

Durrington Multi Academy Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2020

Company Registration Number:
08895870 (England and Wales)

Durrington Multi Academy Trust

Contents

	Page
Reference and Administrative Details	1
Trustees' Report	3
Governance Statement	20
Statement on Regularity, Propriety and Compliance	26
Statement of Trustees' Responsibilities	27
Independent Auditor's Report on the Financial Statements	28
Independent Reporting Accountant's Report on Regularity	31
Statement of Financial Activities incorporating Income & Expenditure Account	34
Balance Sheet	35
Statement of Cash Flows	36
Notes to the Financial Statements	37

Durrington Multi Academy Trust

Reference and Administrative Details

Members:

Mr A Watts – Chair
Mr R Barraclough
University of Brighton

Trustees:

Ms L Allison
Mr J Digby
Ms S Marooney
Mr P Noakes
Ms N Thomas
Ms E Watkins
Mr A Watts

Company Secretary

Mr N Roberts

Senior Management Team:

Ms S Marooney - Executive Headteacher DHS/CEO DMAT
Mr C Woodcock - Head of School, DHS
Mr S Allison - Head of School Improvement/Director of Research School
Mrs L Allison - SCITT/Deputy Headteacher DHS
Mr J Fuller - Deputy Headteacher DHS
Mr N Roberts, Chief Financial Officer - DMAT

(Durrington High School is one of 32 Research Schools nationally. The South Downs School Centre for Initial Teacher Training is located at DHS and both are part of DMAT).

Company Name

Durrington Multi Academy Trust

Principal and Registered Office

The Boulevard
Worthing
West Sussex
BN13 1JX

Company Registration Number

08895870 (England and Wales)

Durrington Multi Academy Trust

Reference and Administrative Details

Independent Auditor

Hopper Williams & Bell Limited

Statutory Auditor

Highland House

Mayflower Close

Chandlers Ford

Eastleigh

Hampshire

SO53 4AR

Bankers

Lloyds TSB

South Street

Worthing

West Sussex

BN11 3AW

Solicitors

Browne Jacobson LLP

Mowbray House

Castle Meadow

Nottingham

NG2 1BJ

Durrington Multi Academy Trust

Trustees' Report

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

The Trust operates two schools on the south coast. The pupil capacity and number of students on roll as per the January 2020 census is detailed below.

<u>Academy</u>	<u>Pupil Capacity</u>	<u>Number on Roll (Jan 20)</u>
Durrington High School	1650	1622
Laurels Primary School	210	177

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Durrington Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as the Durrington Multi Academy Trust.

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

Members' Liability

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

Trustees' Indemnities

Trustees' third-party indemnity is covered by a policy of insurance with the Risk Protection Arrangement (for Academy Trusts), procured under the Department for Education framework.

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed in accordance with the Articles of Association.

Policies and Procedures Adopted for the Induction and Training of Trustees

New Trustees are given an induction and have a clear role description. Part of the induction is a one-hour meeting with the Chair and CEO who go through the main responsibilities and share the vision of the Trust. There is an annual training programme for Trustees which relates to legislation and the skills audit.

Durrington Multi Academy Trust

Trustees' Report

Organisational Structure

The Trust board devolves the responsibility of the day to day running of the schools to the respective Headteachers and the Senior Leadership Team. Their activities and decisions are monitored by the Board, supported by the Academy Committees (LGB). The Board of Trustees meet at least six times per year and delegate the day to day running of the trust to the CEO who is accountable for school's performance and trust development. The Chief Financial Officer (CFO) prepares the financial data and meets with the CEO/Headteacher prior to the Finance Committee meetings, for Academy Committee meetings and Trust meetings. The CFO reports on the actual income and expenditure figures for the year to date to the committee meetings and the Trustees as well as the forecast to the end of the financial year for DHS, Laurels and the Trust.

The Headteachers report to their Academy Committees and the Trustees on any curriculum changes, student matters, on targets and achievement. The Academy Committees review the Admissions Policy, having regard to the School Admissions Code and the Academy Funding Agreement Annex B. Changes to the Admissions Policy are referred to the Academy Committees and Trust for approval. A Pay Panel receives recommendations, monitors and reviews appraisal and professional development, recruitment, and retention.

