
THE ELIZABETHAN ACADEMY TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 17
Governance statement	18 - 22
Statement on regularity, propriety and compliance	23
Statement of Trustees' responsibilities	24
Independent auditors' report on the financial statements	25 - 28
Independent reporting accountant's report on regularity	29 - 30
Statement of financial activities incorporating income and expenditure account	31 - 32
Balance sheet	33 - 34
Statement of cash flows	35
Notes to the financial statements	36 - 62

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	C Horrocks D Cheetham L Jones C Manze N Roberts J White
Trustees	D Cheetham, Chair of Trustees L Jones, Vice Chair of Trustees C Horrocks R Green (resigned 4 November 2019) S Walker A Leake M Evans S Morris (resigned 12 December 2018) A Selby, Principal & Accounting Officer (appointed 3 April 2019) J Coyne (appointed 26 March 2019) J McRory (appointed 12 December 2018) C Turner (appointed 12 February 2019) T Wright (appointed 12 February 2019) T Mason (appointed 12 February 2019) M Lister (resigned 31 August 2019) S Proctor-Green (resigned 17 July 2019)
Company registered number	07964360
Company name	The Elizabethan Academy Trust
Registered office	Hallcroft Road Retford Notts DN22 7PY

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Company secretary	C D'Albuquerque
Principal and Accounting Officer	C Horrocks
Senior management team	C Horrocks, Principal A Clark, Vice Principal K Ward, Assistant Principal S Withall, Assistant Principal L Dainty, Assistant Principal H Ashton-Braithwaite, SENCo C D'Albuquerque, Chief Financial & Operations Officer
Independent auditors	Streets Audit LLP Windsor House A1 Business Park at Long Bennington Notts NG23 5JR
Bankers	Lloyds Bank plc High Street Lincoln PO Box 1000 BX1 1LT
Solicitors	Browne Jacobsen LLP 44 Castle Gate Nottingham NG1 7BJ

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in North Nottinghamshire. The academy operates on two sites. The 11-18 site has a student capacity of 1,200 and had a roll of 869 in the school census on October 2018. The other site operates as an alternative provision facility accommodating a small number of students.

Structure, governance and management

Constitution

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy.

The Trustees of The Elizabethan Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Elizabethan Academy Trust.

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

Members' liability

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

Trustees' indemnities

In respect of the trustees and its function the Academy Trust has arranged insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring in connection with academy business. The limit of indemnity, for any one claim or the aggregate in any one period of insurance is £2,000,000. There were no third party indemnity provisions during the year ended 31 August 2019.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

Method of recruitment and appointment or election of Trustees

In accordance with the articles of association the trustees are appointed as follows:

- a) The members may appoint a trustee provided that the total number of staff trustees does not exceed one third of the total number of trustees.
- b) A minimum of 2 parent trustees should be appointed, elected by parents of registered pupils at the academy. A parent trustee must be a parent of a pupil at the academy at the time when they are elected. Where the number of parents standing for election is less than the number of vacancies, parent trustees shall be made up by parent trustees appointed by the governing body. In appointing a parent trustee, the governing body shall appoint a person who is the parent of a registered pupil at the academy, or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.
- c) The Trustees may appoint staff trustees through any process they determine, including by a suitable election process. The total number of trustees who are employees of the Academy Trust shall not exceed one third of the total number of trustees.
- d) Community trustees may be appointed by the governing body provided that the person appointed is a person who lives or works in the community served by the academy or is committed to the government and success of the academy.
- e) The Principal is an ex officio trustee.
- f) The trustees may appoint up to 2 co-opted trustees.
- g) Additional trustees may, if deemed necessary, be appointed by the Secretary of State for Education.

The academy actively advertises and organises elections for trustee vacancies. New trustees are recruited from a variety of backgrounds and have the necessary skills to support, enhance and develop the Academy Trust. Trustees are subject to retirement by rotation but are eligible for re-election at the meeting at which they retire.

Policies adopted for the induction and training of Trustees

The Academy Trust is responsible for the induction and training of trustees who go through an induction period with appropriate training and information provided.

On appointment, all trustees are provided with handbooks and induction files. All new trustees are given a tour of the academy and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. Training is given throughout the academic year and the academy buys back into Local Authority provision where necessary. Trustees are invited to attend all sub-committee meetings to select the most appropriate to their expertise.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

Organisational structure

The organisational structure consists of two main levels: The Trustees and The Senior Leadership Team under which Faculty Leaders and other budget holders operate. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Senior Leadership Team consists of the Principal, Vice Principal, three Assistant Principals and the Chief Financial Operations Officer. The Senior Leadership Team controls the academy at an executive level, implementing the policies laid down by the trustees and reporting back to them. Each member of the Senior Leadership Team has both strategic and operational responsibilities and links with Faculty Leaders, Pastoral, Administrative, Site and Training leaders. Each member of the Senior Leadership Team acts as a conduit and links with one or more trustee committees.

The Governing Body works with the Principal and the Senior Leadership Team to ensure that students receive a first class education. The Governing Body elects its own Chairman and Vice-Chairman, who cannot be the Principal, or a member of the teaching staff.

Trustees are drawn from all walks of life and represent the community served by the academy.

Academy trustees are answerable to parents and the community. Together with the Principal, who is responsible for day to day management, Governors offer strategic leadership that sets and champions vision, ethos and strategy. Governors ensure accountability that drives educational standards and financial performance

The day to day operational management is delegated to the Principal. All strategic decisions delegated to the Senior Leadership Team are ratified by the trustees.

As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets though some spending control is devolved to Faculty Leaders and other budget holders, with limits above which a Senior Leader must countersign. The Senior Leadership Team in partnership with Faculty Leaders is also responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

Sub Committees

By law, governing bodies must meet at least three times every year, as a Full Governing Body, but the ongoing business is discussed by smaller committees. All areas of the academy's work are discussed, reported on and decisions are taken by a majority vote.

