,349	3,752,234 24,767
Total staff expenditure	3,975,450	3,777,001

Staff numbers

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

	2020 Number	2019 Number
Teachers	28	31
Administration and support	82	85
Management	1	1
	111	117

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

	2020 Number	2019 Number
Teachers	26	28
Administration and support	67	81
Management	1	1
	94	110

Higher paid staff

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

	2020 Number	2019 Number
£60,001 to £70,000	1	1
£100,001 to £110,000	1	1

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

(Continued)

Of the employees whose emoluments exceeded £60,000, 2 (2019 - 2) have retirement benefits accruing under defined benefit pension schemes. During the year pension contributions for these staff members amounted to £41,101 (2019 - £27,517).

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £448,158 (2019 - £406,790).

11 Trustees' remuneration and expenses

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

The value of trustees' remuneration for the year was as follows:

K Taylor (headteacher of special school group 6 and trustee)

Remuneration £100,001 - £110,000 (2019 - £100,001 - £110,000)

Employer's pension contributions £20,001 - £25,000 (2019 - £15,001 - £20,000)

12 Insurance for trustees and officers

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £25,000,000 on any one claim and the cost for the year ended 31 August 2020 was included in the total insurance cost.

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

13 Tangible fixed assets

	Leasehold land and buildings £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 September 2019	7,153,372	23,523	-	7,176,895
Additions	-	-	33,640	33,640
At 31 August 2020	7,153,372	23,523	33,640	7,210,535
Depreciation				
At 1 September 2019	412,393	2,352	-	414,745
Charge for the year	113,066	3,178	561	116,805
At 31 August 2020	525,459	5,530	561	531,550
Net book value				
At 31 August 2020	6,627,913	17,993	33,079	6,678,985
At 31 August 2019	6,740,979	21,171	-	6,762,150

14 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Accrued income	40,865	27,974
Bank and cash	679,138	568,589
	720,003	596,563
Carrying amount of financial liabilities		
Trade creditors	41,652	-
Other creditors	62,664	-
Accruals	34,856	58,836
	139,172	58,836

15 Debtors

	2020 £	2019 £
VAT recoverable	11,467	18,972
Prepayments and accrued income	70,637	49,905
	82,104	68,877

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

16 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	41,652	-
Other taxation and social security	51,709	54,186
Other creditors	62,664	-
Accruals and deferred income	45,484	83,358
	<u>201,509</u>	<u>137,544</u>

17 Deferred income

	2020 £	2019 £
Deferred income is included within:		
Creditors due within one year	<u>10,628</u>	<u>24,522</u>
Deferred income at 1 September 2019	24,522	5,596
Released from previous years	(24,522)	(5,596)
Resources deferred in the year	<u>10,628</u>	<u>24,522</u>
Deferred income at 31 August 2020	<u>10,628</u>	<u>24,522</u>

Deferred income relates to a grant received of £2,572 (2019 - £8,522) for Universal Infant Free School Meals for the first term of the next financial year, SEN income received in advance of £8,056 (2019 - £nil) and an NCTL grant of £nil (2019 - £16,000) for the teaching school for the next financial year.

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	90,648	1,950,000	(1,925,744)	(33,640)	81,264
Other DfE / ESFA grants	10,225	122,732	(92,420)	-	40,537
Other government grants	-	2,027,657	(2,027,657)	-	-
Other restricted funds	-	27,675	(12,300)	-	15,375
Pension reserve	(4,535,000)	-	(426,000)	42,000	(4,919,000)
	<u>(4,434,127)</u>	<u>4,128,064</u>	<u>(4,484,121)</u>	<u>8,360</u>	<u>(4,781,824)</u>
Restricted fixed asset funds					
Inherited on conversion	6,740,979	-	(113,066)	-	6,627,913
DfE group capital grants	30,036	10,521	-	-	40,557
Capital expenditure from GAG	21,171	-	(3,739)	33,640	51,072
	<u>6,792,186</u>	<u>10,521</u>	<u>(116,805)</u>	<u>33,640</u>	<u>6,719,542</u>
Total restricted funds	<u>2,358,059</u>	<u>4,138,585</u>	<u>(4,600,926)</u>	<u>42,000</u>	<u>1,937,718</u>
Unrestricted funds					
General funds	262,297	18,610	(11,863)	-	269,044
Discovery teaching school	106,716	6,240	-	-	112,956
After school club	-	4,462	(4,462)	-	-
Trips and events	-	2,620	(2,620)	-	-
	<u>369,013</u>	<u>31,932</u>	<u>(18,945)</u>	<u>-</u>	<u>382,000</u>
Total funds	<u>2,727,072</u>	<u>4,170,517</u>	<u>(4,619,871)</u>	<u>42,000</u>	<u>2,319,718</u>

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

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

General Annual Grant (GAG):

General Annual Grant must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

The restricted grant income in the year all relates to the provision of education for the students attending the academy.

The pension provision equates to the deficit on the Local Government Pension Scheme FRS102 valuation. 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.

Restricted fixed assets funds represent capital funding received from the ESFA and other sources. In accordance with the accounting policies set out in note 1, assets are capitalised where applicable, and depreciation is charged to this fund over the assets' useful economic life. Where costs are not capital in nature they are charged directly to this fund as an expense.

Designated funds have been set aside by the trustees for use in a variety of different areas.