Arrangements for setting pay and remuneration of key management personnel

As a board and at Academy committee/Local Governing Body (LGB) level we continue to take (as we have always done) our responsibilities very seriously. Our remit is for our leaders to ensure;

- The very best education (provision, experience, safety/well-being and outcomes) for our children
- To retain and recruit the very best staff
- To be financially robust and secure

As a trust and academy committees we are in possibly a unique situation. We have an exceptional leader who is employed to do two roles; as Executive Headteacher and CEO. Appointed originally as HT of Durrington High School in 2003, we are delighted that along with other senior staff we have been able to retain their expertise and experience. At DHS we have three individuals who perform at headship level and recruited an exceptional head to lead the Laurels.

Durrington High School – Executive Headteacher, Head of School, Head of School Improvement:

Accountabilities and outcomes

- Extremely large coastal mixed comprehensive school 1622 pupils; 180 staff
- Strong and sustained educational outcomes; consistently above National Average (NA)
- Strong and sustained finances; one of the few schools who have never made redundancies due to financial health in over 18 years
- Research school (one of 32 nationally)

Durrington Multi Academy Trust

Trustees' Report

Arrangements for setting pay and remuneration of key management personnel (continued)
Durrington Multi Academy Trust CEO:

Accountabilities and Outcomes:

- Laurels Primary School; one form entry primary; 210 (177 NOR) and 22 staff (in very challenging circumstances DMAT agreed to be part of a re-brokerage and The Laurels legally joined DMAT January 2018). The school is transforming in an area with high levels of deprivation and need; outcomes, standards, and finance are improved. Significant progress made; excellent outcomes and progress in 2019 and 2020.
- School Centre for Initial Teacher Training (SCITT) – judged Outstanding by OFSTED in October 2018.

Rationale

Every year an external consultant (headship level as a minimum) is appointed to advise the board. In addition, advice is sought from other sources and the trust's legal advisors.

The panel consider:

- Securing best value and review the effectiveness of leadership; pupils' outcomes; progress; standards; well-being; behaviour; the financial health and the safety and security of the schools and trust.
- Recruitment/retention of key staff aside from expertise and impact, if they were to be replaced the costs of appointing similar calibre senior leaders. This is why retention of expert staff is an overt strategy and a significant factor in our on-going success. The basic cost of appointing new senior leaders through agencies would be high and recruitment is challenging. Basic agency costs £5k per appointment plus 20-25% of year 1 salary.

We continue to retain highly skilled, experienced leaders; in summary;

- Our students are successful at both schools
- Our secondary school is oversubscribed and numbers are increasing in our primary
- Our staffing continues to be stronger than most in these challenging times
- Best value is always achieved; our finances continue to be healthy and strong.

Succession planning is always part of our school and trust planning; retention of excellent staff is key.

Durrington Multi Academy Trust

Trustees' Report

Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	
1%-50%	2
51%-99%	
100%	

Percentage of pay bill spent on facility time

Total cost of facility time	£2,721
Total pay bill	£8.2m
Percentage of the total pay bill spent on facility time	0.03%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100%
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Related Parties and other Connected Charities and Organisations

Durrington High School (DHS) was designated a Research School following a stringent selection process. This involved setting up links with other schools and being part of the national research network. Funding began in autumn 2017 and is received from the Sutton Trust and Education Endowment Foundation (EEF). We are linked through our initial teacher training activities with Brighton, Sussex and Chichester University. DHS was a lead partner in the School Centred Initial Teacher Training Centre (SCITT), which from 1 September 2018 became located at Durrington and became part of DMAT. The Executive Headteacher of DHS is the Chair of Governors of the SCITT. The schools have a separate charitable group that raises funds for the benefit of pupils' learning and enrichment; Durrington Fundraisers and Friends of the Laurels.

