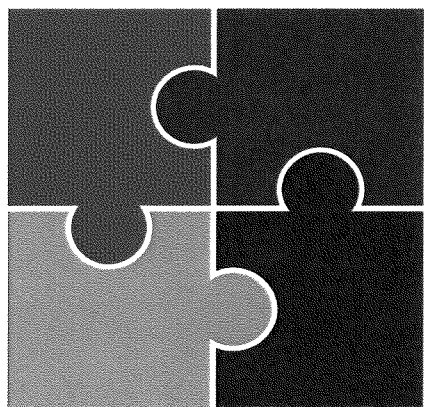


**SAPIENTIA EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2021**



**SAPIENTIA**  

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**EDUCATION TRUST**

***Company Registration Number:***  
***07466353 (England and Wales)***

## **SAPIENTIA EDUCATION TRUST**

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## **SAPIENTIA EDUCATION TRUST**

### **Reference and Administrative Details**

#### **Members**

Mr P Rout  
Mrs D Ralphs (resigned 8 December 2020)  
Mr A Underwood OBE (resigned 8 December 2020)  
Mrs M Abel  
Mrs S Dinneen OBE  
Professor J Last OBE (from 8 December 2020)  
Mr P Norton (from 8 December 2020 and appointed Chair)

#### **Directors (Trustees)**

Mr P Rout (Chair)  
Mr P Norton (Vice-Chair) (resigned 11 February 2021)  
Mr J Taylor (Chief Executive Officer and Accounting Officer)  
Mr I Baker  
Mr F Davey  
Mr R Hill  
Professor J Last OBE (resigned 8 December 2020)  
Mr R Margand (Vice-Chair)  
Mrs P Sheppard  
Mr A Underwood OBE (appointed 8 December 2020)  
Mr T North (appointed 7 July 2021)  
Mrs J Dwyer (appointed 8 December 2020)

### **SET Leadership Team**

<b>Chief Executive Officer</b>	Mr J Taylor
<b>Deputy CEO: Director of Education and Safeguarding</b>	Mrs Z Fisher
<b>Chief Operating Officer/Company Secretary</b>	Mr R Moorhouse MBE
<b>Director of Primary</b>	Mrs E Davies
<b>Director of Standards</b>	Miss K Bray
<b>Director of Professional Learning</b>	Mr R Brewster
<b>HR Director</b>	Mrs T Smith
<b>Finance Director</b>	Mr G Hough (resigned 31 August 2021)
<b>Chief Financial Officer</b>	Mr S Dewing (from 13 September 2021)
<b>Operations Director</b>	Mr M Harnan (from 1 February 2021)

**SAPIENTIA EDUCATION TRUST**

**Reference and Administrative Details (continued)**

<b>Company Name</b>	Sapientia Education Trust
<b>Principal and Registered Office</b>	Wymondham College Golf Links Road Wymondham Norfolk NR18 9SZ
<b>Company Registration Number</b>	07466353 (England and Wales)
<b>Independent Auditor</b>	Lovewell Blake LLP Chartered Accountants and Statutory Auditor Bankside 300 Peachman Way Broadland Business Park Norwich NR7 0LB
<b>Bankers</b>	NatWest Bank plc 5 Market Place Wymondham Norfolk NR18 0AG
<b>Solicitors</b>	NP Law Limited 7 St. Andrews Street Blackburn Lancashire BB1 8AE

## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Trustees' Report**

The Trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates the following schools:

Wymondham College (became an Academy on 1 February 2011)  
Old Buckenham Primary School (joined the Trust on 1 September 2016)  
Seething and Mundham Primary School (joined the Trust on 1 April 2017)  
Burstons Primary School (joined the Trust on 1 June 2017)  
Tivetshall Primary School (joined the Trust on 1 June 2017)  
Rockland St Mary Primary School (joined the Trust on 1 September 2017)  
Surlingham Primary School (joined the Trust on 1 September 2017)  
Great Hockham Primary and Nursery School (joined the Trust on 1 November 2017)  
Stradbroke High School (joined the Trust on 1 December 2017)  
Ghost Hill Infant and Nursery School (joined the Trust on 1 April 2018)  
Framingham Earl High School (joined the Trust on 1 May 2018)  
Old Buckenham High School (joined the Trust on 1 September 2018)  
White House Farm Primary School (joined the Trust on 1 September 2019)  
Attleborough Academy (joined the Trust on 1 June 2020)  
Fakenham Academy (joined the Trust on 1 June 2020)  
Wymondham College Prep School (joined the Trust on 1 September 2020)

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

##### **Constitution**

The Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association dated 1 February 2011 are the primary governing documents of the Trust. A deed of variation of the funding agreement was issued on 1 March 2016. The Trustees of Sapientia Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Sapientia Education 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**

Subject to the provisions of the Companies Act, every Trustee or other officer or auditor of the Trust shall be indemnified out of the assets of the Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default breach of duty or breach of trust in relation to affairs of the Trust.

## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Structure, Governance and Management (continued)**

##### **Method of Recruitment and Appointment or Election of Trustees**

The number of Trustees shall be not less than three but shall not be subject to any maximum. The term of office for any Trustee shall be four years; this time limit shall not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be reappointed or re-elected.

The members shall appoint Trustees save that no more than one individual appointed as a Trustee shall be an employee of the Trust.

##### **Policies and Procedures Adopted for the Induction and Training of Trustees**

All Trustees, on appointment, receive a briefing from the Governance Professional (formerly Clerk to the Trustees) and a set list of supporting documentation. The Trust arranges its own Trustee training and training for Governors who serve at Local Governing Body level.

##### **Organisational Structure**

The Trust's organisational structure consists of four levels: the Members, Board of Trustees, the Local Governing Body and the Executive at each school. The Executive are the Executive Principal/Headteacher and Senior Leadership Team. Below the Senior Leadership Team there may be other groups according to the requirements of each individual school e.g. at Wyndham College there are Heads of House and Heads of Department meetings.

The Board of Trustees has the following sub - committees:

Finance Committee which oversees all financial issues for the Trust and reports to the Board of Trustees.

Infrastructure Committee which oversees all infrastructure issues for the Trust including Health & Safety matters; the Committee reports to the Board of Trustees.

Audit and Risk Committee which oversees audit and risk matters for the Trust and reports to the Board of Trustees.

Human Resources and Remuneration Committee which oversees human resources and remuneration matters for the Trust and reports to the Board of Trustees.

Primary and Secondary Standards Committee oversee educational standards and boarding matters for the Trust and reports to the Board of Trustees.

The sub-committees receive consolidated reports capturing the relevant information from each school in a common format to allow the sub-committee members to assess performance data across all schools. The sub-committees then report to the Board of Trustees.

The Trustees have approved a scheme of financial delegation that allows budgetary responsibility to be delegated, through the CEO, to the lowest effective level.

## SAPIENTIA EDUCATION TRUST

### TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021

#### Structure, Governance and Management (continued)

##### Organisational Structure (continued)

The Local Governing Body is responsible for setting specific school policy, maintenance of standards and approving and monitoring performance and delivery against the strategic plan. To do this effectively, the Local Governing Body meets at least termly. The Local Governing Body reports are collated by the Trust central team and are reported to the relevant Board sub-committee.

The Headteacher at each school is responsible, along with their Senior Leadership team for implementing the policies approved by the Trust Board and the Local Governing Body.

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

The pay levels of senior staff at all Trust schools are reviewed annually, reported to and approved by the Board of Trustees. Any decisions about pay rises are based on a combination of national pay agreements, performance and inflation.

##### Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require relevant public sector employers to publish specified information related to facility time taken by trade union officials. The relevant information related to Sapientia Education Trust between 1 April 2020 and 31 March 2021 is published below:

##### Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
10	1082

##### Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1-50%	10
51-99%	0
100%	0

##### Percentage of pay bill spent on facility time

Provide the total cost of facility time	£0
Provide the total pay bill	£23,802k
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0%

##### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time	0%
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## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Structure, Governance and Management (continued)**

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

Wymondham College Enterprises Limited is a fully owned subsidiary company of Sapientia Education Trust. The company's principal activity is the running of the breakfast and after-school clubs. For the year ended 31 August 2021 the subsidiary company returned a net loss before taxation of £5,534. The subsidiary company is not consolidated within these accounts on the grounds of materiality.

##### **Engagement with employees (including disabled persons)**

The Trust engages with employees in the following ways:

- Termly meetings of the Joint Consultative Committee (Trade Union Regional Representatives and Trust senior staff)
- Information and Consultation with Employees Committee at school level where appropriate
- Half-termly Staff newsletter to all employees from the CEO and senior Trust staff
- Trust performance management system
- Staff voice monitored at Trust Committee level and reported, where appropriate, the Trust Board
- Staff representation at Local Governing Body (LGB) level
- The Trust welcomes employment applications from all members of the community and will make appropriate adjustments for staff with disabilities as well as making adjustments for staff who develop disabilities during their employment

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

The Trust engages with stakeholders in the following ways:

- Termly CEO newsletters to all schools to be passed on to their local communities
- Schools have their own regular newsletters issued to their own stakeholders as well as engaging in various social media platforms
- Pupil voice captured at each Trust schools and each school has its own 'school council' structure to hear pupil voice
- The Trust has a series of regular meetings with contracted suppliers throughout the course of the academic year to review progress and delivery against contract

#### **Objectives and Activities**

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

The principal object and activity of the Trust is to advance for public benefit the provision of education in the United Kingdom. In doing so it meets the requirements of the Funding Agreement signed by the Secretary of State for Education. It ensures that all Trust schools provide a balanced and broad curriculum and it approves each individual school's Admissions Policy to ensure it meets the requirements of the Schools Admissions Code.



## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

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

The Board's Trust Vision is:

**"To provide a world class education locally, enabling every pupil to flourish"**

Strategic intent:

- To deliver an education that is holistic and broad ranging, of high quality in and beyond the classroom
- To ensure opportunities to achieve are available for all
- To harness and develop the talents that exist in the Trust
- To meet the professional needs of staff, sharing best practice, with a strong commitment to personal development

In meeting this intent the Trust will be:

- Responsive to schools as they join the Trust, valuing the unique qualities/individualism of each Trust school, whilst recognising the need for all schools to deliver the strategic intents of the Trust
- Run on sound and ethical business principles, offering a structure whereby resources and expertise can be focused across all of the schools, keeping down back office costs and driving up standards

The Trust Strategic Plan is reviewed and evaluated annually by Trustees. The Strategic Plan for the next three year period was reviewed and approved by Trustees in the Summer 2021. A summary of the achievements during the course of the year up until 31 August 2021 is outlined in achievements and performance below.