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	97,377	1,969,259	(1,952,465)	(23,523)	90,648
Other DfE / ESFA grants	-	110,841	(110,841)	-	-
Other government grants	-	1,952,802	(1,942,577)	-	10,225
Other restricted funds	-	49,903	(49,903)	-	-
Pension reserve	(3,093,000)	-	(299,000)	(1,143,000)	(4,535,000)
	(2,995,623)	4,082,805	(4,354,786)	(1,166,523)	(4,434,127)
Restricted fixed asset funds					
Inherited on conversion	6,854,046	-	(113,067)	-	6,740,979
DfE group capital grants	-	30,036	-	-	30,036
Capital expenditure from GAG	-	-	(2,352)	23,523	21,171
	6,854,046	30,036	(115,419)	23,523	6,792,186
Total restricted funds	3,858,423	4,112,841	(4,470,205)	(1,143,000)	2,358,059
Unrestricted funds					
General funds	233,256	47,199	(18,158)	-	262,297
Discovery teaching school	101,036	5,680	-	-	106,716
After school club	-	12,016	(12,016)	-	-
Trips and events	-	3,406	(3,406)	-	-
	334,292	68,301	(33,580)	-	369,013
Total funds	4,192,715	4,181,142	(4,503,785)	(1,143,000)	2,727,072

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

19 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	-	-	6,678,985	6,678,985
Current assets	382,000	338,685	40,557	761,242
Creditors falling due within one year	-	(201,509)	-	(201,509)
Defined benefit pension liability	-	(4,919,000)	-	(4,919,000)
Total net assets	382,000	(4,781,824)	6,719,542	2,319,718
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	6,762,150	6,762,150
Current assets	506,557	100,873	30,036	637,466
Creditors falling due within one year	(137,544)	-	-	(137,544)
Defined benefit pension liability	-	(4,535,000)	-	(4,535,000)
Total net assets	369,013	(4,434,127)	6,792,186	2,727,072

20 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £62,664 were payable to the schemes at 31 August 2020 (2019 - £nil) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £254,662 (2019 - £184,720).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 23% for employers and 5.5% to 10.5% for employees.

The estimated value of employer contributions for the forthcoming year is £315,000.

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.

Total contributions made	2020 £	2019 £
Employer's contributions	314,000	309,000
Employees' contributions	79,000	78,000
Total contributions	393,000	387,000

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2020 %	2019 %
Rate of increase in salaries	2.7	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9

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	22.0	21.5
- Females	24.0	23.5
Retiring in 20 years		
- Males	22.7	22.4
- Females	25.5	24.9

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

	2020	2019
0.5% decrease in Real Discount Rate	1,043,000	1,014,000
0.5% increase in the Salary Increase Rate	107,000	176,000
0.5% increase in the Pension Increase Rate	918,000	816,000

Defined benefit pension scheme net liability

Scheme assets	3,013,000	2,519,000
Scheme obligations	(7,932,000)	(7,054,000)
Net liability	(4,919,000)	(4,535,000)

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

	2020 Fair value £	2019 Fair value £
Equities	2,109,000	1,889,000
Bonds	331,000	327,000
Property	452,000	277,000
Other assets	121,000	26,000
Total market value of assets	3,013,000	2,519,000

The actual return on scheme assets was £173,000 (2019: £106,000).

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

Amount recognised in the Statement of Financial Activities	2020 £	2019 £
Current service cost	650,000	491,000
Past service cost	-	28,000
Interest income	(51,000)	(62,000)
Interest cost	141,000	151,000
Total operating charge	740,000	608,000

Changes in the present value of defined benefit obligations	2020 £	2019 £
At 1 September 2019	7,054,000	5,145,000
Current service cost	650,000	491,000
Interest cost	141,000	151,000
Employee contributions	79,000	78,000
Actuarial loss	80,000	1,187,000
Benefits paid	(72,000)	(26,000)
Past service cost	-	28,000
At 31 August 2020	7,932,000	7,054,000

Changes in the fair value of the academy trust's share of scheme assets	2020 £	2019 £
At 1 September 2019	2,519,000	2,052,000
Interest income	51,000	62,000
Actuarial gain	122,000	44,000
Employer contributions	314,000	309,000
Employee contributions	79,000	78,000
Benefits paid	(72,000)	(26,000)
At 31 August 2020	3,013,000	2,519,000

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

21 Reconciliation of net expenditure to net cash flow from operating activities

	2020 £	2019 £
Net expenditure for the reporting period (as per the statement of financial activities)	(449,354)	(322,643)
Adjusted for:		
Capital grants from DfE and other capital income	(10,521)	(30,036)
Investment income receivable	(409)	(342)
Defined benefit pension costs less contributions payable	336,000	210,000
Defined benefit pension scheme finance cost	90,000	89,000
Depreciation of tangible fixed assets	116,805	115,419
(Increase)/decrease in debtors	(13,227)	201,367
Increase in creditors	63,965	44,078
Net cash provided by operating activities	133,259	306,843

22 Analysis of changes in net funds

	1 September 2019 £	Cash flows £	31 August 2020 £
Cash	568,589	10,427	579,016
Cash equivalents	-	100,122	100,122

23 Related party transactions

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

No related party transactions took place during this period.

Currently none of the trustees have children who are pupils at the academy, therefore there are no transactions between those trustees and the academy in respect of their children's education.

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.

SPRING COMMON ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

25 Teaching School trading account

	2020		2019	
	£	£	£	£
Direct income				
Government grants		51,223		47,500
Other income		6,240		5,680
Total income		57,463		53,180
Direct costs				
Other direct costs	25,506		37,275	
Total operating costs		(25,506)		(37,275)
Surplus from Teaching School		31,957		15,905
Teaching School balances at 1 September 2019		116,941		101,036
Teaching School balances at 31 August 2020		148,898		116,941