Durrington Multi Academy Trust

Trustees' Report

Objectives and Activities

Objects and Aims

a) To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing our schools offering a broad and balanced curriculum; ensuring every child receives their entitlement to high quality education.

b) To promote for the benefit of individuals living in West Sussex and the surrounding area who have need by reason of their age, infirmity, or disability, financial hardship or social and economic circumstances for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

Objectives, Strategies and Activities

The main objectives of the year are laid out in the School Improvement Plans for 2019/20 (available on application to the CEO) and 2020/21.

Public Benefit

We confirm that the Governors and Trustees have paid due regard to the guidance on public benefit in deciding what activities the schools should undertake.

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

Durrington Multi Academy Trust

Trustees' Report

Strategic Report

Achievements and Performance

Due to Covid no external examinations were sat. Each secondary school student received Centre Assessed Grades (CAGs).

School-wide headlines

Attainment 8 – a measure of the average total GCSE grade points scored by each student rose by 3.62 to 54.21 points/grades to a score of 50.8pts per student. This is a known score. The progress 8 (only validated in January 2021) is also looking to be the best we have ever achieved. In terms of other whole-school measures

- 64% of students achieved a grade 5+ in maths with 29% (our best ever result) achieving a grade 7+
- In combined English 73% achieved at least one grade 5 and 34% one grade 7 (again our best ever achievement)
- In double science 5+ achievement was again fantastic 60% achieved basics at 5+ and 78% at 4+
- Overall 60% of all students achieved basics 5+ with over 78% achieving basics 4+
- Overall the number of grade 9 grades growing from 127 in 2019 to 257 in 2020 results.

In terms of key groups of students

- The average attainment of our high starting point students (who made up approximately 43% of the cohort) grew by an extra 1 grade per student compared to 2019 results. This is an all-time highest score for this group of students.
- The average attainment of our middle and low starting point students (who made up approximately 46% and 10% of the cohort) grew by an extra 7 grades per student compared to 2019 results. This is also an all-time highest score for this group of students.
- Our pupil premium attainment – Grew by 5 extra grades per pupil with an average A8 of 43.3.
- Males and females students: A8 gap grew by 1 grade per student a8 56.04 vs 52.98 (3.06 difference, 2.18 difference last year). However, this does represent an overall increase in A8 for both males and females since 2019.

Specific subjects

- A number of subjects including Art, Dance and the sciences again did very well in terms of 5+ and 7+ outcomes.
- History and Geography outcomes at 5+ were both steady and again above national averages.
- Computer Science showing the most improvement with 74% of students achieved a strong pass with 50% achieving at least a grade 7.

Durrington Multi Academy Trust

Trustees' Report

Achievements and Performance (continued)

In summary the outcomes of Durrington High School for 2020 are strong and reflect good progress being made by the whole school and students individually within the wider cohort.

<u>Headlines</u>	<u>DHS</u>
Progress 8 – overall	~0.31
Attainment 8 - overall	54.21
Basics 5	59.5%
Basics 4+	78.0%
Attendance (20/03/20)	94.13%

Laurels Primary School

The majority of children start below expectations on entry to school. In spite of this, the majority of children now reach age related expectations by the end of key stage 2 and are well prepared for secondary school and beyond. Due to Covid SATs were cancelled.

Attendance

Senior leaders have had a significant impact on reduce absence and promoting the value of attendance.

- The Laurels has a 3-year trend of reducing absence from 5.4% in 2017/18 to 3.02% in 2019/20.
- Persistent absence has reduced from 9.3% in 17/18 to 3.86% in 2019/20.

Early Years Foundation Stage

- 73% of the cohort would have achieved a Good Level of Development at the end of 2019/20 (national 71.8%).

Year 1 phonics

- 93% of the cohort passed the phonics check in 2018/19. The same number are on track to pass this term. (National 82%).

Key Stage 1

- 80% of the cohort would have achieved the expected standard in reading (74.9% national)
- 70% would have achieved the expected standard in writing, in line with the national average.
- Since joining DMAT, the number of children achieving the higher standard in reading, writing and maths combined has risen and is now in line with national levels.