A typical trustees' meeting agenda might include the following:

- Principal's report and issues raised
- Update on personnel matters e.g. appointments made
- Reports from the sub-committees on pastoral, curriculum, personnel and finance matters
- Budget monitoring
- A review of recent and forthcoming academy events and initiatives
- Trustee training
- Any current or key issues e.g. academy status, OFSTED requirements.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

At The Elizabethan Academy we have 5 sub-committees which meet at least once a term, and sometimes more frequently, if circumstances demand it. The sub-committee responsibilities are:

1. Student Support Committee

To discuss and make decisions on student matters including:

- ensuring the health, safety and well-being of students
- promoting community cohesion and inclusive practice relating to race, gender and disability equality
- overcoming barriers to learning
- parental and community liaison
- setting priorities for improvement and monitoring and evaluating the impact of improvement plans which relate to the committee's area of operation
- developing and reviewing policies identified within the Academy's policy review programme and in accordance with its delegated powers.

2. Finance & Resources Committee

To discuss and make decisions on matters including:

- effective controls of financial management, within available resources and ensuring regularity, propriety and value for money
- budgets and the financial management of the academy
- the school improvement service
- PFI / premises matters
- review school policies such as the Charging and Remissions, Finance and Investment Policies
- agree the level of financial delegation to the Principal
- ensure that the principles of 'best value' are adhered to
- review, monitor and evaluate the annual maintenance programme
- recommend an appropriate staffing structure to the Full Governing Body for approval
- recruit, select and appoint staff
- secure the effective implementation of Performance Management procedures
- monitor and evaluate the effectiveness of partnerships in securing improved pupil outcomes.

3. Standards Committee

To discuss and make decisions on matters including:

- monitoring and evaluating rates of progress and standards of achievement by pupils, including any underachieving groups
- rigorous analysis of pupil progress and attainment information with comparison against local and national benchmarks over time
- ensuring that the curriculum is balanced, broadly based, meets the needs of all pupils and complies with statutory requirements
- setting priorities for improvement and monitoring and evaluating the impact of improvement plans which relate to the Committee's area of operation
- developing and reviewing policies identified within the Academy's policy review programme and in accordance with its delegated powers.

4. Audit Risk and Pay Committee

To discuss, advise and make decisions on matters including:

- to receive reports and correspondence from Internal and External Auditors and other bodies (eg ESFA/NAO) and consider any issues raised, together with the associated management response and action plans
- to advise the Governing Body and Accounting Officer on the adequacy and effectiveness of the Academy's

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

governance, risk management, internal control and value for money frameworks and systems through referral of such reports to the Governing Body and/or relevant Committee for information and action

- ensuring transparent system for Principal's Performance Management which is understood by all in the organisation and is linked to defined strategic priorities
- effective oversight of the performance of all other employees and the framework for their pay and continuous service
- manage and set risk appetite and tolerance ensuring that risks are aligned with strategic priorities and improvement plans and that appropriate interventions are in place
- to review the Academy's fraud response plan and ensure that all allegations of fraud or irregularity are managed and investigated appropriately
- to advise the Governing Body on the appointment/re-appointment, dismissal and remuneration of the External and Regularity Auditor
- to advise the Governing Body on the requirement for and subsequently, the appointment/reappointment, dismissal and remuneration of an Internal Auditor or other assurance provider, thus enabling the Governing Body to sign the corporate governance statement in the annual accounts
- to review the External Auditor's annual planning document and approve the planned audit approach.

There is also a Trustees Exclusion / Discipline Committee which meets as and when required, to discuss any permanent exclusion cases and has the power to reinstate an excluded pupil or to reduce the term of the exclusion and the Pay Committee which meets once a year to discuss the performance management and pay progression of staff.

Arrangements for setting pay and remuneration of key management personnel

Pay ranges for the Principal, the Vice Principal(s) and Assistant Principals will be determined in line with the School Teachers' Pay and Conditions Document (STPCD) for new appointments, where responsibilities significantly change or if this Academy chooses to review pay of leadership posts in line with the School Teachers' Pay and Conditions Document (STPCD). The pay range will take into account all permanent responsibilities of the role, any challenges that are specific to the role and all other relevant considerations including the skills and competencies required. Pay ranges will allow appropriate scope for performance related progression over time.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	-

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	1
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £

Total cost of facility time	11,214
Total pay bill	56,071
Percentage of total pay bill spent on facility time	20 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	2 %
---	-----

Related parties and other connected charities and organisations

The Elizabethan Academy offers an excellent transition programme and strong links with the family of schools. A variety of events and activities take place throughout the year featuring subject specialist taster days, training events and concluding in July with transition week.

Objectives and activities

Objects and aims

The Academy Trust's objects are specifically restricted to the following:

- a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy") and
- b) to promote for the benefit of individuals living in Retford and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstance or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

Objectives, strategies and activities

Our mission is to discover and develop the talents of all the young people and adults who work together to make the academy a vibrant learning environment, in which everyone can realise their ambitions.

Our core purpose is to prepare students for the next steps in their lives and equip them with the skills, qualifications and knowledge to become high achieving well-rounded individuals, thus enabling them to reach their potential and achieve their aspirations and goals.

Personal Development is critical for students' current and future success: we support our students to develop confidence, self-discipline, flexibility and resilience through our curriculum, extra-curricular opportunities and our leadership programme.

We are an inclusive and diverse community that respects others' differences and promotes understanding and tolerance of others' beliefs. This is reflected in our broad and balanced curriculum which reflects students' aspirations and future local, national and international career opportunities.

We expect excellence from all: from the staff who work here, from the students who learn here and from the parents who choose to send their children here. In return we offer students and staff an innovative, progressive, challenging but supportive environment in which to thrive.

Public benefit

In setting and reviewing aims and objectives and in planning future activities, the trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

All of the activities undertaken by the Academy Trust are for the education of its students and the benefit of the local community. The academy has forged strong links with the local community and the site is frequently used by community groups for a wide variety of activities. Throughout the academic year the academy offers frequent open days and evenings where not only parents, but also the local community, are encouraged to engage with the academy and participate in the events and exhibitions on display.

Strategic report

Achievements and performance

Key performance indicators

The trustees consider the following to be the key financial performance indicators:

		2018-19	2017-18
Income	Total GAG income per pupil	£5,009	£5,175
Staffing	Total staff cost per pupil	£4,433	£4,664
Staffing	Staffing costs to GAG income	0.88	0.87
Expenditure	Total GAG expenditure per pupil	£5,205	£5,439

Based on pupil numbers of 869 including post 16.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies. The governing body closely monitors the funding situation and adopts planning measures in anticipation of possible reductions in funding. Student numbers joining us in September 2019 have seen a significant increase and this is projected to continue to increase moving forwards in the 3-5 year period.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Review of activities

The Effectiveness of Leadership and Management

The academy had an Ofsted Inspection from the 1-2 May 2018. The academy achieved Good in all areas. Areas for improvement were identified and included in the Academy Improvement Plan.