The main objectives of the Trust for the year ended 31 August 2021 are summarised as follows:

- To provide a high quality and well-rounded education for all students
- To provide value for money for the funds expended
- To ensure that the schools are suitably staffed
- To comply with all statutory and curriculum requirements
- To develop and maintain links with local industry and the wider community in Norfolk including working with other educational establishments
- To conduct the Trust's business in accordance with the highest standards of integrity, probity and openness

#### **Public Benefit**

The key public benefit delivered by the Trust is the maintenance and delivery of high quality day and boarding education to the children of Norfolk and others. In addition the Trust has provided support to schools outside of the Trust through the National Leaders in Education programme and an intensive support programme that ESFA facilitated.

The Trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit.

## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Strategic Report**

##### **Achievements and Performance**

In the year leading up to 31 August 2021 the delivery of education was significantly disrupted by the ongoing Covid-19 pandemic. Despite this all of the Trust's schools offered provision for key worker and vulnerable children throughout the pandemic, and also provided full time remote learning for all other pupils during local and national lockdowns. In addition the following was achieved:

- A new Trust Strategic Plan was approved
- Wymondham College Prep School opened on 1 September 2020 and moved to its new building in September 2021. Boarding accommodation at the Prep School is at Underwood Hall which also opened in September 2021
- A new Director of Primary Standards was recruited to work across primary schools within the Trust
- Additional Capacity was added to the central team in HR, Estates and Education functions, including additional support for our SEND provision
- The Sapientia Education Teaching School ran a full programme of training activities at all levels throughout the year
- The Trust invested in Maths mastery and developed new approaches to Phonics across our Primary schools
- Covid-19 caused disruption to the entire school system and there is no published school performance data. Internal data indicated improvements were likely at KS2 and KS4, especially at Old Buckenham Primary School, Great Hockham Primary School and Old Buckenham High School. KS1 greater depth was predicted to have improved, notably so at Surlingham Primary School and Ghost Hill Nursery and Infant School
- Seething and Mundham Primary School was judged to 'require improvement' by Ofsted in February 2020. Focussed support has seen improvement in the curriculum offer and quality of teaching judgments
- Our CEO engaged in NLE work with three schools outside of the Trust and we were involved in a more intensive support programme for a Primary School not in our Trust
- Wymondham College was a 'Silver Award' winner in the National Teaching Schools Awards – Secondary School of the Year
- Overall pupil numbers have increased across the Trust

Although Covid-19 resulted in a number of projects being delayed, there continued to be extensive investments to improve infrastructure at our schools. This included:

- At Fakenham Academy, a significant window replacement project, funded by CIF, was completed alongside work to address significant deterioration in concrete facings to allow the window replacement project to take place
- At Attleborough Academy, CIF funded projects to address poor roof condition and window replacement were completed
- At Framingham Earl High School, a new canopy and re-laid surface was installed at the rear of the school to address poor drainage and provide improved outdoor social space for students
- At Wymondham College, completion of the Refectory extension to provide additional dining space for students and upgraded kitchen facilities

## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Achievements and Performance (continued)**

- At Old Buckenham High School, installation of a three tennis court Multi-Use Games Area (MUGA) to provide additional outdoor all-weather playing facilities for students. In addition, installation of a new canopy in the West Courtyard was completed following the installation of new windows and a new artificial turfed area which was completed in the Summer 2020
- At Ghost Hill Infant and Nursery School, further window replacement and new carpets laid in classrooms
- At Seething and Mundham Primary School, provision of extensive new outdoor play equipment and play surface for children. In addition, new LED lighting was installed in Main Hall
- At Stradbroke High School, installation of new standby boilers for the school
- At Old Buckenham Primary School and Great Hockham Primary School and Nursery, new external fencing installed at both schools
- Upgrades to toilet provision for students requiring accessible facilities were completed at Attleborough Academy, Fakenham Academy and Framingham Earl High School
- New outdoor social space furniture for students was provided at Old Buckenham High School, Framingham Earl High School, Rockland St Mary Primary School and Surlingham Primary School

During the year, the Trust appointed a new Operations Director with specific responsibility for developing a Trust-Wide IT strategy and overseeing Trust contracts. In addition, the Operations Director has responsibility for Trust-wide contracts. Achievements included:

- Trustees agreed an ICT strategy that includes the creation of a central IT team, improvements to Primary School IT provision, creation of a central data team and a cyber security plan.
- Recruitment for the newly established central IT team was completed in 2021
- A Broker has been contracted for arrangement of energy supply and ongoing management
- Consolidation of catering services across Trust schools into a single contract
- Consolidation of confidential waste services at Trust schools into a single contract
- Contraction of bus services for Old Buckenham High school
- Contraction of groundskeeping services for Stradbroke High school

#### **Key Performance Indicators**

Covid-19 presented a number of financial challenges. The closure of schools in January 2021 meant a significant loss of income in relation to the lettings, catering and boarding operations of the Trust. Trustees liaised with the Charity Commission to ensure that statutory obligations were met. The Trust utilised the coronavirus job retention scheme and furloughed a number of staff whose roles were funded through private income. In addition, the Trust worked with the ESFA to ensure that our boarding provision was retained once Schools re-opened. These measures ensured that the Trust was able to fully re-open boarding in March 2021 and maintain overall financial integrity.

The Trust met its aims and objectives from the income received for the period. The effective management of cash flow and scheduling of capital expenditure meant that the Trust's cash balances were never exceeded by commitments. In particular:

## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Achievements and Performance (continued)**

- All schools in the Trust met their planned carry-forward targets at the end of the year with the exception of Attleborough Academy and Seething and Mundham Primary School. The underlying causes of these issues are being addressed
- Boarding numbers at Wymondham College remained strong, despite Covid-19 and Brexit challenges
- The planned programme of expenditure contained within the Rate of Return plan for boarding accommodation improvements at Wymondham College was revised during the year due to the impact of Covid-19
- A number of planned capital projects were delivered at Trust schools using SCA funding to address condition issues as noted above

#### **Going concern**

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

#### **Promoting the success of the company**

The Trustees of Sapienia Education Trust consider, both individually and collectively, that they have acted in the way they would consider, in good faith, would be most likely to promote the success of the Trust for the benefit of the staff, students and stakeholders at all of our Schools while meeting the terms of the funding agreement the Trust has with the Secretary of State. The future plans for the Trust are laid out in the SET Strategic Plan which is reviewed by the Board of Trustees on an annual basis.

- Values and Culture. The plan underpins the Trust Mission statement as shown elsewhere in this report. It aims to ensure that all children at all Trust schools receive the best possible education while they are with us and that we promote and deliver continual professional development to all our staff.
- Employees. Our staff are fundamental to the success of the Trust and we aim to be a responsible employer in the pay and benefits staff receive. Additionally, our programme of Health and Safety management and inspection supports our commitment to the well-being of staff and the safety of their working environment.
- Stakeholders. We engage at all levels of our operation to understand the views and concerns of our staff, students and parents as well as the wider local community our schools serve. Schools will undertake local surveys to better understand how they might serve their local community and this will be reported through to the Local Governing Body, the Trust Committee structure (as outlined elsewhere in this report) and to the Board. Local Governing Body representation includes parental representation as well as other stakeholders who bring a unique set of skills to support the schools. Regular contact with stakeholders through newsletters and engagement with social media is an important part of our wider engagement with our school communities.
- Management of Risk. The management of risk is an integral part of all Trust work. Risk is managed through daily operational activities, supported by the work of the Trust's Health and Safety inspection programme. At the strategic level, each Trust Committee (as detailed elsewhere in this report) consider risks relevant to their area of responsibility on a termly basis with the Board receiving a Trust risk report each term. The full Risk Register is reviewed annually and the Trust Internal Auditors reviewed risk analysis at Board level in the Spring Term 2021. Assessment of risk at all levels is part of our arching aim to deliver the highest standards of business conduct and operation.
- Impact on the local community and environment. The Trustees are cognisant of the impact of our schools in their local community. At local level, schools engage with local stakeholders about how they can minimise their environmental impact. We strive to use education to drive positive environmental change amongst our students and staff and in the wider community.

## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Achievements and Performance (continued)**

The Board of Trustees act in a responsible manner and ensure that Trust management operate in a responsible manner in accordance with best practice and good governance as well as those behaviours that would be expected in a multi academy trust responsible for the delivery of high quality education to children. We also seek to act in best interests of our beneficiaries having due regard to both Department of Education and Charity Commission guidance. We aim to cement our reputation for quality, fairness and responsible behaviour through our actions.

#### **Financial Review**

Most of the Trust's income is obtained either from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes, or fee income for the provision of boarding. The grants received from ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2021, the Trust received income of £32,271k (2020: £22,227k) in respect of General Annual Grant and other Government funding, £331k (2020: £905k) from the Government for Coronavirus funding, £4,193k (2020: £3,101k) in the form of ESFA capital grants, £6,076k (2020: £5,039k) fee income, transfers from the local authority on conversion of £Nil (2020: £7,844k), transfers from an existing academy joining the trust of £Nil (2020: £23,727k), teaching school income of £145k (2020: £91k) and £970k (2020: £743k) other income, giving total income of £43,986k (2020: £63,677k) for the period. Expenditure for the period amounted to £46,945k (2020: £36,140k).

A prior year adjustment has been made to the financial statements relating to the accounting period ended 31 August 2020. This relates to capital grant income of £826k relating to September 2020 - March 2021 which was received in the year ended 31 August 2020. This income should have been recognised full in the 2020 financial statements but was deferred. See note 28 for full details.

Covid-19 had a significant impact on the Trust's finances as a result of needing to close boarding during lockdowns. The Trust had to furlough a number of staff and was supported by the ESFA to mitigate the financial impacts of this. This included an advance of future year's funding of £294k that is repayable over three years. The in-year deficit (changes in balance of restricted general funds, excluding pension reserves, plus unrestricted reserves) was £1,015k (2020: £420k). It should be noted that this deficit is due to the Covid-19 pandemic.

The Trust receives grants for fixed assets from ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income, in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charge over the expected useful life of the assets concerned.

At 31 August 2021 the net book value of fixed assets was £87,557k (2020: £90,594k) and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

#### **Reserves Policy**

The Trustees have reviewed reserve levels and believe that they should provide sufficient working capital to cover delays between spending and receipt of grants to allow for unexpected situations such as urgent maintenance work.

## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Financial Review (continued)**

The Trust held fund balances at 31 August 2021 of £67,537k (2020: £74,728k) comprising a deficit of £24,617k (2020: £17,835k) of restricted funds, surplus of £92,271k (2020: £91,995k) of restricted fixed assets and a deficit of £117k (2020: a surplus of £568k) of unrestricted general funds. The deficit in restricted funds has arisen primarily as a result of the deficit on the local government pension fund of £24,592k (2020: £18,140k). Any increase in pension contributions suggested by the Scheme Actuary should be able to be met from the Trust's budgeted annual income. The Trust also holds cash reserves of £830k in relation to boarding deposits for the 2021/22 year which are included in creditors as at 31 August 2021.