Durrington Multi Academy Trust

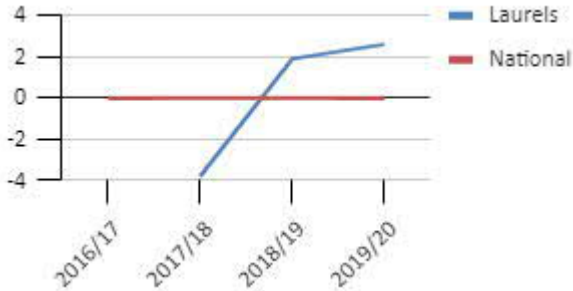
Trustees' Report

Achievements and Performance (continued)

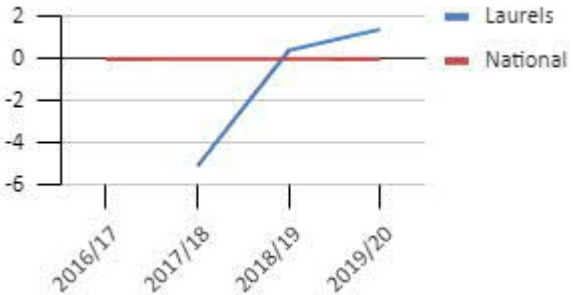
Key Stage 2

- 79% of the 19/20 cohort would have achieved the expected standard in reading, writing and maths combined (national 65%).
- This would have been the second year The Laurels was significantly above the national average of 65%.
- 100% of the FSM cohort and 83% of FSM (Ever6) achieved the expected standard in reading, writing and maths.
- 67% of the SEN cohort achieved the expected standard in reading, writing and maths,
- Since joining DMAT, the number of children achieving the higher standard in reading, writing and maths combined has risen from 0% to national levels. 47% of the cohort would have achieved the higher standard in reading in 19/20.
- The average scaled score has a rising three-year trend with the 19/20 cohort achieving an average score of 106.9 in reading, writing, maths combined (1.7 above national).
- Progress scores have risen above national in reading, writing and maths and are 2.6, 1.4 and 0.7 respectively.

Reading Progress



Writing progress

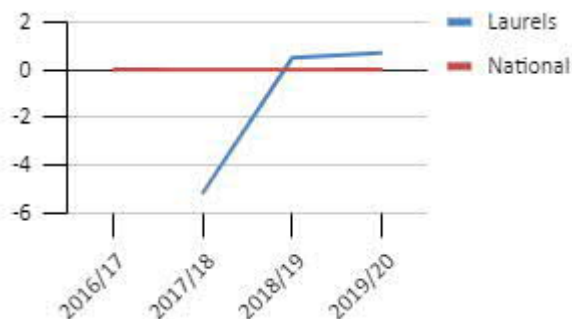


Durrington Multi Academy Trust

Trustees' Report

Achievements and Performance (continued)

Maths progress



Key Performance Indicators

The majority of income is derived from GAG, a small income from lettings, and additional funding from the research school, SSIF bids and SCITT.

The financial performance indicators for 2019/20 expenditure were:

School:	DHS	Laurels
<u>Budget Heading:</u>	<u>% of GAG</u>	<u>% of GAG</u>
Teaching Staff	66.72%	66.10%
Support Staff	26.04%	30.04%
Maintenance of Premises	4.00%	2.00%
Educational Supplies and Services	2.74%	1.66%
Staff Development, Recruitment & Employee expenses	0.5%	0.2%

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason 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.

Durrington Multi Academy Trust

Trustees' Report

Financial Review

The majority of income for Durrington High School and The Laurels is obtained from the Education Services Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. Other income is derived from grants, Research School funding, SCITT income, school lettings, payments for school trips, and donations. Additionally, staff at Durrington High School undertaking outreach work supporting other schools, delivering training and applying for grants (e.g. Research School grants). The expenditure is used to support the key priorities of Durrington High School and The Laurels, as detailed in the School Improvement Plans, in providing education for pupils and students aged 5 to 16 and enhancing their opportunities. In all financial transactions best value was considered when making financial decisions.