The following comments come from the SEF and Ofsted Report:

- Rapid identification and intervention with staff requiring support have resulted in improved performance.
- Equality and diversity is fully embedded within the ethos of the school and pupils with SEN and/or disabilities are supported via the curriculum. They make good progress.
- Performance Management is a strength of the school. Staff have clear and aspirational targets which they work hard to achieve.
- Leaders have a clear vision of high expectations and inclusive education.
- Leaders aim to ensure pupils successfully complete their programmes of study by a culture of inclusivity.
- CPD and leadership opportunities ensure staff receive effective PD.
- Leaders engage with their staff, they are realistic and constructive. Leaders protect staff from bullying and harassment and are proactive in dealing with wellbeing issues. The academy have piloted methods to reduce workload.
- Governors understand their roles and ensure that the school has a clear vision and strategy and that resources are managed well. They ensure the school fulfills its duties in terms of the equality act 2010, Prevent duty and safeguarding.
- The school has an effective safeguarding culture.
- Leaders engage effectively with pupils and others in the community.
- Curriculum intent maps have been written across all faculty areas to ensure the curriculum is coherently planned and sequenced towards providing students with sufficient knowledge and skills for future learning and employment.

Quality of Teaching, Learning and Assessment

The following comments come from the SEF and Ofsted Report:

- The quality of teaching, learning and assessment is Good.
- Teachers reinforce Academy expectations. They use information effectively from assessments to plan lessons and identify and support students who fall behind. Teachers expect and encourage students to work with positive attitudes. They use skillful questioning and provide feedback in line with the school policy. Most students commit to improving their work as a result of feedback.
- Teacher Standards are being met and teachers have strong subject knowledge. Effective M&S programmes are implemented to support individual staff who demonstrate areas of weakness.
- Relationships between teachers and pupils are very positive. Pupils feel encouraged to engage in their learning which helps them to make progress.
- Reading is prioritised across the Academy through a range of strategies including DEAR time and Literacy for Life.
- The Academy highlights the need for teachers to ensure that their own speaking, listening, writing and reading of English support pupils in developing their language and vocabulary well.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Personal Development, Behaviour and Welfare

The following comments come from the SEF and Ofsted Report:

- The academy has an open culture which actively promotes all aspects of students' welfare and development.
- Pastoral support is very strong. Considerable emphasis is placed on all students' personal development and wellbeing. The academy is welcoming, caring and inclusive.
- Students' moral, spiritual, social and cultural development equips them to be thoughtful, caring and active citizens. The assembly rota highlights key dates throughout the year, including those which support the promotion of British Values (eg tolerance and respect linked to Martin Luther King day).
- Evaluations of special events indicate our students demonstrate excellent leadership skills and qualities and that participants are engaged with and enjoying the experiences, including safeguarding performances and workshops for Years 7-9 on CSE.
- There is an improving trend with key behaviour data.
- Pupils behave with consistently high levels of respect for others. They play a highly positive role in creating a school environment in which commonalities are identified and celebrated, difference is valued and nurtured, and bullying, harassment and violence are never tolerated...supported by a highly effective pastoral ethos with skilled and experienced practitioners.
- There is demonstrable improvement in the behaviour and attendance of pupils who have particular needs.
- Pupils' attitudes to their education are positive. They are committed to their learning, know how to study effectively and do so, are resilient to setbacks and take pride in their achievements. The school reintegrates excluded pupils on their return and manages their behaviour effectively. Permanent exclusions are used appropriately as a last resort.
- Relationships among pupils and staff reflect an extremely positive and respectful culture; pupils are safe and they feel safe.
- The curriculum extends beyond the academic, technical or vocational. It provides for learners' broader development, enabling them to develop and discover their interests and talents. (PD review).
- The take up of extracurricular activities is secure within the academy - 20% of the cohort sampled (75%) complete extra curricular activities within school and 41% of students also participate in extracurricular activities outside of school.
- The development of students character is a real strength within the academy with extensive student leadership activities as well as DoE and cadets. The cadet contingent is now in its second year (the first year as an independent contingent) and is about to take on its third cohort of cadets. DoE lessons are taught to all year 9 students with the opportunity for them to complete their bronze expedition at the end of the year.
- There is a focus within the extended PD programme on equality of opportunity and diversity/understanding of protected characteristics.
- Students understand how to debate issues and are able to discuss issues within PSHE with maturity and showing understanding of other people's opinions and values.
- The careers provision for all students is strong within the academy, all year 10 and 12 students complete a work experience placement.
- The academy is making good progress towards meeting and (and achieving) the eight Gatsby benchmarks and there is a clear plan in place of how to address any development areas.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Outcomes for pupils

Year 11

Y11	Nat Avg 2018	EA 2018 (Final Projected)	EA 2018 (Actual)	EA Proj 2019	EA 2019 Actual	Shadow data 2019 with 5 students removed
Grade 4 and above in English and Maths	64%	63.60%	66.40%	64.20%	56%	57.1%
Grade 5 and above in English and Maths	43%	35%	36.40%	42.10%	34.6%	35.8%
Average attainment 8	46.53	44	43.46	44	41	42
Progress 8	0	-0.2	-0.24	-0.1	-0.4	-0.3

Year 13

Y13	Post 16 Actual 2018	EA 2019 Actual
L3VA (A Level)	-0.64	-0.50
L3VA (Academic)	-0.62	-0.49

Students on Alternate provision improved their performance on 2018 as all students gained qualifications. UB performance improved from 66.7% 5+En/Ma in 2018 to 75.9% 5+ En/Ma in 2019. However, Maths grade boundary changes had a significant negative impact and the students we requested to be removed from the figures for extreme medical issues or non –attendance were not removed.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Financial review

Reserves policy

The Academy Trust, after analysis of the fall in student numbers and recent changes to formula funding has planned for sufficient reserves to cover these eventualities. The reserves are split into the categories of restricted general funds and unrestricted funds. The unrestricted funds are the resources the academy has or can make available to spend for any or all of the academy's purposes once it has met its commitments and covered its planned expenditure.

The academy's revenue reserves at 31 August 2019 are £226,657.