As at 31 August 2021 the Trust's actual position of reserves (restricted general funds, excluding pension reserves, plus unrestricted funds) stood at a negative balance of £142k (2020: a positive balance of £873k). It should be noted that this reduction of reserves is due to the Covid-19 pandemic and includes boarding support repayable over one year of £294k, giving current positive reserves of £107k. The Trustees intend to build reserve levels as circumstances allow and are deciding on an appropriate reserves target given the changing circumstances of the Trust.

#### **Investment Policy**

With the exception of cash held for operation of the Trust, the Trust has no realisable investments as at 31 August 2021. The Trust seeks to maximise returns from its investments, minimise risk and maintain flexibility and access to funds. The level of investment will depend on resources available at the time the investment is considered and will take into account the current financial situation as well as consideration of the finances during the period the investment is being considered for. Equally the Audit and Risk Committee will take a view on prevailing national economic circumstances and the credit ratings of those who are offering investment opportunities. Finally, the period of the investment will be judged on the rates available and other Trust priorities at the time.

#### **Principal Risks and Uncertainties**

The Trustees have identified and reviewed the major risks to which the Trust is exposed and have established systems and procedures to manage these risks.

The Audit and Risk Committee have identified the top five risks faced by Sapienia Education Trust as:

- The ongoing challenges of delivering education under the restrictions imposed by Covid-19
- The impact on Trust schools of the new Ofsted inspection framework, whilst ensuring that Trust schools maintain a high level of expectation for their pupils
- Ensuring that communication across all levels of Trust governance meets the requirements of the Trust Board
- Uncertainty about central government funding to schools is under increasing pressure
- The financial impact of low or reduced pupil numbers at Trust schools

#### **Financial and Risk Management Objectives and Policies**

The Trustees have responsibility to assess the strategic risks to which the Trust is exposed and have completed a risk management register to ensure that steps are taken to mitigate risks.

## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Principal Risks and Uncertainties (continued)**

This is done through the sub-committees and includes educational risks such as the Trust not achieving the planned educational outcomes and maintenance and improvement on previous examination results, whole or partial building loss, financial and operational risks, including budget risks and health and safety reviews and safeguarding students. In this way steps are taken to mitigate risk. Some significant risks such as public and employee liability are covered by the Trust's insurance policy. The Risk Register is managed through the Trustees' Audit and Risk Committee.

During the 2018/19 academic year, the Board appointed an internal auditor (Larking Gowen) to complete internal audit reviews as directed by the Trust Audit & Risk Committee. In addition, the Trust Board strengthened the monitoring of risk by amending the role of each Board Committees to ensure that the Committee owned their relevant area of the risk register. Each Committee reviewed their area of the risk register at each meeting and amended/updated as appropriate. Where a significant risk was identified, this was reported to the Board at each Board meeting. Overall monitoring of the risk register will remain with the Audit & Risk Committee as noted above. In December 2019, the Board reviewed this process and in order to drive consistency in reporting through the Board committees, adopted the Charity Commission's risk scoring methodology as detailed in the Charities Commission leaflet 'Charities and risk management (CC26)'.

The full Risk Register is reviewed annually and the Trust Internal Auditors reviewed Risk analysis at Board level in the Spring Term 2021

#### **Fundraising**

The Trust does not use any external fundraisers. All fundraising undertaken was monitored by the Trustees.

## SAPIENTIA EDUCATION TRUST

### TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021

#### Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period:	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	18,886,881	19,913,873
Energy consumption breakdown (kWh) (optional) <ul style="list-style-type: none"><li>• Gas</li><li>• Electricity</li><li>• Transport fuel</li></ul>		
<u>Scope 1 emissions in metric tonnes CO2e</u>		
From combustion of gas	2,337.29	2,401.58
From combustion of other fossil fuels	644.20	671.60
From combustion of fuel for transport	13.06	15.72
<u>Total scope 1</u>	<u>2,994.55</u>	<u>3,088.90</u>
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	884.08	975.04
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	4.74	9.02
Total gross emissions in metric tonnes CO2e	3,883.37	4,072.96
<u>Intensity ratio</u>		
<u>Tonnes CO2e per pupil</u>	0.696	0.744

#### Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

#### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

#### Reasons for Changes in Energy Consumption and Carbon Emissions:

There is a new building at Attleborough High Academy, which was completed on the 31 August 2020.

#### Expected Changes in Energy Consumption and Carbon Emissions:

- Wymondham College Prep School opened in September 2021; the energy consumption of this building will be reported in the 2021-22 Annual Report.
- There are Solar PV arrays in place at several Trust schools. As a part of the ongoing work around the Energy Database, regular readings will be collated during the course of 2021-22 and production export figures included to offset gross emissions in the 2021-22 report.
- In addition to works / improvements that take place at Trust schools, the ongoing decarbonisation of the electricity grid will continue to have a positive impact on carbon reductions.



## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Streamlined Energy and Carbon Reporting (continued)**

##### **Targets & Plans:**

The following are planned for 2021-22:

- The Trust is undertaking a complete review of energy monitoring and reporting processes during 2021-22. This will lead to the establishment of a Trust-wide Energy Database. The database will be 'owned' and controlled by the Trust operations team and will collate monthly data from all schools. This data will be reviewed quarterly for quality assurance purposes.
- The Trust will continue to undertake any energy improvement works during the year. Further work is planned to install new double-glazing windows at Fakenham Academy, Old Buckenham Primary School & Nursery and Great Hockham Primary School & Nursery. Any planned heating replacements will, where viable, focus on heat decarbonisation or switching to renewable or electricity-based heating, such as the deployment of heat pumps.
- The Trust has secured funding from SALIX to support an energy audit across all schools in 2021-22. Investigations are currently ongoing to explore whether the Public Sector Decarbonisation Scheme (PSDS) would enable the Trust to make significant changes to decarbonise our heating systems. The fund may also enable work to improve the thermal efficiency of the building fabric.
- The Trust will produce a carbon reduction plan in 2021.

## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Plans for Future Periods**

For the coming financial year, the Trust plans to implement the following key objectives:

Sapientia Education Trust:

- Ensure that all schools offer provision that is in accordance with Covid-19 requirements. This includes the implementation of health and safety measures and detailed plans for blended and/or virtual learning, should this be required
- Implement our 'Flourish Framework'; response to Covid-19
- Further develop capacity within the Trust central team commensurate with the growth of the Trust; including personalised learning
- Focus on improving outcomes in the primary phase, especially in maths and greater depth
- Be mindful of staff workload issues
- Review the curriculum offer in all schools, to ensure clear intent, implementation and impact
- Support Old Buckenham High School and Fakenham Academy to improve GCSE outcomes
- Further develop The Sapientia Academy of Learning
- Improve the number of pupils taking EBACC subjects at Framingham Earl High School, Attleborough Academy and Fakenham Academy
- Introduce a trust wide ICT programme, including central team ICT function
- Support vulnerable learners and enhance our SEND offer
- Further develop inter-school support – including networks (subject leader, Safeguarding, SENDCos etc.)

At Wymondham College:

- Embed work around the curriculum; including the 'floreast curriculum'
- Implement a review of Middle Leadership
- Maintain the boarding numbers
- Further improve the quality of teaching and learning across the College
- Further enhance 'Wymondham life' extra-curricular offer
- Enhance and improve continual professional development opportunities at all levels across the College
- Develop the boarding offer
- Continue to develop enrichment opportunities at the College
- Continue the improvement to boarding provision through the rate of return programme
- Establish close links with Wymondham College Prep School

At Old Buckenham Primary School:

- Develop the quality and impact of middle leadership
- Further improve progress levels at KS2, including Maths
- Further develop nursery provision

## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Plans for Future Periods (continued)**

At Seething and Mundham Primary School:

- Implement the new Curriculum
- Develop the quality and impact of middle leadership
- Build sustainability in terms of student numbers

At Burston Primary School:

- Improve outcomes in maths
- Develop the quality and impact of leadership at school level
- Build sustainability in terms of student numbers

At Tivetshall Primary School:

- Review the viability of the school; in line with previous decision to review in January 2022
- Ensure all students progress levels are appropriate
- Improve the consistency of teaching
- Build sustainability in terms of student numbers

At Rockland St Mary Primary School:

- Develop the quality and impact of middle leadership
- Maintain improved outcomes at KS2
- Induct and integrate the new nursery
- Build sustainability in terms of student numbers

At Surlingham Primary School:

- Develop the quality and impact of middle leadership
- Build sustainability in terms of student numbers

At Great Hockham Primary and Nursery School

- Develop the quality and impact of middle leadership
- Improve KS1 outcomes
- Maintain recent improvements in KS2 SATs

At Stradbroke High School:

- Embed new QA systems and processes
- Embed approaches to the curriculum, including leadership roles
- Maintain recent improvements; including improving modern foreign languages outcomes

At Ghost Hill Infant and Nursery School:

- Maintain improved KS1 outcomes; and increase the proportion pupils achieving of greater depth

## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Plans for Future Periods (continued)**

At Framingham Earl High School:

- Maintain the improvement in progress levels
- Improve progress levels for Higher Attaining Students at GCSE
- Increase EBACC entry

At White House Farm Primary School:

- Embed an effective curriculum offer, with high quality teaching and learning
- Build Pupil numbers
- Develop Phonics expertise

At Old Buckenham High School:

- Increase the proportion of students studying EBACC subjects at KS4; and
- Improve Pupil Premium outcomes and attendance.

At Fakenham Academy:

- Review the leadership structure
- Improve outcomes at GCSE, especially at 5+ in English and Maths
- Improve Post 16 Attainment

At Attleborough Academy:

- Review the staffing structures
- Develop the next phase of the master plan, in partnership with Norfolk LA
- Increase the proportion of students studying EBACC subjects at KS4

At Wymondham College Prep School:

- Successfully move into the new building
- Open a successful boarding operation
- Market the school to reception and year 5 boarding parents
- Induct staff to ensure the delivery of the Trust's vision.

## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Equal Opportunities Policy**

Sapientia Education Trust recognises its commitment to students, staff, parents/carers and Trustees/Governors and to the wider community based on the principle of promotion of self-respect and respect for others. As such we believe that discrimination is unacceptable, and our equal opportunities policy seeks to foster all individuals' abilities. In meeting the duties, all our actions will embody our Trust's key principles and values which include:

- We encourage young people to develop into good citizens to aim for excellence in all they attempt, to communicate effectively, work well in teams and to enjoy life
- We strive to make the best possible provision for all students, staff, governors and those connected with the Trust regardless of disability, ethnicity, culture, religious belief, national origin or status, gender or sexual orientation
- We respect diversity. We know that treating everyone equally is not simply a matter of treating everyone the same. We adopt the Norfolk Inclusion Statement's view that inclusion is 'The process of taking necessary steps to ensure that every young person is given an equality of opportunity to develop socially, to learn and enjoy community life'. This means we do our best to make reasonable adjustments for disability, recognise and celebrate cultural differences and understand the different needs and experiences of boys and girls
- We know that equality is not simply about protecting the potentially vulnerable. We believe that all students may be disadvantaged by the holding of prejudicial views, and seek to promote good relationships between all groups, and positive attitudes towards disabled people, people from different ethnic or cultural groups or faith backgrounds and people of different gender or sexual orientation
- We value our staff for their ability and potential to help us make the best possible provision for the students in the Trust regardless of disability, ethnicity, culture, religious belief, national origin, gender or sexual orientation
- We are proactive in our efforts to identify and minimise existing barriers or inequalities
- We seek the views of all groups affected by the policies and work of our Trust and involve them in policy review where appropriate
- We recognise our role in promoting community cohesion and actively encourage the participation in public life of all in the Trust

#### **Disabled Persons**

Sapientia Education Trust recognises its responsibilities under the Disability Discrimination Act. The general duty to promote disability equality is owed to all disabled people which means that we have due regard to:

- Promote equality of opportunity between disabled people and other people
- Eliminate unlawful discrimination
- Eliminate disability related harassment
- Promote positive attitudes towards disabled people
- Encourage participation by disabled people in public life
- Take steps to take account of disabled people's disabilities, even where that involves treating disabled people more favourably than other people

## **SAPIENTIA EDUCATION TRUST**

### **TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2021**

#### **Accessibility**

There is specific disability legislation in relation to disabled students and accessibility which means we plan strategically over time to:

- Increase access to the curriculum
- Make improvements to the physical environment of the Schools within the Trust to increase access
- Make written information available to students in a range of different ways

We must ensure that disabled students do not receive less favourable treatment and to do this the Schools within the Trust have a duty to make reasonable adjustments.

All Trust schools have a Single Equality Scheme (SES) which integrates statutory duties in relation to race, disability and gender and promoting community cohesion. The duties cover staff, students and people using the services of the schools such as parents. It also addresses the legislation relating to religion or belief, sexual orientation and age and therefore includes our priorities and actions to eliminate discrimination and harassment in these equality areas.

The SES and Action plan enables the schools to achieve a framework for action which covers all eight equality strands and ensures that we meet our public sector duty responsibilities in an inclusive way. We will continue to meet our statutory duties by reporting annually on the progress of the SES and action plan. This will be reviewed annually by the individual school Local Governing Body, and will cover activity in relation to the eight equality strands and promoting community cohesion.

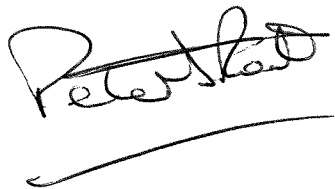
#### **Auditor**

Insofar as the Trustees are aware:

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

Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 20/08/21 and signed on the Board's behalf by:

**Peter Rout**  
Chair of Board



## **SAPIENTIA EDUCATION TRUST**

### **GOVERNANCE STATEMENT**

#### **Scope of Responsibility**

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

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

The Trustees have delegated the day-to-day responsibility to the Chief Executive Officer, 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 Sapienia Education Trust and the Secretary of State for Education. He is also responsible for reporting to the Trustees any material weaknesses or breakdowns in internal control.

#### **Governance**

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

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr P Rout (Chair)	6	6
Mr P Norton (Vice-Chair) (resigned 11/02/2021)	3	3
Mr J Taylor (Chief Executive Officer and Accounting Officer)	6	6
Mr I Baker	5	6
Mr F Davey	5	6
Mrs J Dwyer (appointed 08/12/2020)	4	5
Mr R Hill	5	6
Professor J Last (resigned 08/12/2020, became a Member)	2	2
Mr R Margand (Vice-Chair from 12/02/2021)	3	6
Mr T North (appointed 07/07/2021)	1	1
Mrs P Sheppard	6	6
Mr A Underwood (appointed 08/12/2020)	4	4

The impact of Covid-19 meant the Board had to revise its operating procedures following the national lockdown in March 2020 and these remained in place throughout the 2020-21 academic year. Meetings were encouraged to continue, where possible, using remote technology. The Board had been planning a major review of its relationship with its local governing bodies (LGBs) during the summer 2020 but this work was postponed in light of other priorities and was undertaken during the academic year 2020/21. This work involved consultation with LGB Chairs and helped re-define areas of the LGB Scheme of Delegation that was issued to LGBs in the Summer Term 2021. The aim was to strengthen instruction to LGBs about what the Board required them to undertake on their behalf as well as enhance LGB focus on teaching and learning. Equally, there were enhanced online training resources made available to LGBs.

The Board has risen positively to the new challenges it has faced over the course of this year and Trustees have actively engaged to ensure that structures and systems are in place and appropriate for the growth of the Trust. The changes to the Board, recorded at the start of this report, reflect the Board's desire to strengthen its composition and bring additional skill-sets onto the Board. Equally, those who have stepped down from Trustee roles, have remained within the Trust by taking up positions as Members. The Board continued to receive a separate risk report on Covid-19 during the course of the year which noted the issues identified and the measures taken to address those issues.

## SAPIENTIA EDUCATION TRUST

### GOVERNANCE STATEMENT (continued)

The Board continued to receive external quality assurance reviews during the year. In addition, they also received regular updates from the CEO on the operational work taken to address Covid-19. In receiving these reports, the Board acknowledged the continuing importance of employing the Trust Health and Safety Officer and as a result have increased the capacity of the Health and Safety team with the employment of an additional officer for the coming academic year.

Notwithstanding the challenges schools faced during the year in delivering education to children under COVID restrictions, the Board continued to receive reports of all aspects of the Trust's operations through its Committee structure as noted below. The Board is content with the data and information it receives the Committee reports - the provision of quality and quantity of data to allow the Board to carry out its work is noted within the Trust's Risk Register. The Trust received a School Resource Management Advisor Report, commissioned by the ESFA, in March 2021 and specifically commented on the high quality of the provision of financial data.

During the Summer Term 2021 the Trust's internal auditors were also directed to assess the effectiveness of the Board's operation. This review was the second external review the Board have commissioned into their own operation and meets their declared aim of undergoing an external review process every three years. The review involved consultation with Board members as well as LGB Chairs and others. The Board has acted on the recommendations made in the Internal Audit report. The recommendations were a combination of administrative recommendations about the Board's operation through to suggestions to strengthen the already positive relationship between the Board and its Local Governing Bodies. The summary report of the Internal Audit have been sent to the ESFA.

The **Audit and Risk Committee** is also a sub-committee of the main Board of Trustees. Its purpose is to review the Trust's internal and external audit report findings, and financial statements, to ensure they reflect best practice, and to review the effectiveness of the Trust's internal control systems established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner. The Committee received Health and safety reports from the two Health and Safety Officers employed by the Trust up until the point when the Infrastructure Committee was established.

Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr I Baker (Chair)	3	3
Mr P Rout	3	3
Mr J Taylor	3	3
Mr F Davey	3	3
Mr P Norton (resigned 11/02/2021)	1	1



## SAPIENTIA EDUCATION TRUST

### GOVERNANCE STATEMENT (continued)

The **Finance Committee** is also a sub-committee of the main Board of Trustees. Its purpose is to review the financial performance at each Trust school to ensure that each school operates its budget within approved limits and in accordance with the Trust Financial Rules and Procedures.

Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Rout (Chair)	5	5
Mr J Taylor	5	5
Mr I Baker	3	5
Mr R Margand	4	5
Mr P Norton (resigned 11/02/2021)	1	2

The **HR and Remuneration Committee** is also a sub-committee of the main Board of Trustees. Its purpose is to review the Trust's HR policies and HR activity as well as approving any pay award recommendations.

Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Hill (Chair)	2	3
Mr J Taylor	2	3
Professor J Last (resigned 08/12/2020, became a member)	1	1
Mr P Rout	3	3
Mr R Margand	2	3

The **Infrastructure Committee** is also a sub-committee of the main Board of Trustees. Its purpose is to review the Trust's Estate Management Plan, H&S activities and IT Infrastructure.

Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr F Davey (Chair)	3	3
Mr J Taylor	3	3
Mr P Rout	3	3

## SAPIENTIA EDUCATION TRUST

### GOVERNANCE STATEMENT (continued)

The **Primary and Secondary Standards Committees** are sub-committees of the Board of Trustees. Their purpose is to review the Trust's educational performance across all schools and to monitor progress of pupils at all stages of their education.

Trustee attendance at meetings in the year was as follows:

#### Primary Standards

Trustee	Meetings attended	Out of a possible
Mrs P Sheppard (Chair)	3	3
Mr P Rout	3	3
Mr J Taylor	3	3
Mr R Margand	3	3
Mr P Norton (resigned 11/02/2021)	1	1

#### Secondary Standards

Trustee	Meetings attended	Out of a possible
Mrs J Dwyer (Chair – appointed 08/12/2020)	2	2
Mr P Rout	3	3
Mr J Taylor	3	3
Mr P Norton (resigned 11/02/2020)	1	2
Mr A Underwood (appointed 08/12/2020)	3	3

#### Review of Value for Money

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

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

- Ensuring that three quotations are sought for high value orders in accordance with the Trust Financial Rules and procedures
- Value engineering construction projects to achieve savings where possible
- Ensuring that, where possible, contracts are re-negotiated on a Trust-wide basis to achieve better economies of scale
- Where existing agreements were already in place, the Trust continued to support suppliers in accordance with Government guidance

## **SAPIENTIA EDUCATION TRUST**

### **GOVERNANCE STATEMENT (continued)**

#### **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 ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Sapiaientia Education Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The Trust Board has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trust Board on at least six occasions during the FY
- Monthly meetings with the CEO, Chief Operating Officer, Chief Financial Officer, Chair of the Trust Board and Chair of Audit and Risk Committee to review the financial performance of Trust schools
- Regular reviews by the Board 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 purchases an internal audit service from Larking Gowen. The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial and other systems. In particular, the checks carried out in the current period included:

- Spring Term 2021: Internal accounting procedures including the operation of the Risk Register at Board Level, the operation of the Trust finance office through analysis of internal accounting procedures, Fraud, Theft and Whistleblowing, Asset Registers and Management Information and reports
- Summer term 2021: Review of Governance

## **SAPIENTIA EDUCATION TRUST**

### **GOVERNANCE STATEMENT (continued)**

During the Spring and Summer terms, the internal auditor reports to the Board of Trustees, through the Audit and Risk Committee on the operations of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. The Internal Auditor was able to complete their work during the year and there were no material control issues identified. Any recommendations for improvement have been addressed by the Trust and progress against these areas will be reported to the Audit and Risk Committee during the forthcoming academic year.