The Governors, Senior Leaders and Trustees have a number of ambitious plans over the coming years to further enhance the educational experience of pupils, as well as the projects stated below. For DHS; the school has been saving and carefully preparing over many years to replace and improve sporting facilities; to up-grade/replace lighting and heating systems; to improve and up-grade the PE changing areas and toilets. These plans are ambitious and much needed. These are the key reasons we have worked to build up significant reserves.

Re-development of our outdoor netball and tennis courts to include LED floodlighting and the addition of a new sports hall connected to our existing building. This project began in March 2020 and is due for completion November 2020. This will significantly enhance the curriculum and enrichment experience for our students and will better accommodate pupils for the increased number of examinations. When the school expanded in 2015 from 1,440 – 1,650 a new outdoor facility (astro-turf) was added but no new indoor PE facilities. With a focus on physical and mental well-being nationally, as well as PE and sport opportunities, this will be a much-needed additional facility. Community use and the lettings potential will be increased with the addition of these facilities. During the project we made the decision to add solar PV to the roof, this was an additional cost of £85,000, this was partly required to ensure the new building met all required environmental targets but also helped towards the Trusts goal of becoming carbon neutral. The installation should save approximately £15,000 per year from the school's electricity cost. The solar project was paid for through funds already allocated to the sports hall contingency budget. The overall project inclusive of solar is currently in budget (inclusive of contingency), £1.7m pounds.

Carbon reduction and Energy use are a priority for the School, being acutely aware of our social responsibility to the environment but also the direct benefit of redistributing income from energy savings. A full energy survey, feasibility study and tender process was by the Carbon Trust in 2019. Anticipated savings of £500,000 over ten years and annual Carbon reduction of 127 tonnes have led to this project being a focus area for the School. The solar PV detailed above is our first step toward realising this potential. Our next phase will be upgrading our lighting, much of which is original and inefficient by modern standards. We hope to embark on a full LED lighting replacement project in early 2021. The anticipated cost will be in the region of £300,000 with a projected return on investment of 5 years.

Durrington Multi Academy Trust

Trustees' Report

Financial Review (Continued)

At Durrington High School the roof, which is huge, is now 23 years old and significant remedial works began in 2017 in order to preserve its life expectancy of 50 years+. The next stage of this work was carried out during the summer holidays (2020) with the final sections of the large South Easterly elevation being completed, work will continue in stages until Easter 2022. This year's cost was £36,827; to date the roof works have cost £237,107.

Much of the heating system at Durrington High School is aged with some elements dating back to the major refurbishment/extension completed in 1996. In 2019 we began a programme to replace failing/inefficient elements of the system. The first phase was the replacement of a number of ring main pumps; this was in November 2019 at a cost of £19,000. In 2020 we have replaced all thermostatic control valves across the site; this was completed in July at a cost of £18,000. The final element of this phase of planned works will be the re-instatement of control systems to improve efficiency and comfort levels for staff. We anticipate these costs to be in the region of £10,000.

Durrington High School has over 400 trees on site, due to health and safety concerns we have invested in a detailed location map and tagging system for all our trees. This will allow detailed annual surveys to be completed and support the safe operation of the site. The cost to produce and carry out remedial works in 2019/20 was approximately £6,000. It is anticipated we will continue to spend in the region of £3,000 per year for the next two years to rectify all historic issues with the trees on site.

Being on the South Coast Durrington High is vulnerable to high populations of seagulls, if not controlled these can become aggressive and their waste can cause damage to the artificial pitch as well as associated health hazards. To mitigate this, we run an annual nest and egg removal programme costing £7,000 as well as ad hoc bird deterrent installations, hawk kites and bird of prey visits these items have historically cost approximately £2,000, we could not obtain a licence for removal this year due to Covid but the programme will return next year. We continue to maintain the site in good decorative order spending approximately £2,400 on paint over the past year, this cost will be annual.