The Finance Committee, in conjunction with the Full Trustees Committee, aims to carry forward sufficient funds to meet the Academy Trust's long term objectives and to provide working capital, whilst ensuring that it does not affect its current operational activities. The trustees have recognised that the appropriate level of free reserves should be equivalent to one month's expenditure, approximately £550,000.

The free reserves (unrestricted general funds) as at 31 August 2019 amounted to £210,667 with a further £15,990 carried forward as restricted revenue funds. The academy hopes that with an increase in student numbers in September 2019 and projected increases in subsequent years, the use of carry forward reserves will reduce. It has also budgeted for a significant increase in employer national insurance contributions an increase in the employers Teacher's Pension contribution rate.

Investment policy

The trustees discuss and agree to any investments made by the academy. Investments are currently limited to a current account held with Lloyds Bank plc. Any future investments will be made with regard to Charity Commission guidance in relation to investments.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

Principal risks and uncertainties

The trustees have assessed the major risks to which the academy is exposed, in particular those relating to teaching, provision of facilities, financial and other operational areas of the academy, and its finances. The academy has in place a detailed risk register which is used to identify and mitigate risks as far as possible.

The management of risks to the academy is undertaken in accordance with the Funding Agreement, the Academies Financial Handbook and the Academy Finance Policy.

The governing body is responsible for risk management and for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, whilst safeguarding public funds and other funds and assets for which it is responsible. It is advised in this role by the Audit Risk & Pay Committee and both are advised and informed by the Senior Leadership Team.

The governing body fulfils its role by establishing the system of internal control, approving and reviewing a series of policies that underpin the internal control process and agreeing objectives, plans and resources by means of the budget and annual Academy Improvement Plan.

The risk management policy remains under regular review by the Audit Risk & Pay Committee and will be presented annually.

The Academy Trust has appointed an internal auditor who has reviewed and reported on the Academy Trust's controls, systems and financial activities this period.

The trustees have taken into consideration the projected changes in student numbers and have planned accordingly.

The academy retains strong links with the Local Authority for any updates or changes to formula funding.

Significant risks and the measures in place to reduce them are identified in the academy's Risk Register which is subject to annual review. Further financial risk is covered by the academy's insurance policy.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

Financial review

Most of the academy's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The academy also receives grants for fixed assets from the ESFA. In accordance with the Charities SORP, grants and donations received for specific capital purposes are shown in the Statement of Financial Activities as restricted fixed asset funds. The balance sheet restricted asset fund is reduced by depreciation charges over the expected useful life of the assets concerned.

Expenditure for the period was greater than grants from the ESFA and other income, such as voluntary income and activities for generating funds. During the year ended 31 August 2019 total expenditure of £4,923,181 was more than recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the twelve months was £164,052.

At 31 August 2019 the net book value of fixed assets was £17,496,538 and movements in tangible fixed assets are shown in Note 13 to the financial statements. The assets are used primarily for providing the academy's educational operations and associated support service to the students of the academy.

The Elizabethan High School was built under a PFI contract between Nottinghamshire County Council and Transform Schools which terminates in July 2032. The academy has entered into a School and Principal Agreement which recognises the PFI contract and ensures that the Academy Trust cannot place the County Council in breach of any of its obligations under the original PFI contract. The School agreement also sets out the financial responsibilities that the academy has entered into between itself and the County Council.

Financial risk management objectives and policies

The academy's dealings with financial instruments are limited to bank accounts, creditors and debtors. This limitation serves to minimise credit and liquidity risks when this is combined with the nature of the academy's debtors (being principally government bodies and other schools) and therefore the risk to cash flow is also minimal.

Reference is also made to the Local Government defined benefit pension scheme which shows a deficit of £2,957,000.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees. During this period the academy raised funds for a number of projects including the Combined Cadet Force, Crossfit suite and boxing club.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Plans for future periods

1. New financial monitoring systems in order to allow better and more transparent monitoring of accounts.
2. Adopt the DfE recommended chart of accounts.
3. Move towards cashless systems for income.
4. Increase focus on staff wellbeing
5. Continue to support and further develop our independent alternative provision.
6. Continued development and support of SEND provision.
7. Increase number of technical and vocational qualifications for post 16 students.

Funds held as custodian on behalf of others

The academy does not hold any funds as custodian trustee on behalf of others.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are aware of that information.

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

D Cheetham
(Chair of Trustees)

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the Principal, 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 The Elizabethan Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 5 times during the year. Financial oversight is maintained through delegation to sub-committees which meet to discuss specific matters as detailed and through monthly conference calls relating to management accounts.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
D Cheetham, Chair of Trustees	5	5
L Jones, Vice Chair of Trustees	5	5
C Horrocks	5	5
R Green	4	5
S Walker	4	5
A Leake	4	5
M Evans	4	5
S Morris	2	2
A Selby, Principal & Accounting Officer	1	2
J Coyne	2	2
J McRory	3	3
C Turner	1	2
T Wright	2	2
T Mason	2	2
M Lister	1	2
S Proctor-Green	2	4

Governors share the leaders' ambitions for pupils' success. They are passionate about the school and are fully committed to supporting continued improvements.

Governors understand the requirements and responsibilities of their role. They are actively involved in supporting aspects of the school's work, not only in their strategic capacity, but by attending many of the school's events. They are also keen to develop and are active in a variety of relevant training that will support the development of the school.

There is a wide range of knowledge and expertise among the governing body, and the chair of governors ensures that all skill sets are matched to meet the needs of the school. There are regular committee and full governing body meetings, where governors ask challenging questions to hold senior leaders to account.

They attend accountability meetings known to the school as 'CSI'. At these meetings, governors monitor underperformance of key pupils and use the information gleaned from these meetings, along with other data generated by school staff to challenge underperformance, but also support the principal in dealing with the challenges faced by the school. They have acknowledged an Ofsted criticism that they were not as diligent in challenging leaders in the area of Year 7 catch up funding, but have put in place measures and systems to address this criticism.