#### **Review of Effectiveness**

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- The work of the internal auditor
- The work of the external auditor
- The financial management and governance self-assessment process and the school resource management self-assessment tool
- The work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of members of the Board of Trustees on 30 Nov 21 and signed on its behalf by:

**Peter Rout**  
Chair of Board of Trustees



**Jonathan Taylor**  
Accounting Officer



## **SAPIENTIA EDUCATION TRUST**

### **STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Sapienia Education Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2020.

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.



**Jonathan Taylor**  
Accounting Officer

30/11/21

## SAPIENTIA EDUCATION TRUST

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

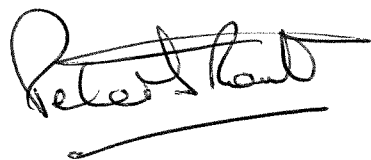
- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have 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 operation

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 30 Nov 21 and signed on its behalf by:



**Peter Rout**  
Chair of Board of Trustees

## **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAPIENTIA EDUCATION TRUST**

### **Opinion**

We have audited the financial statements of Sapienia Education Trust (the 'academy trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 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 trust's affairs as at 31 August 2021, 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 2019 and the Academies Accounts Direction 2020 to 2021 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Other information includes the Trustees' report (incorporating the strategic report and the directors' report), the governance statement, and the Accounting Officers statement. Our opinion in 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.

## **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAPIENTIA EDUCATION TRUST (continued)**

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.

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

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' 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 trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 28, the trustees (who are also the directors of the academy trust 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 trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.



## **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAPIENTIA EDUCATION TRUST (continued)**

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance to confirm there are no instances of fraud or non-compliance with laws and regulations
- Reviewing journal entries to ensure they are appropriate and do not indicate management override
- Review of key accounting estimates, to ensure reasonable and no signs of management bias
- Review of disclosures within the financial statements and vouching these to supporting documentation to ensure compliance with applicable laws and regulations
- We also considered whether the results of our assurance on regularity work identified any indicators of fraud or non-compliance of laws and regulations

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### **Use of our report**

This report is made solely to the academy trust'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 trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



MARK PROCTOR FCA DChA (Senior Statutory Auditor)  
For and on behalf of LOVEWELL BLAKE LLP, Statutory Auditor

Bankside 300  
Peachman Way  
Broadland Business Park  
Norwich  
NR7 0LB

09/12/2021

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SAPIENTIA EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 7 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sapientia Education Trust during the period 1 September 2020 to 31 August 2021 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 Sapientia Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Sapientia Education 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 Sapientia Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Sapientia Education Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Sapientia Education Trust's funding agreement with the Secretary of State for Education dated 1 February 2011 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

**Delegated authorities:** Carrying out the suggested procedures detailed in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.62-4.67 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2020 regarding write-offs, property transactions, leases, novel and contentious payments, special payments to staff, borrowings, and if the terms of a FNTI have been complied with;

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SAPIENTIA  
EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY  
(continued)**

**Transactions with connected parties:** Carrying out the suggested procedures in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.68 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2020 regarding declarations of interest and contracts with connected parties, including governors, and employees providing external consultancy;

**Governance:** Carrying out the suggested procedures in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.69 in considering whether the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2020 regarding its governance arrangements;

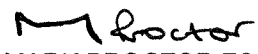
**Internal controls:** Identifying the policies, reviewing their effectiveness and testing the operation of controls, through carrying out the suggested procedures in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.70 in order to consider whether the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2020 regarding its internal controls;

**Procurement:** Identifying the policies, reviewing their effectiveness and testing their operation, through carrying out the suggested procedures in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.71 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academies Financial Handbook 2020 regarding its procurement procedures; and

**Income:** Considering the conditions associated with specialist grant income and whether it has been spent as the purposes intended.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

  
MARK PROCTOR FCA DChA (Reporting Accountant)  
LOVEWELL BLAKE LLP

09/12/2021

Bankside 300  
Peachman Way  
Broadland Business Park  
Norwich  
NR7 0LB

# SAPIENTIA EDUCATION TRUST

## STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 August 2021 (Including Income and Expenditure Account)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2021 £000	Total 2020 (restated) £000
<b>Income &amp; endowments from:</b>						
Donations & capital grants	2	11	-	4,193	<b>4,204</b>	3,105
Transfer from local authority on conversion		-	-	-	-	7,844
Transfer of existing academies joining the Trust		-	-	-	-	23,727
<b>Charitable activities:</b>						
Funding for the Trust's educational operations	3	125	32,163	-	<b>32,288</b>	22,335
Provision of boarding activities	3, 26	6,486	-	-	<b>6,486</b>	6,003
Teaching schools	26	-	145	-	<b>145</b>	91
Other trading activities	4	822	19	-	<b>841</b>	570
Investments	5	-	22	-	<b>22</b>	2
<b>Total</b>		<b>7,444</b>	<b>32,349</b>	<b>4,193</b>	<b>43,986</b>	<b>63,677</b>
<b>Expenditure on:</b>						
<b>Charitable activities:</b>						
Trust's educational operations	7	119	36,050	3,846	<b>40,015</b>	29,699
Provision of boarding activities	6, 26	6,896	-	-	<b>6,896</b>	6,405
Teaching schools	27	-	34	-	<b>34</b>	36
<b>Total</b>	<b>6</b>	<b>7,015</b>	<b>36,084</b>	<b>3,846</b>	<b>46,945</b>	<b>36,140</b>
<b>Net income / (expenditure)</b>		<b>429</b>	<b>(3,735)</b>	<b>347</b>	<b>(2,959)</b>	<b>27,537</b>
<b>Transfers between funds</b>	16	(1,114)	1,185	(71)	-	-
<b>Other recognised gains / (losses):</b>						
Actuarial gain /(losses) on defined benefit pension schemes	16, 24	-	(4,232)	-	<b>(4,232)</b>	(1,655)
<b>Net movement in funds</b>		<b>(685)</b>	<b>(6,782)</b>	<b>276</b>	<b>(7,191)</b>	<b>25,882</b>
<b>Reconciliation of funds</b>						
Total funds brought forward (as previously reported)	16	568	(17,835)	91,169	73,902	48,846
Prior period adjustment	29	-	-	826	826	-
Total funds brought forward (restated)	16	568	(17,835)	91,995	74,728	-
<b>Total funds carried forward</b>		<b>(117)</b>	<b>(24,617)</b>	<b>92,271</b>	<b>67,537</b>	<b>74,728</b>

All of the Trust's activities derive from continuing operations during the above two financial periods.

The notes on pages 37 to 64 form part of these financial statements.

**SAPIENTIA EDUCATION TRUST****BALANCE SHEET as at 31 August 2021**

	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>£000</b>	<b>(restated) £000</b>
<b>Fixed assets</b>			
Tangible assets	12	<b>87,557</b>	<b>90,594</b>
<b>Current assets</b>			
Debtors	13	2,507	2,208
Cash at bank and in hand		<u>7,338</u>	<u>4,954</u>
		<b>9,845</b>	<b>7,162</b>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	14	<u>4,979</u>	<u>4,888</u>
<b>Net current assets</b>		<u>4,866</u>	<u>2,274</u>
<b>Total assets less current liabilities</b>		<b>92,423</b>	<b>92,868</b>
Creditors: Amounts falling due over one year	15	<u>(294)</u>	<u>-</u>
<b>Net assets excluding pension liability</b>		<b>92,129</b>	<b>92,868</b>
Defined benefit pension scheme liability	24	<u>(24,592)</u>	<u>(18,140)</u>
<b>Total net assets</b>	17	<u><b>67,537</b></u>	<u><b>74,728</b></u>
<b>Funds of the Trust:</b>			
<b>Restricted funds</b>			
Fixed asset fund	16	92,271	91,995
Restricted income fund	16	(25)	305
Pension reserve	16	<u>(24,592)</u>	<u>(18,140)</u>
<b>Total restricted funds</b>		<u><b>67,654</b></u>	<u><b>74,160</b></u>
<b>Unrestricted income funds</b>	16	<u>(117)</u>	<u>568</u>
<b>Total funds</b>		<u><b>67,537</b></u>	<u><b>74,728</b></u>

The financial statements on pages 34 to 64 were approved by the Trustees and authorised for issue on ..... and are signed on their behalf by:

**Peter Rout**  
Chair of Board of Trustees

The notes on pages 37 to 64 form part of these financial statements.

**SAPIENTIA EDUCATION TRUST**

**STATEMENT OF CASH FLOWS for the year ended 31 August 2021**

	Notes	2021 £000	2020 (restated) £000
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	18	(1,831)	(2,402)
<b>Cash flows from investing activities</b>	19	<u>4,215</u>	<u>3,118</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u><b>2,384</b></u>	<u><b>716</b></u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Cash and cash equivalents at 1 September 2020		<u>4,954</u>	<u>4,238</u>
<b>Cash and cash equivalents at 31 August 2021</b>	20/21	<u><b>7,338</b></u>	<u><b>4,954</b></u>

The notes on pages 37 to 64 form part of these financial statements.

## **SAPIENTIA EDUCATION TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021**

#### **1. Statement of accounting policies**

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

##### **a) Basis of Preparation**

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Trust has a fully owned subsidiary company, Wyndham College Enterprises Limited. The results of this company are not consolidated within these accounts on the grounds of materiality.

##### **b) Going Concern**

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

The Trustees have taken into account the effects of COVID-19 in making this assessment.

##### **c) Income**

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

##### **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grant 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.

The Trust is benefiting from ESFA's Free School Building Programme. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the Trust controls, through ownership, the site where the development is occurring.

## **SAPIENTIA EDUCATION TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021**

#### **1. Statement of accounting policies (continued)**

##### **c) Income (continued)**

Government grant income in respect of the Coronavirus Job Retention Scheme is accounted for in the period in which it is receivable.

##### ***Donations***

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

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

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

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

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

##### ***Transfer on conversion***

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

##### ***Transfer of existing academies into the Trust***

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

##### ***Donated fixed assets (excluding Transfers on conversion/into the Trust)***

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

##### **d) 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.

##### ***Charitable activities***

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

All resources expended are inclusive of irrecoverable VAT.



## **SAPIENTIA EDUCATION TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021**

#### **1. Statement of accounting policies (continued)**

##### **e) Tangible Fixed Assets**

Assets costing £5,000 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.