Durrington Multi Academy Trust

Trustees' Report

Financial Review (Continued)

Future plans

DHS

- Some of our most heavily used toilets as well as our PE changing rooms date back to 1996 with no significant investment since. These are now at the end of their life being in poor condition and un-serviceable. In 2015 a new block was added to the school to cater for increased numbers with the addition of year 7. Toilets in this block were installed with poor quality materials, cubicle panels and wash units now need replacement. We are working on plans for a complete refit of these toilets and re-design of the changing rooms, any design would be high specification and give at least 15 years life. Early feasibility costs are in the region of £500,000; any decision to proceed will be balanced and prioritised against other projects. We will also explore options to combine projects and gain efficiencies of scale.
- Our Assembly hall which is also our primary dining space and drama production area is aged being originally constructed in 1950 with limited substantial investment since. The area is also under spaced only being able to accommodate one year at a time making whole school communication time consuming and limiting our ability to host productions to show case the talents of our students. In February 2020 we began feasibility with the eventual aim of extending the building to the Easterly elevation in tandem with a complete refit and moderation of the existing element of the structure. This work would make significant improvements to practical elements of the school day from assemblies, break times as well as offering additional indoor recreational space during exams. We would aim to install bleacher seating to accommodate 400 people allowing us to host and showcase
- the talents of our children to the wider community and hosting large scale conferences for our research school. Early indications would estimate a cost in the region of £2,000,000. It is expected that we would apply for external funding to support this project.

Durrington Multi Academy Trust

Trustees' Report

Financial Review (Continued)

Laurels

- Significant improvements have been made to the Laurels site. Historically spending had been focused in the wrong areas/items, or had been neglected and the site required significant works to get it to the level it is now. A lot of this work has been done at a significantly reduced cost due to planning, project management and labour being provided by the DMAT teams. There were also aspects of the 2019 OFSTED that needed addressing.
- Over the past year significant tree works have taken place to ensure the site is safe. The initial quote was £2,800; the DMAT site team were able to complete £450.00 of these works using their equipment and expertise. Sections of block paving have been repaired at the front of the school, downpipes and guttering repairs, and centralised contracts have saved the Laurels approximately £5,100 over the past year.
- Urgent safety works were needed to glazing, The Laurels is fitted aged plate glass some of which had no safety film, and other areas had no record of installation. The MAT picked this cost up centrally to the value of £3,290.
- The Laurels has very limited outdoor space, what they do have is generally in poor condition and not appropriate for effective curriculum PE. In 2019 the redundant de-mountable unit was removed from site, this gave a large area back to the children increasing the useable size of the area for break times. The outside areas still require improvement to better support curriculum PE, provide a useable environment and help instil active healthy living from an early age. Installing a five a side MUGA with improved drainage will cost in the region of £59,000, and The Laurels have secured £50,000 through a national fund-raising activity hosted by the Sunday Times. The EEF are administering devolving this money to the Laurels following a proposal that the trust had to submit. Feasibility has been completed and we hope to commence work in the Summer of 2021.

Over the last year, DMAT has continued to invest and develop its digital infrastructure strategy to support teaching, learning and administration for all schools through a central IT support team. The central IT Support team have worked to reduce our impact on the environment through our IT Provision, within the last 12 months we have rolled out a number of initiatives, these include;

- DMAT have implemented power consumption policies to all compatible devices to switch off devices whilst they are not in use. These policies are designed to reduce the overall power consumption of our IT equipment, as well as marginally extend device lifecycles.
- DMAT enrol to the HP toner recycling programme. We have a large print estate combined across our school and are always keen to ensure waste products from these devices are disposed of responsibly. The HP toner recycling was chosen because it boasts a "closed loop" recycling program, minimising by-products disposed at landfill.