Governance is reviewed as part of the Leadership and Management section of the Academy Self Evaluation Form (SEF). The SEF is constantly updated and is reviewed each term at a Full Governing Body Meeting. Governor effectiveness and improvement is now included in the Academy Improvement Plan and is addressed as part of the Leadership and Management section of that plan. Progress against the action set out in the plan are monitored on a regular basis.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance and Resources Committee is a sub-committee of the main board of Trustees. Its purpose is to approve and monitor the Academy Budget and oversee and regulate controls and procedures. It has been prominent in monitoring and planning for the reduction in student numbers, the changes to formula funding and the increased employers' contributions.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
R Green	3	3
D Cheetham	3	3
L Jones	2	3
S Walker	2	3
M Evans	2	3

The Audit Risk and Pay Committee is also a sub-committee of the main board of Trustees. Its purpose is to approve and monitor the internal control systems. This includes both internal and external audit reports with management response and actions to be taken. It is also responsible for risk management and pay recommendations.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
D Cheetham	2	2
L Jones	2	2
R Green	2	2

Review of value for money

As accounting officer, the Principal has responsibility for ensuring that the academy 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'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 appropriate. The accounting officer for the academy has delivered improved value for money during the year by:

Improving educational outcomes:

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 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 The Elizabethan Academy Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy 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's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint Julia Raftery Consulting Limited as internal auditor.

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

On an annual basis, the internal auditor reports to the board of Trustees through the audit risk and pay committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The internal auditor has delivered their schedule of work as planned, with the latest visit giving adequate assurance over the systems in place.

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the academy 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 risk and pay committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the board of Trustees on and signed on their behalf by:

D Cheetham
Chair of Trustees

C Horrocks
Accounting Officer

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Elizabethan Academy Trust I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy 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 2018.

I confirm that I and the academy board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook 2018.

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

C Horrocks
Accounting Officer
Date:

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees on and signed on its behalf by:

D Cheetham
(Chair of Trustees)

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
ELIZABETHAN ACADEMY TRUST**

Opinion

We have audited the financial statements of The Elizabethan Academy Trust (the 'academy') for the year ended 31 August 2019 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2019 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
ELIZABETHAN ACADEMY TRUST (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
ELIZABETHAN ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
ELIZABETHAN ACADEMY TRUST (CONTINUED)**

Mark Bradshaw (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

Windsor House

A1 Business Park at

Long Bennington

Notts

NG23 5JR

Date:

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
ELIZABETHAN ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 23 April 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Elizabethan Academy Trust during the year 1 September 2018 to 31 August 2019 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 The Elizabethan Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Elizabethan 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 The Elizabethan Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Elizabethan Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Elizabethan Academy Trust's funding agreement with the Secretary of State for Education dated 1 April 2012 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 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 2018 to 2019 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's income and expenditure.

Our audit work involved:

- a review of the Academy systems and controls and confirmation of their operation and effectiveness during the year;
- a detailed review of purchase transactions confirming the purpose, value for money and that appropriate tendering or quotation procedures had been followed in line with the Academy finance policy; and
- review of the internal audit reports.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mark Bradshaw (Senior statutory auditor)

Streets Audit LLP

Windsor House
A1 Business Park at
Long Bennington
Notts
NG23 5JR

Date:

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	4,754	-	70,600	75,354	25,666
Charitable activities		66,395	4,759,129	-	4,825,524	5,092,662
Other trading activities		207,814	-	-	207,814	105,098
Investments	6	415	-	-	415	432
Total income		279,378	4,759,129	70,600	5,109,107	5,223,858
Expenditure on:						
Raising funds		5,144	-	-	5,144	7,751
Charitable activities		272,048	5,155,181	18,655	5,445,884	5,648,070
Total expenditure		277,192	5,155,181	18,655	5,451,028	5,655,821
Net income/(expenditure)		2,186	(396,052)	51,945	(341,921)	(431,963)
Transfers between funds	16	(70,764)	76,650	(5,886)	-	-
Net movement in funds before other recognised gains/(losses)		(68,578)	(319,402)	46,059	(341,921)	(431,963)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	21	-	(469,000)	-	(469,000)	575,000
Net movement in funds		(68,578)	(788,402)	46,059	(810,921)	143,037

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Note					
Reconciliation of funds:					
Total funds brought forward	279,245	(2,152,608)	17,521,961	15,648,598	15,505,561
Net movement in funds	(68,578)	(788,402)	46,059	(810,921)	143,037
Total funds carried forward	<u>210,667</u>	<u>(2,941,010)</u>	<u>17,568,020</u>	<u>14,837,677</u>	<u>15,648,598</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 36 to 62 form part of these financial statements.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07964360

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	17,496,537	17,505,698
		<u>17,496,537</u>	<u>17,505,698</u>
Current assets			
Debtors	14	202,488	141,464
Cash at bank and in hand		570,620	740,770
		<u>773,108</u>	<u>882,234</u>
Creditors: amounts falling due within one year	15	(474,968)	(483,334)
Net current assets		298,140	398,900
Total assets less current liabilities		<u>17,794,677</u>	<u>17,904,598</u>
Net assets excluding pension liability		17,794,677	17,904,598
Defined benefit pension scheme liability	21	(2,957,000)	(2,256,000)
Total net assets		<u><u>14,837,677</u></u>	<u><u>15,648,598</u></u>

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Funds of the academy			
Restricted funds:			
Fixed asset funds	16	17,568,020	17,521,961
Restricted income funds	16	15,990	103,392
		<hr/>	<hr/>
Restricted funds excluding pension asset	16	17,584,010	17,625,353
Pension reserve	16	(2,957,000)	(2,256,000)
		<hr/>	<hr/>
Total restricted funds	16	14,627,010	15,369,353
Unrestricted income funds	16	210,667	279,245
		<hr/>	<hr/>
Total funds		14,837,677	15,648,598
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 31 to 62 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

D Cheetham
(Chair of Trustees)

The notes on pages 36 to 62 form part of these financial statements.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(231,671)	89,139
Cash flows from investing activities	19	61,521	2,736
Change in cash and cash equivalents in the year		(170,150)	91,875
Cash and cash equivalents at the beginning of the year		740,770	648,895
Cash and cash equivalents at the end of the year	20	<u>570,620</u>	<u>740,770</u>

The notes on pages 36 to 62 form part of these financial statements

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Elizabethan Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the year 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.

- **Other income**

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

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

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 allocated on the portion of the asset's use.

- **Expenditure on raising funds**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.6 Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring 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.

The freehold title of the land from which the academy operates is owned by Nottinghamshire County Council. The Elizabethan Academy Trust entered into a lease agreement with Nottinghamshire County Council for the land and buildings from which the academy operates. The lease is for a peppercorn rent for 125 years from 1 April 2012 except for an earlier termination of the funding agreement.