##### **f) Depreciation**

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

Freehold buildings	2% straight line
Leasehold property	Over the period of the lease/average remaining life
Plant and machinery	10% straight line
Fixtures, fittings and equipment	10% straight line
Motor vehicles	25% reducing balance
Computer hardware	25% straight line

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

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

##### **g) Liabilities**

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

##### **h) Provisions**

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

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

##### **i) Leased Assets**

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

## **SAPIENTIA EDUCATION TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021**

#### **1. Statement of accounting policies (continued)**

##### **j) Leased property**

The Trust has recognised the value of the property occupied by it, under a lease of 125 years from the date of joining the Trust, as prepared on behalf of the Education and Skills Agency, for all academies joining the Trust since 1 September 2016 as listed on page 3.

##### **k) Financial Instruments**

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14 and 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 charity's wholly owned subsidiary are held at face value less any impairment.

##### **l) Taxation**

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

##### **m) Pensions Benefits**

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

##### *Teachers' Pension Scheme*

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a 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.

## SAPIENTIA EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

#### 1. Statement of accounting policies (continued)

##### **m) Pensions Benefits (continued)**

###### *Local Government Pension Scheme*

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension Scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current 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. 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.

##### **n) Fund Accounting**

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

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

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

##### **o) Critical accounting estimates and areas of judgement**

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

###### *Critical accounting estimates and assumptions*

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, 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 2021. 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.

As disclosed in j) above the Trust has recognised the value of its leasehold property at a valuation prepared on behalf of the Education and Skills Funding Agency. This property is depreciated over the life of the lease, which in most cases is 125 years/average remaining life.

##### **p) Redundancies**

Where an obligation to make a redundancy or termination payment arises, the costs incurred by the Trust are accounted for on an accruals basis and included within employee benefits.

## SAPIENTIA EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

#### q) Agency arrangements

The 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 28.

#### 2. DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020 (restated)
	£000	£000	£000	£000
Capital grants	-	4,193	4,193	3,101
Other donations	11	-	11	4
	<u>11</u>	<u>4,193</u>	<u>4,204</u>	<u>3,105</u>

Income from donations and capital grants was £4,204k (2020: £2,279k) of which £11k (2020: £4k) was unrestricted and £4,193k (2020: £2,275k) related to restricted fixed asset funds.

Donations and capital grants include government funding of £4,193k (2020: £2,275k).

# SAPIENTIA EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

### 3. FUNDING FOR THE TRUST'S EDUCATIONAL AND BOARDING OPERATIONS

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020 (restated)
	£000	£000	£000	£000
<b>Educational operations</b>				
DfE/ESFA grants				
• General Annual Grant (GAG)	-	27,634	27,634	19,082
Other DfE/ESFA Grants				
• Teachers' pension grant	-	1,084	1,084	729
• Pupil Premium	-	851	851	655
• Covid-19 Catch-up Premium	-	386	386	-
• Other DfE/ESFA Covid-19 funding	-	163	163	-
• Boarding support	-	558	558	592
• Others	115	936	1,051	840
	<u>115</u>	<u>31,612</u>	<u>31,727</u>	<u>21,898</u>
Other Government grants				
• Local authority grants	-	512	512	303
• National grants	-	32	32	26
Other educational income				
• Attleborough High School Link	-	-	-	2
• Exam Re-sit Fees	-	-	-	1
• Teacher Training Income	-	3	3	5
• Supply Teacher Cover /Insurance claims	-	4	4	87
• 6 <sup>th</sup> Form facility fees	10	-	10	13
	<u>10</u>	<u>551</u>	<u>561</u>	<u>437</u>
<b>Boarding operations</b>				
Boarding fees	5,668	-	5,668	4,707
Day pupil fees	408	-	408	332
Staff gas and electricity income	6	-	6	5
Interest receivable	-	-	-	17
Rents received	72	-	72	31
Catering income	1	-	1	4
Miscellaneous income	-	-	-	2
Coronavirus Job Retention Scheme grant	331	-	331	905
	<u>6,486</u>	<u>-</u>	<u>6,486</u>	<u>6,003</u>
	<u>6,611</u>	<u>32,163</u>	<u>38,774</u>	<u>28,338</u>

## SAPIENTIA EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

#### 3. FUNDING FOR THE TRUST'S EDUCATIONAL AND BOARDING OPERATIONS (Cont'd)

Funding for educational and boarding operations amounted to £38,774k (2020: £28,338k) of which £6,611k (2020: £5,114k) was unrestricted and £32,163k (2020: £23,224k) related to restricted general funds.

The Trust furloughed some of its catering and boarding staff under the government's CJRS. The funding received of £331k (2020: £905k) relates to staff costs in respect of 145 staff (2020: 184 staff) which are included within note 8 below as appropriate.

4. OTHER TRADING ACTIVITIES	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020 (restated)
	£000	£000	£000	£000
Hire of facilities	11	-	11	71
Sales of goods and services	543	(2)	541	325
School trips and other income	184	21	205	121
Miscellaneous income	84	-	84	53
	<u>822</u>	<u>19</u>	<u>841</u>	<u>570</u>

Income from other trading activities was £841k (2020: £570k) of which £822k (2020: £550k) was unrestricted and £19k (2020: £20k) related to restricted general funds.

5. INVESTMENT INCOME	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020 (restated)
	£000	£000	£000	£000
Short term deposits	<u>-</u>	<u>22</u>	<u>22</u>	<u>2</u>

Investment income relating to the Trust's boarding operations is shown in note 3.

# SAPIENTIA EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

### 6. EXPENDITURE

	Staff Costs	Non Pay Expenditure		Total 2021	Total 2020 (restated)
	£000	Premises £000	Other £000	£000	£000
Trust's educational operations (note 7)					
• Direct costs	18,715	3,871	3,813	26,399	18,582
• Allocated support costs	7,802	2,054	1,540	11,396	9,304
• FRS102 pension costs	2,220	-	-	2,220	1,813
	28,737	5,925	5,353	40,015	29,699
Trust's boarding operations (note 27)					
• Direct costs	3,822	-	1,035	4,857	4,338
• Allocated support costs	947	449	643	2,039	2,067
	4,769	449	1,678	6,896	6,405
Teaching School	26	-	8	34	36
	33,532	6,374	7,039	46,945	36,140

Total expenditure for 2020 was £46,945k (2020: £36,140k) of which £7,015k (2020: £6,493k) was unrestricted, £36,084k (2020: £25,341k) related to restricted general funds and £3,846k (2020: £4,306k) related to restricted fixed asset funds.

#### Net income/(expenditure) for the period includes:

	2021 £000	2020 (restated) £000
Operating lease rentals	68	91
Depreciation	3,038	2,179
Fees payable to auditor for:		
- Audit	29	25
- other services	3	3

Included within expenditure are the following transactions:

	Total £000	Individual items above £5,000 Amount £000	Reason
Unrecoverable debts	49	7	Unrecoverable – relating to boarding operations
		5	Unrecoverable – relating to boarding operations

**SAPIENTIA EDUCATION TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021**

**7. CHARITABLE ACTIVITIES**

		<b>Total 2021</b>	<b>Total 2020 (restated)</b>
		<b>£000</b>	<b>£000</b>
<b>Direct costs – educational operations</b>		26,399	18,582
<b>Direct costs – boarding and catering</b>	26	4,857	4,338
<b>Support costs – educational operations</b>		11,396	9,304
<b>Support costs – boarding and catering</b>	26	2,039	2,067
<b>Teaching schools</b>		34	36
<b>FRS102 Pension costs</b>	24	2,220	1,813
		<b>46,945</b>	<b>36,140</b>
<b>Analysis of support costs</b>			
	<b>Boarding</b>	<b>Educational Operations</b>	<b>Total 2021</b>
	<b>£000</b>	<b>£000</b>	<b>Total 2020 (restated) £000</b>
Support staff costs	947	7,802	8,749
Premises costs	449	2,054	2,503
Legal costs – conversion	-	2	2
Legal costs – other	6	45	51
Other support costs	637	1,399	2,036
Governance costs	-	94	94
<b>Total support costs</b>	<b>2,039</b>	<b>11,396</b>	<b>13,435</b>
<b>Governance costs</b>			
Legal and professional fees		61	28
Auditor's remuneration		32	28
Governors' reimbursed expenses		<u>1</u>	<u>4</u>
		<b>94</b>	<b>60</b>

Charitable activities amounting to £33,830k (2020: £25,073k) related to restricted general funds and £3,846k (2020: £4,306k) related to restricted fixed asset funds.



# SAPIENTIA EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

### 8. STAFF

<b>a. Staff costs</b>	<b>Total 2021 £000</b>	<b>Total 2020 (restated) £000</b>
Staff costs during the period were:		
Wages and salaries	23,802	17,961
Social security costs	2,146	1,705
Pension costs	7,165	5,932
	<u>33,113</u>	<u>25,598</u>
Teaching School	26	17
Agency staff costs	369	291
Staff restructuring costs	24	48
	<u>33,532</u>	<u>25,954</u>
Staff restructuring costs comprise:		
Redundancy payments	24	16
Severance payments	-	32
	<u>24</u>	<u>48</u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2020: £32k).

#### **c. Staff numbers**

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

	<b>2021 No.</b>	<b>2020 No.</b>
<b>Charitable Activities</b>		
Teaching	408	320
Admin/educational support	424	356
Residential/matrons	121	75
Cleaners/estates/catering	123	99
Medical	6	10
	<u>1,082</u>	<u>860</u>

#### **d. Higher paid staff**

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

	<b>2021 No.</b>	<b>2020 No.</b>
£60,001 - £70,000	12	6
£70,001 - £80,000	5	3
£80,001 - £90,000	3	2
£90,001 - £100,000	4	2
£140,001 - £150,000	1	1

Higher paid staff include headteachers and other senior leaders paid in line with national pay scales.

## SAPIENTIA EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

#### 8. STAFF (continued)

##### e. Key management personnel

The key management personnel of the Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £806k (2020: £764k).

#### 9. CENTRAL SERVICES

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

- human resources
- financial services
- legal services
- educational support services
- estates management
- IT management
- others as arising

As the Trust pools GAG for its schools, no central services charges arose.

#### 10. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from employment with the Trust. The CEO and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and staff members under their contracts of employment.

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

J Taylor (CEO and Trustee)

Remuneration	£140,000 - £150,000	(2020: £140,000 - £150,000)
Employer's pension contributions	£35,000 - £40,000	(2020: £35,000 - £40,000)

During the period ended 31 August 2021, travel and subsistence expenses totalling £904 were reimbursed or paid directly to 1 Trustee (2020: £2,201 to 1 Trustee). Other related party transactions involving the Trustees are set out in note 25.

#### 11. TRUSTEES AND OFFICERS INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides maximum cover up to £2,000,000 and the cost for the period ended 31 August 2021 is included within the premium per pupil as part of the risk protection arrangement with the DfE. The cost of this insurance is included in the total insurance cost.