The buildings were built under the Private Finance Initiative (PFI) and is subject to an agreement between Nottinghamshire County Council and Transform Schools Bassetlaw Limited, the PFI Contractor. The academy trust has entered into a supplementary schools agreement with Nottinghamshire County Council concerning the PFI agreement. Under the terms of the agreement the academy is committed to paying Nottinghamshire County Council a proportion of its budget in consideration for the Council paying the PFI contractor the unitary charge under the PFI agreement.

In addition, if The Elizabethan Academy Trust is operating as an academy at the time of the expiry of the PFI agreement between the council and the PFI Contractor in July 2032, the Council shall transfer or procure the transfer of the building to the academy trust at no cost to the academy trust.

It is the opinion of the trustees that the terms of the lease agreement and the supplementary schools agreement transfer substantially all of the risks and rewards of ownership of the asset to the academy trust and therefore the asset was recognised on the balance sheet as a fixed asset, with a corresponding entry to donations as a gift in kind in the period of conversion.

Payments to Nottinghamshire County Council in consideration for the Council paying the unitary charge to the PFI Contractor are in respect of maintenance, utilities, cleaning and similar expenses.

As such, they have been analysed under appropriate expense headings in the statement of financial activities in the period to which they relate.

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

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold property	- not depreciated
Furniture and equipment	- over 5 years
Computer equipment	- over 3 years
Motor vehicles	- over 5 years

Leasehold buildings are not depreciated on the grounds of immateriality. Leasehold buildings are subject to regular maintenance and repair such that in the trustees opinion the residual value is not materially different from the value in the financial statements and have a long useful economic life.

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

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 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 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.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.11 Pensions

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 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 in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.12 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in Note 26.

1.13 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

2. Critical accounting estimates and areas of judgment

Estimates and judgments 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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The judgements (apart from those involving estimations) that the Academy trust has made in the process of applying the trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

It is the opinion of the trustees that the terms of the lease agreement and the supplementary schools agreement transfer substantially all of the risks and rewards of ownership of the asset to the academy trust and therefore the asset was recognised on the balance sheet as a fixed asset, with a corresponding entry to donations as a gift in kind in the period of conversion.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Capital grants	-	70,600	70,600
Donations	4,754	-	4,754
	<u>4,754</u>	<u>70,600</u>	<u>75,354</u>
	<u><u>4,754</u></u>	<u><u>70,600</u></u>	<u><u>75,354</u></u>
	<i>Unrestricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Capital grants	-	20,853	20,853
Donations	4,813	-	4,813
	<u>4,813</u>	<u>20,853</u>	<u>25,666</u>
	<u><u>4,813</u></u>	<u><u>20,853</u></u>	<u><u>25,666</u></u>

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

4. Funding for the academy's educational operations

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
General Annual Grant (GAG)	-	4,352,649	4,352,649
Other DfE/ESFA grants	-	271,023	271,023
Local authority grants	-	109,574	109,574
Other income	66,395	25,883	92,278
Total 2019	66,395	4,759,129	4,825,524

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Total funds 2018 £</i>
General Annual Grant (GAG)	-	4,615,986	4,615,986
Other DfE/ESFA grants	-	234,496	234,496
Local authority grants	-	187,049	187,049
Other income	26,948	28,183	55,131
	26,948	5,065,714	5,092,662

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Trips	180,977	180,977	83,945
Other income	26,837	26,837	21,153
Total 2019	207,814	207,814	105,098

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Bank interest	415	415	432

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Expenditure on raising voluntary income:				
Direct costs	-	-	5,144	5,144
Educational operations:				
Direct costs	3,270,575	-	484,830	3,755,405
Allocated support costs	581,574	96,337	1,012,568	1,690,479
	<u>3,852,149</u>	<u>96,337</u>	<u>1,502,542</u>	<u>5,451,028</u>

	<i>Other 2018 £</i>	<i>Total 2018 £</i>
Expenditure on raising voluntary income:		
Direct costs	7,751	7,751
Educational operations:		
Direct costs	3,962,904	3,962,904
Allocated support costs	1,685,166	1,685,166
	<u>5,655,821</u>	<u>5,655,821</u>

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Educational operations	3,755,405	1,690,479	5,445,884

	<i>Activities undertaken directly 2018 £</i>	<i>Support costs 2018 £</i>	<i>Total funds 2018 £</i>
Educational operations	3,962,904	1,685,166	5,648,070

Analysis of support costs

	Educational operations 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Staff costs	581,574	581,574	635,381
Technology costs	75,732	75,732	79,523
Premises costs	96,337	96,337	65,453
Other support costs	251,548	251,548	270,885
Governance costs	11,462	11,462	15,897
PFI costs	673,826	673,826	618,027
Total 2019	1,690,479	1,690,479	1,685,166

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019	2018
	£	£
Operating lease rentals	18,948	23,638
Depreciation of tangible fixed assets	13,009	32,913
Loss on disposal of fixed assets	5,646	-
Fees paid to auditors for:		
- audit	5,000	5,000
- other services	3,725	3,725
	=====	=====

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	2,859,809	2,978,640
Social security costs	273,918	290,698
Pension costs	616,514	652,986
	<u>3,750,241</u>	<u>3,922,324</u>
Agency staff costs	101,908	77,699
Staff restructuring costs	-	12,446
	<u>3,852,149</u>	<u>4,012,469</u>

Staff restructuring costs comprise:

	2019 £	2018 £
Redundancy payments	-	12,446
	<u>-</u>	<u>12,446</u>

b. Staff numbers

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

	2019 No.	2018 No.
Teachers and educational support	48	47
Administration and support	51	56
Management	7	7
	<u>106</u>	<u>110</u>

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

10. Staff costs (continued)

b. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2019	<i>2018</i>
	No.	<i>No.</i>
Teachers and educational support	46	<i>50</i>
Administration and support	37	<i>35</i>
Management	7	<i>7</i>
	90	<i>92</i>

c. Higher paid staff

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

	2019	<i>2018</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	-	<i>2</i>
In the band £90,001 - £100,000	-	<i>1</i>
In the band £100,001 - £110,000	1	<i>-</i>

d. 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 employer benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £609,172 (2018 - £541,379).

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

11. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2019	2018
		£	£
C Horrocks, Principal & Accounting Officer	Remuneration	100,000 -	95,000 -
		105,000	100,000
	Pension contributions paid	15,000 -	15,000 -
		20,000	20,000
S Morris (resigned 12 December 2018)	Remuneration	10,000 -	
		15,000	
T Wright (appointed 12 February 2019)	Pension contributions paid	0 - 5,000	
	Remuneration	15,000 -	
		20,000	
T Mason (appointed 12 February 2019)	Pension contributions paid	nil	
	Remuneration	25,000 -	
		30,000	
C Turner (appointed 12 February 2019)	Pension contributions paid	0 - 5,000	
	Remuneration	10,000 -	
		15,000	
M Lister (resigned 31 August 2019)	Pension contributions paid	nil	
	Remuneration	20,000 -	
		25,000	
K Ward (resigned 29 November 2017)	Pension contributions paid	0 - 5,000	
	Remuneration		50,000 -
			55,000
I Balmer (resigned 29 November 2017)	Pension contributions paid		5,000 -
	Remuneration		10,000
			25,000 -
H Ashton-Braithwaite (resigned 29 November 2017)	Pension contributions paid		30,000
	Remuneration		0 - 5,000
			15,000 -
			20,000
	Pension contributions paid		0 - 5,000

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018 - £NIL).

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost of this insurance is included in the total insurance cost.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2018	17,482,000	174,182	739,044	15,333	18,410,559
Additions	-	-	9,494	-	9,494
Disposals	-	(1,000)	(10,383)	-	(11,383)
At 31 August 2019	17,482,000	173,182	738,155	15,333	18,408,670
Depreciation					
At 1 September 2018	-	156,910	732,618	15,333	904,861
Charge for the year	-	6,404	6,605	-	13,009
On disposals	-	(1,000)	(4,737)	-	(5,737)
At 31 August 2019	-	162,314	734,486	15,333	912,133
Net book value					
At 31 August 2019	17,482,000	10,868	3,669	-	17,496,537
At 31 August 2018	17,482,000	17,272	6,426	-	17,505,698

The leasehold property is held on a 125 year lease from Nottinghamshire County Council.

14. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	23,541	14,570
Other debtors	16,720	14,837
Prepayments and accrued income	162,227	112,057
	202,488	141,464

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

15. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	20,082	69,211
Other taxation and social security	65,470	71,450
Other creditors	11,422	11,911
Accruals and deferred income	377,994	330,762
	474,968	483,334
	2019	2018
	£	£
Deferred income at 1 September 2018	82,376	51,222
Resources deferred during the year	71,841	82,376
Amounts released from previous periods	(82,376)	(51,222)
	71,841	82,376

Deferred income relates to monies received for trips taking place in 2019/20 as well as other curriculum income relating to the period 2019/20.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

16. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General funds	<u>279,245</u>	<u>279,378</u>	<u>(277,192)</u>	<u>(70,764)</u>	<u>-</u>	<u>210,667</u>
Restricted general funds						
General Annual Grant (GAG)	93,760	4,352,649	(4,523,059)	76,650	-	-
Other DfE/ESFA grants	2,012	271,023	(272,071)	-	-	964
Local Authority grants	-	109,574	(109,574)	-	-	-
Other income	7,620	25,883	(18,477)	-	-	15,026
Pension reserve	(2,256,000)	-	(232,000)	-	(469,000)	(2,957,000)
	<u>(2,152,608)</u>	<u>4,759,129</u>	<u>(5,155,181)</u>	<u>76,650</u>	<u>(469,000)</u>	<u>(2,941,010)</u>
Restricted fixed asset funds						
Assets transferred on conversion	17,482,000	-	-	-	-	17,482,000
DfE/ESFA grants	35,757	70,600	(14,451)	(5,886)	-	86,020
Capital expenditure from GAG	4,204	-	(4,204)	-	-	-
	<u>17,521,961</u>	<u>70,600</u>	<u>(18,655)</u>	<u>(5,886)</u>	<u>-</u>	<u>17,568,020</u>
Total Restricted funds	<u>15,369,353</u>	<u>4,829,729</u>	<u>(5,173,836)</u>	<u>70,764</u>	<u>(469,000)</u>	<u>14,627,010</u>
Total funds	<u><u>15,648,598</u></u>	<u><u>5,109,107</u></u>	<u><u>(5,451,028)</u></u>	<u><u>-</u></u>	<u><u>(469,000)</u></u>	<u><u>14,837,677</u></u>

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

16. Statement of funds (continued)

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

Unrestricted funds

Unrestricted funds represent both those resources, as well as funds transferred to the Academy from the Local Authority upon conversion, which may be used towards meeting any of the objects of the Academy at the discretion of the Trustees. These are not currently designated for particular purposes.

Restricted Fixed Asset funds

Transfer from Local Authority on conversion represents the assets transferred to the Academy from the Local Authority upon conversion.

Capital expenditure from GAG represents fixed asset expenditure transferred from other restricted income.

Restricted Revenue funds

General Annual Grant (GAG) is made up of a number of different funding streams, all of which are used to cover the running costs of the Academy.

Other ESFA Grants, other government grants and other restricted funds represent monies received for specific purposes.

Pension Reserve represents the current deficit balance of the Local Government Pension Scheme (LGPS).

Summary

The balance on restricted general funds plus unrestricted general funds at 31 August 2019 results in a net surplus of £226,657.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

16. Statement of funds (continued)

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
Unrestricted funds					
General funds	244,510	137,291	(102,556)	-	279,245
Restricted general funds					
General Annual Grant (GAG)	298,299	4,626,852	(4,831,391)	-	93,760
Other DfE/ESFA grants	14,731	223,630	(236,349)	-	2,012
Local Authority grants	-	187,049	(187,049)	-	-
Other income	-	28,183	(20,563)	-	7,620
Pension reserve	(2,586,000)	-	(245,000)	575,000	(2,256,000)
	<u>(2,272,970)</u>	<u>5,065,714</u>	<u>(5,520,352)</u>	<u>575,000</u>	<u>(2,152,608)</u>
Restricted fixed asset funds					
Assets transferred on conversion	17,482,000	-	-	-	17,482,000
DfE/ESFA grants	27,367	20,853	(12,463)	-	35,757
Capital expenditure from GAG	24,654	-	(20,450)	-	4,204
	<u>17,534,021</u>	<u>20,853</u>	<u>(32,913)</u>	<u>-</u>	<u>17,521,961</u>
Total Restricted funds	<u>15,261,051</u>	<u>5,086,567</u>	<u>(5,553,265)</u>	<u>575,000</u>	<u>15,369,353</u>
Total funds	<u><u>15,505,561</u></u>	<u><u>5,223,858</u></u>	<u><u>(5,655,821)</u></u>	<u><u>575,000</u></u>	<u><u>15,648,598</u></u>