# SAPIENTIA EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

### 12. TANGIBLE FIXED ASSETS

	Land & buildings £000	Fixtures & fittings, plant & machinery £000	Motor vehicles £000	Total 2021 £000
<b>Cost</b>				
At 1 September 2020	99,590	202	151	99,943
Acquisitions	-	-	-	-
Additions	-	-	-	-
Disposal	-	-	-	-
At 31 August 2021	99,590	202	151	99,943
<b>Depreciation</b>				
At 1 September 2020	9,104	132	113	9,349
Charged in year	3,012	15	10	3,038
On disposals	-	-	-	-
At 31 August 2021	12,116	147	123	12,386
<b>Net book values</b>				
At 31 August 2021	87,474	55	28	87,557
At 31 August 2020	90,486	70	38	90,594

### 13. DEBTORS

	2021 £000	2020 (restated) £000
Trade debtors	196	140
VAT recoverable	1,376	479
Other debtors	78	632
Prepayments and accrued income	856	957
	<u>2,507</u>	<u>2,208</u>

### 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £000	2020 (restated) £000
Trade creditors	808	529
Other taxation and social security	1,056	1,005
Other creditors	1,994	2,056
Accruals and deferred income	1,121	1,298
	<u>4,979</u>	<u>4,888</u>
<b>Deferred income</b>	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>(restated) £000</b>
Deferred income at 1 September 2020	719	991
Released from previous years	(719)	(991)
Resources deferred in the year	674	719
Deferred income at 31 August 2021	<u>674</u>	<u>719</u>

Deferred income related to amounts received from ESFA and NCC during the current financial year relating to the following financial year.

**SAPIENTIA EDUCATION TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021**

**15. CREDITORS: AMOUNTS FALLING DUE OVER ONE YEAR**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>(restated)</b>
		<b>£000</b>
Loans	294	-
	<u>294</u>	<u>-</u>

Relates to repayable element of boarding support, repayable in instalments from September 2022.

**16. FUNDS**

	<b>Balance at 1 September 2020 (restated) £000</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Gains losses and transfers £000</b>	<b>Balance at 31 August 2021 £000</b>
<b>Restricted general funds</b>					
General Annual Grant (GAG) and other DfE/ESFA grants	-	30,246	(31,872)	1,626	-
Pupil premium	-	851	(851)	-	-
Covid-19 catch up premium	-	386	(386)	-	-
Other DfE/ESFA Covid-19 funding	-	163	(163)	-	-
Boarding support	-	558	(558)	(294)	(294)
MAT central funding	147	-	-	(147)	-
Teaching school	158	145	(34)	-	269
Pension reserve	(18,140)	-	(2,220)	(4,232)	(24,592)
	<u>(17,835)</u>	<u>32,349</u>	<u>(36,084)</u>	<u>(3,047)</u>	<u>(24,617)</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	1,866	4,193	(833)	32	5,258
Transfer on conversion	61,017	-	(3,013)	(103)	57,901
Transfer on existing academy joining Trust	-	-	-	-	29,112
	<u>91,995</u>	<u>4,193</u>	<u>(3,846)</u>	<u>(71)</u>	<u>92,271</u>
<b>Total restricted funds</b>	<u><b>74,160</b></u>	<u><b>36,542</b></u>	<u><b>(39,930)</b></u>	<u><b>(3,118)</b></u>	<u><b>67,654</b></u>
<b>Unrestricted funds</b>					
General fund	221	7,113	(6,659)	(857)	(182)
Coronavirus Job Retention Scheme	-	331	(331)	-	-
Rate of Return	314	-	-	(249)	65
Fixed asset fund	33	-	(25)	(8)	-
	<u>568</u>	<u>7,444</u>	<u>(7,015)</u>	<u>(1,114)</u>	<u>(117)</u>
<b>Total unrestricted funds</b>	<u><b>568</b></u>	<u><b>7,444</b></u>	<u><b>(7,015)</b></u>	<u><b>(1,114)</b></u>	<u><b>(117)</b></u>
<b>Total funds</b>	<u><b>74,728</b></u>	<u><b>43,986</b></u>	<u><b>(46,945)</b></u>	<u><b>(4,232)</b></u>	<u><b>67,537</b></u>

## SAPIENTIA EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

#### 16. FUNDS (continued)

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

**GAG & other DfE/ESFA grants:** the restricted income fund is for the purpose of specific expenditure within the Trust's declared objectives. DfE/ESFA grants relate to government funding for the provision of education by the Trust. Funding is repayable if the Trust does not meet all funding requirements. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

**Pupil premium:** this income is used to raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

**MAT central funding:** this relates to the Sponsor Capacity, Conversion and Teaching and Learning funding from the ESFA. Having been expended in previous years, this has been released to restricted general funds in the year.

**Pension reserve:** this relates to the deficit on the local government pension fund. Any increase in pension contributions suggested by the Scheme Actuary should be able to be met from the Trust's budgeted annual income.

**DfE/ESFA capital grants:** provided by the government for specific capital projects.

**Fixed asset fund:** the value of fixed assets acquired from unrestricted funds since conversion.

The Trust is carrying a net deficit of £142k on restricted general funds (excluding pension reserve) plus unrestricted funds because of the effect of Covid-19 on boarding income. It should be noted that this deficit includes boarding support repayable over one year of £294k, giving current positive reserves of £107k.

The Trust is taking the following action to return these funds to surplus by delivering a forecasted surplus in 2021-22.

**SAPIENTIA EDUCATION TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021**

**16. FUNDS (continued)**

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

	Balance at 1 September 2019 £000	Income (restated) £000	Expenditure £000	Gains losses and transfers £000	Balance at 31 August 2020 (restated) £000
<b>Restricted general funds</b>					
General Annual Grant (GAG) and other DfE/ESFA grants	-	22,654	(22,900)	246	-
Boarding support	-	592	(592)	-	-
MAT Central funding	147	-	-	-	147
Teaching School	103	91	(36)	-	158
Pension reserve	(11,525)	(3,147)	(1,813)	(1,655)	(18,140)
	<b>(11,275)</b>	<b>20,190</b>	<b>(25,341)</b>	<b>(1,409)</b>	<b>(17,835)</b>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	923	3,101	(2,158)	-	1,866
Transfer on conversion	54,975	7,844	(1,802)	-	61,017
Transfer on existing academy joining Trust	3,180	26,278	(346)	-	29,112
	<b>59,078</b>	<b>37,223</b>	<b>(4,306)</b>	<b>-</b>	<b>91,995</b>
<b>Total restricted funds</b>	<b>47,803</b>	<b>57,413</b>	<b>(29,647)</b>	<b>(1,409)</b>	<b>74,160</b>
<b>Unrestricted funds</b>					
General fund	981	4,763	(5,559)	36	221
Coronavirus Job Retention Scheme	-	905	(905)	-	-
Transfer on existing academy joining trust	-	596	-	(596)	-
Rate of Return	-	-	-	314	314
Fixed asset fund	62	-	(29)	-	33
<b>Total unrestricted funds</b>	<b>1,043</b>	<b>6,264</b>	<b>(6,493)</b>	<b>-</b>	<b>568</b>
<b>Total funds</b>	<b>48,846</b>	<b>63,677</b>	<b>(36,140)</b>	<b>(1,655)</b>	<b>74,728</b>

**Total funds analysis by academy**

Fund balances for each academy at 31 August 2021 and 31 August 2020 were zero, hence a breakdown by academy is not included in these accounts.

**SAPIENTIA EDUCATION TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021**

**16. FUNDS (continued)**

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs (excluding depreciation) £000	Total 2021 £000	Total 2020 £000
Wymondham College	7,314	3,425	312	2,934	13,985	12,958
Old Buckenham Primary School	661	97	28	123	909	939
Seething & Mundham Primary	344	135	23	86	588	501
Burston Primary	184	13	19	53	269	288
Tivetshall Primary	158	22	13	44	237	246
Rockland St Mary Primary School	225	44	11	60	340	386
Surlingham Primary	224	47	16	62	349	398
Great Hockham Primary and Nursery School	356	43	22	71	492	459
Stradbroke High	1,437	144	116	473	2,170	2,200
Ghost Hill Infant and Nursery School	670	71	42	163	946	900
Framingham Earl High School	2,948	332	223	606	4,109	3,912
Old Buckenham High School	2,222	336	171	443	3,172	3,245
White House Farm Primary School	237	66	41	79	423	416
Attleborough Academy	3,360	300	186	1,142	4,988	939
Fakenham Academy	3,208	345	152	1,010	4,715	956
Wymondham College Prep School	258	55	4	167	484	297
Central Services	-	1,983	35	1,493	3,511	3,108
Total expenditure	23,806	7,458	1,414	9,009	41,687	32,148

# SAPIENTIA EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

### 17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets	-	-	87,557	87,557
Net current assets	(117)	269	4,714	4,572
Creditors: amounts falling due after one year	-	(294)	-	(294)
Pension scheme liability	-	(24,592)	-	(24,592)
<b>Total net assets</b>	<b>(117)</b>	<b>(24,617)</b>	<b>92,271</b>	<b>67,537</b>

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

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total Funds (restated) £000
Tangible fixed assets	33	-	90,561	90,594
Net current assets	535	305	1,434	2,274
Pension scheme liability	-	(18,140)	-	(18,140)
<b>Total net assets</b>	<b>568</b>	<b>(17,835)</b>	<b>91,995</b>	<b>74,728</b>

### 18. COMMITMENTS UNDER OPERATING LEASES

#### Operating leases

At 31 August 2021 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £000	2020 £000
Amounts due within one year	64	62
Amounts due between one and five years	216	101
Amounts due after five years	301	323
	<b>581</b>	<b>486</b>



# SAPIENTIA EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

### 19. RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020 (restated)
	£000	£000
Net (expenditure) / income for the reporting period (as per the SOFA)	(2,959)	27,537
Adjusted for:		
Depreciation (note 12)	3,038	2,179
Capital grants from DfE/ESFA and other capital income	(4,193)	(3,101)
Transfer of fixed assets on conversion	-	(7,844)
Transfer of fixed assets on academy joining trust	-	(26,278)
Interest receivable (notes 3 and 5)	(23)	(17)
Defined benefit pension scheme obligation transferred on conversion	-	3,147
Defined benefit pension scheme cost less contribution payable (note 24)	4,037	3,408
Defined benefit pension scheme finance cost (note 24)	(1,817)	(1,595)
Increase in debtors	(299)	(1,130)
Increase in creditors	385	1,292
<b>Net cash used in Operating Activities</b>	<b>(1,831)</b>	<b>(2,402)</b>

### 20. CASH FLOWS FROM INVESTING ACTIVITIES

	2021	2020 (restated)
	£000	£000
Dividends, interest and rents received from investments	22	17
Capital grants from DfE/ESFA	4,193	3,101
<b>Net cash provided by investing activities</b>	<b>4,215</b>	<b>3,118</b>

### 21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31 August 2021 £000	At 31 August 2020 £000
Cash in hand and at bank	7,338	4,954
<b>Total cash and cash equivalents</b>	<b>7,338</b>	<b>4,954</b>

## SAPIENTIA EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

#### 22. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £000	Cash Flows £000	Acquisition/ disposal of subsidiaries £000	New finance leases £000	Other non- cash changes £000	At 31 August 2021 £000
Cash	4,954	2,384	-	-	-	7,338
Cash equivalents	-	-	-	-	-	-
Overdraft facility repayable on demand	-	-	-	-	-	-
Loans falling due within one year	-	-	-	-	-	-
Loans falling due after more than one year	-	-	-	-	(294)	(294)
Finance lease obligations	-	-	-	-	-	-
<b>Total</b>	<b>4,954</b>	<b>2,384</b>	<b>-</b>	<b>-</b>	<b>(294)</b>	<b>7,044</b>

#### 23. 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 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 cease to be a member.

#### 24. PENSION AND SIMILAR OBLIGATIONS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

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

##### Teachers' Pension Scheme

##### Introduction

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

## SAPIENTIA EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

#### 24. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

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

##### Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to the TPS in the period amounted to £3,069,021 (2020: £2,184,659).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

##### Local Government Pension 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 2021 was £2,300,000 (2020: £1,983,000) of which employer's contributions totalled £1,817,000 (2020: £1,595,000) and employees' contributions totalled £483,000 (2020: £388,000). The agreed contribution rates for future years range from 5.5% - 12.5% for employees, and 18.8% - 20.3% for employers.

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

# SAPIENTIA EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

### 24. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

#### Principal Actuarial Assumptions

##### Norfolk County Council

	At 31 August 2021 %	At 31 August 2020 %
Rate of increase in salaries	3.6	2.9
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.7	1.7
Commutation of pensions to lump sums	50% & 75%	50% & 75%

##### Suffolk County Council

	At 31 August 2021 %	At 31 August 2020 %
Rate of increase in salaries	3.0	3.0
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.7	1.7
Commutation of pensions to lump sums	25% & 63%	25% & 63%

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

##### Norfolk County Council

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	21.9	21.7
Females (average of schemes with Norfolk County Council)	24.3	23.9
<i>Retiring in 20 years</i>		
Males (average of schemes with Norfolk County Council)	23.2	22.8
Females (average of schemes with Norfolk County Council)	26.2	25.5

##### Suffolk County Council

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	22.1	21.9
Females	24.5	24.1
<i>Retiring in 20 years</i>		
Males	23.2	22.7
Females	26.4	25.6

**SAPIENTIA EDUCATION TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021**

**24. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)**

**Sensitivity analysis**

	<b>31 August 2021 £000</b>	<b>31 August 2020 £000</b>
Real discount rate -0.5%	1,291	5,117
Salary increase rate +0.5%	117	495
Pension increase rate +0.5%	1,156	4,533

The Trust's share of the assets in the scheme were:

	<b>Fair value at 31 August 2021 £000</b>	<b>Fair value at 31 August 2020 £000</b>
Equity instruments	16,546	12,578
Debt instruments	10,680	8,682
Property	3,435	2,937
Cash	1,239	960
<b>Total market value of assets</b>	<b>31,900</b>	<b>25,157</b>

The actual return on scheme assets was £4,852,000 (2020: (£183,000)).

<b>Amounts recognised in the Statement of Financial Activities</b>	<b>2021 £000</b>	<b>2020 £000</b>
Current service cost	(1,898)	(1,578)
Past service cost	-	-
Interest income	445	380
Interest cost	(767)	(615)
<b>Total amount recognised in the SOFA</b>	<b>(2,220)</b>	<b>(1,813)</b>

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

	<b>2021 £000</b>	<b>2020 £000</b>
At 1 September	43,297	30,736
Transferred in on existing academies joining the Trust	-	7,626
Current service cost	3,715	3,173
Interest cost	767	615
Employee contributions	483	388
Actuarial (gain)/loss	8,639	1,092
Benefits paid	(409)	(333)
<b>At 31 August</b>	<b>56,492</b>	<b>43,297</b>

## SAPIENTIA EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

#### 24. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

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

	2021 £000	2020 £000
At 1 September	25,157	19,211
Transferred in on existing academies joining the Trust	-	4,479
Interest income	445	380
Actuarial gain/(loss)	4,407	(563)
Employer contributions	1,817	1,595
Employee contributions	483	388
Estimated benefits paid	(409)	(333)
At 31 August	31,900	25,157

#### 25. RELATED PARTY TRANSACTIONS

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

##### Expenditure Related Party Transaction

Julie Taylor associates – wife of the CEO and Trustee Jonathan Taylor

- The approval of a Free School at Wymondham College was accompanied with funding from the Department of Education to appoint a Project Officer to oversee the project from a Trust perspective.
- Trustees interviewed three prospective candidates for the role of Project Officer for the Wymondham College Prep School project and after appropriate evaluation they appointed Julie Taylor Associates to carry out this role.
- In entering into this related party transaction, the Trustees ensured that they complied with the requirements of the Academy Trust Handbook and secured assurance from Mrs Taylor that her services were provided at 'no more than cost'.
- Mr Taylor played no part in the interviews of prospective candidates or in the decision to appoint Mrs Taylor.
- In January 2019, the Trust was appointed by the Department of Education to run White House Primary School that was due to open in September 2019. Due to the short timescales involved in this project, the Trust appointed Julie Taylor Associates to the role of Project Officer.
- In March 2019, the Education and Skills Funding Agency verified the appointment process and concluded that the Trustees had followed all appropriate procedures in appointing Julie Taylor Associates to both projects.
- Total expenditure for the period was £10,120 (2020: £58,410) in relation to the Wymondham College Prep Free School project.
- The contract with Julie Taylor Associates ended on 31 August 2021 as a result of the opening of the new school building in September 2021.

## **SAPIENTIA EDUCATION TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021**

#### **25. RELATED PARTY TRANSACTIONS (CONTINUED)**

Wymondham College Enterprises Limited is a fully owned subsidiary company of Sapientia Education Trust. The company's principal activity is the running of the breakfast and after-school clubs at the Primary Schools within the Trust. For the year ended 31 August 2021 the subsidiary company returned a net loss before taxation of £5,534.

Results for the period:

Turnover	£27,713
Expenditure	£33,247
Loss	£5,534
Capital & reserves	£7,741
Aggregate assets & liabilities	£7,741

The subsidiary company is not consolidated within these accounts on the grounds of materiality. Therefore, the accounts present information about the Trust as an individual undertaking and not as a group.

Governors, Mr Margand and Mr North, had family members attending schools within the Sapientia Education Trust MAT during the Year. A Governor and Member, Mr Rout, had a family member attending Wymondham College during the year. Full fees were paid and no concessions received.

The CEO and two members received out of pocket expenses during the period totalling £1,414 (2020: CEO and two members £4,212).

No other related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 10.

**SAPIENTIA EDUCATION TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021**

**26. BOARDING TRADING ACCOUNT**

	£000	2021 £000	£000	2020 £000
<b>Income</b>				
Fee income	6,076		5,039	
Rents received	78		36	
Catering income	1		4	
CJRS grants	331		905	
Other income	—		19	
		<b><u>6,486</u></b>		<b><u>6,003</u></b>
<b>Expenditure</b>				
<b>Direct costs</b>				
Boarding salaries	3,822		3,533	
Rate of return expenditure	837		418	
Educational consultancy	—		—	
Other direct costs	<u>198</u>		<u>387</u>	
<b>Total direct costs</b>		<b>4,857</b>		<b>4,338</b>
<b>Allocated support costs</b>				
Catering salaries	947		934	
Maintenance of premises and equipment	93		185	
Cleaning	19		19	
Security	—		—	
Rent and rates	93		77	
Energy costs	223		206	
Provisions	591		506	
Transport	4		(4)	
Bank charges	4		10	
Advertising, marketing and recruitment	14		26	
Technology costs	11		—	
Other support costs	<u>40</u>		<u>107</u>	
<b>Total support costs</b>		<b><u>2,039</u></b>		<b><u>2,066</u></b>
<b>Total operating costs</b>		<b><u>6,896</u></b>		<b><u>6,404</u></b>
<b>Deficit on Boarding and Catering</b>		<b>(410)</b>		<b>(401)</b>
Surplus brought forward at 1 September 2020		<b><u>2,349</u></b>		<b><u>2,750</u></b>
<b>Surplus carried forward at 31 August 2021</b>		<b><u>1,939</u></b>		<b><u>2,349</u></b>



**SAPIENTIA EDUCATION TRUST**

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021**

**27. TEACHING SCHOOL TRADING ACCOUNT**

	£000	2021 £000	£000	2020 £000
<b>Income</b>				
<b>Direct Income</b>				
Other income	145		91	
<b>Other Income</b>				
Fundraising and other trading activities	—		—	
		<b><u>145</u></b>		<b><u>91</u></b>
<b>Expenditure</b>				
<b>Direct costs</b>				
Direct staff costs	<u>26</u>		<u>17</u>	
<b>Total direct costs</b>		<b>26</b>		<b>17</b>
<b>Other costs</b>				
Other support costs	<u>8</u>		<u>19</u>	
<b>Total other costs</b>		<b><u>8</u></b>		<b><u>19</u></b>
<b>Total expenditure</b>		<b><u>(34)</u></b>		<b><u>(36)</u></b>
<b>Surplus from all sources</b>		<b>111</b>		<b>55</b>
<b>Teaching school balances at 1 September 2020</b>		<b><u>158</u></b>		<b><u>103</u></b>
<b>Teaching school balances at 31 August 2021</b>		<b><u>269</u></b>		<b><u>158</u></b>

## SAPIENTIA EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2021

#### 28. AGENCY ARRANGEMENTS

The Trust distributes 16-19 bursary funds to students as an agent for ESFA.

In the accounting period ending 31 August 2021 the Trust received £3,219k and disbursed £3,143k from the fund. An amount of £76k is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2020 are £2,016k received, £1,969k disbursed and £47k included in other creditors.

#### 29. PRIOR PERIOD ADJUSTMENT

A prior year adjustment has been made to the financial statements relating to the accounting period ended 31 August 2020. This relates to capital grant income relating to September 2020 - March 2021 which was received in the year ended 31 August 2020. This income should have been recognised full in the 2020 financial statements but was deferred..

The prior year financial statements have been restated to correct the following:

	As previously reported £000	Prior year adjustment £000	Restated £000
Statement of financial activities			
Income			
Donations and capital grants	2,279	826	3,105
Balance sheet			
Accruals and deferred income	2,124	(826)	1,298
Restricted fixed asset funds – DfE/ESFA capital grants	1,040	826	1,866