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	17,496,537	17,496,537
Current assets	210,667	490,958	71,483	773,108
Creditors due within one year	-	(474,968)	-	(474,968)
Provisions for liabilities and charges	-	(2,957,000)	-	(2,957,000)
Total	210,667	(2,941,010)	17,568,020	14,837,677

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	-	17,505,698	17,505,698
Current assets	261,691	604,280	16,263	882,234
Creditors due within one year	17,554	(500,888)	-	(483,334)
Provisions for liabilities and charges	-	(2,256,000)	-	(2,256,000)
Total	279,245	(2,152,608)	17,521,961	15,648,598

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

18. Reconciliation of net expenditure to net cash flow from operating activities

	2019 £	2018 £
Net expenditure for the year (as per Statement of financial activities)	(341,921)	(431,963)
Adjustments for:		
Depreciation	13,009	32,913
Capital grants from DfE and other capital income	(70,600)	(20,853)
Interest receivable	(415)	(432)
Defined benefit pension scheme cost less contributions payable	174,000	180,000
Defined benefit pension scheme finance cost	58,000	65,000
(Increase)/decrease in debtors	(61,024)	90,533
(Decrease)/increase in creditors	(8,366)	173,941
Loss on disposal of fixed assts	5,646	-
Net cash (used in)/provided by operating activities	(231,671)	89,139

19. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	415	432
Purchase of tangible fixed assets	(9,494)	(18,549)
Capital grants from DfE Group	70,600	20,853
Net cash provided by investing activities	61,521	2,736

20. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	570,620	740,770
Total cash and cash equivalents	570,620	740,770

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

21. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% 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 £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

21. Pension commitments (continued)

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 September 2019.

The employer's pension costs paid to TPS in the year amounted to £324,706 (2018 - £342,139).

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 has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy 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 contribution made for the year ended 31 August 2019 was £159,000 (2018 - £177,000), of which employer's contributions totalled £119,000 (2018 - £132,000) and employees' contributions totalled £ 40,000 (2018 - £45,000). The agreed contribution rates for future years are 18.3 per cent for employers and 5.5 per cent to 12.0 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.7	3.8
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.85	2.65
Inflation assumption (CPI)	2.2	2.3
Commutation of pensions to lump sums	50	50

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	21.7	22.7
Females	24.4	25.6
<i>Retiring in 20 years</i>		
Males	23.3	24.9
Females	26.2	28.0

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

21. Pension commitments (continued)

Sensitivity analysis

	2019 £000	<i>2018</i> <i>£000</i>
Discount rate +0.1%	278,000	<i>113,000</i>
Discount rate -0.1%	292,000	<i>119,000</i>
Mortality assumption - 1 year increase	295,000	<i>120,000</i>
Mortality assumption - 1 year decrease	275,000	<i>112,000</i>

The academy's share of the assets in the scheme was:

	At 31 August 2019 £	<i>At 31 August 2018</i> <i>£</i>
Equities	1,829,000	<i>1,779,000</i>
Gilts	96,000	<i>77,000</i>
Corporate bonds	252,000	<i>289,000</i>
Property	387,000	<i>381,000</i>
Cash and other liquid assets	86,000	<i>51,000</i>
Other	280,000	<i>185,000</i>
Total market value of assets	2,930,000	<i>2,762,000</i>

The actual return on scheme assets was £131,000 (2018 - £168,000).

The amounts recognised in the Statement of financial activities are as follows:

	2019 £	<i>2018</i> <i>£</i>
Current service cost	(249,000)	<i>(311,000)</i>
Past service cost	(43,000)	<i>-</i>
Interest income	74,000	<i>68,000</i>
Interest cost	(132,000)	<i>(133,000)</i>
Administrative expenses	(1,000)	<i>(1,000)</i>
Total amount recognised in the Statement of financial activities	(351,000)	<i>(377,000)</i>

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

21. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	5,018,000	5,200,000
Current service cost	249,000	311,000
Interest cost	132,000	133,000
Employee contributions	40,000	45,000
Actuarial losses/(gains)	526,000	(475,000)
Benefits paid	(121,000)	(196,000)
Past service costs	43,000	-
At 31 August	5,887,000	5,018,000

Changes in the fair value of the academy's share of scheme assets were as follows:

	2019 £	2018 £
At 1 September	2,762,000	2,614,000
Interest income	74,000	68,000
Actuarial gains	57,000	100,000
Employer contributions	119,000	132,000
Employee contributions	40,000	45,000
Benefits paid	(121,000)	(196,000)
Administration expenses	(1,000)	(1,000)
At 31 August	2,930,000	2,762,000

22. Operating lease commitments

At 31 August 2019 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	9,988	18,948
Later than 1 year and not later than 5 years	1,778	11,766
	11,766	30,714

THE ELIZABETHAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

23. Other financial commitments

The building from which the academy operates was built under the Private Finance Initiative (PFI) and is subject to an agreement between Nottinghamshire County Council and Transform Schools Bassetlaw Limited, the PFI Contractor. The academy trust has entered into a supplementary schools agreement with Nottinghamshire County Council concerning the PFI Agreement. Under the terms of the agreement the academy is committed to paying Nottinghamshire County Council a proportion of its budget in consideration for the Council paying the PFI Contractor the unitary charge under the PFI agreement.

For the period ended 31 August 2018, payments to Nottinghamshire County Council under this agreement totalling £673,826 (2018 - £618,027) have been included in the SOFA as part of utilities, catering, maintenance of premises contract etc as appropriate.

The agreement runs until July 2032 and the estimated annual cost is £600,000.

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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

25. Related party transactions

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

C Horrocks, Principal and Accounting Officer, is also a member and director of North Notts BID, an organisation to whom the academy have paid £nil (2018 - £4,550) during the year. This was a compulsory payment as the academy's rateable value is over £12,000. There were no amounts outstanding at the year end. All such transactions were undertaken at arm's length and in accordance with the Trust's procurement policies.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

26. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2019 the trust received £11,172 (2018 - £13,625) and disbursed £11,172 (2018 - £13,625) from the fund.