Durrington Multi Academy Trust

Trustees' Report

Financial Review (Continued)

In addition to the centrally maintained Digital strategy, each individual school has its own strategy to ensure the development, usability and success of its local IT network. For Durrington High School these investments have been;

- Durrington High School had in place an ageing and degrading cashless catering system that had not been upgraded or invested in since 2011. The degrading service regularly caused outages for students utilising the canteen provision. The school worked with a number of cashless suppliers to review the existing provision and provide costings for a new service. Durrington High School chose and installed a new cashless provision in April 2020. The new provision was completed at a total cost of £10,000 and has an estimated life of 8-10 years.
- Durrington High School have upgraded IT Equipment in two ICT classrooms to enable students to have access to a modern and efficient IT facility. Durrington High School invested £31,500 in 60 new desktop PC's along with 60 monitors to replace ageing equipment.
- Over the last year, significant improvements and efficiencies have been made to the IT Network at Durrington High School; these include reducing the number of ageing and inefficient desktop switches. Throughout 2020 the central IT Team have run an additional 6km of network cables and equating to roughly 50 additional network points. To support this installation, Durrington High School has seen the installation of 11 HPE Aruba 10GB/s network switches to support the greater reliance on our core services. Initial quotations indicated a per device cost of £1,100, however, upon market research, we were able to secure a device cost of £800. This device cost saving gave us the ability to update an additional core network cabinet.
- Towards the end of the financial year, DMAT implemented a "Follow Me" printer system at a cost of £1,900 at Durrington High School. "Follow Me" printing has enabled staff at Durrington High School to release print jobs from a range of compatible devices around the school campus. This ensures printing is confidential to the user and reduces environmental impact of uncollected documents. Initial figures for September show a print reduction of 11%, equating to 2,400 sheets of paper per month.

Durrington Multi Academy Trust

Trustees' Report

Financial Review (Continued)

Throughout the 2020/21 academic year, DMAT have supported the Laurels Primary School to update and replace ageing services that have previously been neglected or specified poorly. These upgrades include;

- Disconnecting the legacy cabled telephone line and moving telephone services to a digital SIP connection. Moving the Laurels away from outdated analogue lines have allowed the school to benefit from a lower and consistent line rental rate and free calls to landlines & mobile devices. This maintenance has been completed ahead of the planned 2025 BT ISDN/PSTN switch off.
- In 2018 Upgrading the poorly Spec'd analogue CCTV system was key to keeping the site secure, complementing the recent installation of security gates and fencing. Following the initial conversion to a hybrid (digital and analogue) a project was undertaken to upgrade all external CCTV cameras to digital, upon initial investigations, the cost of the installation would be in the region of £2,800, However the trust's central team were able to undertake this work for a little under £1,000.

DMAT continue to have committed development plans for IT. We have a variety of strategy and initiatives to accomplish our ambitions. For the academic year 20/21 these include;

- Upgrading three core servers at Durrington High School at an estimated cost of £9,000. Installing these devices will allow Durrington High School to benefit from extended support warranties from the manufacturer, quicker server response times and lower power consumption & hardware efficiency.
- Continue scheduled five-year hardware renewal plans by upgrading devices in two ICT classrooms at Durrington High School. These student facing devices will utilise the latest desktop hardware, including Solid State Drives. The estimated cost of this project will be in the region of £30,000.
- DMAT will review and potentially migrate all school websites to an alternative web hosting provider. This review will enable us to find a quicker and more cost-effective web hosting solution.
- DMAT will begin rolling out a second phase of Solid-State Drives to roughly 200 of devices across school campuses. We anticipate this project to cost in the region of £4,000.
- Durrington High School has long awaited a new broadband connection to replace the limited existing connection. Our current broadband connection provides a connection of up to 100MB/s, however the new provision will be utilising 400MB/s, with the potential of 10GB/s in the future. This project is due to be completed by Easter 2021 and will generate a saving of £4,000 per year.

The Trustees are confident that the Multi Academy Trust is in a sound financial position at the end of the financial year, much having been achieved. Due to the escalating cost of Covid, some projects may need to be delayed.

Durrington Multi Academy Trust

Trustees' Report

Reserves Policy

The principles are that the trust aims to use its funding to the full benefit of our current students. At the same time the trust has always considered it prudent to maintain an appropriate level of financial reserves, essential in protecting the schools from financial risk and enabling plans to be realised. Reserves are also maintained for long term capital projects that enhance the educational provision. Our unrestricted funds (total funds less fixed asset and other restricted funds) held at 31 August 2020 was £2,070,365, and this is reasonable to meet the trust's objectives. Restricted funds held at 31 August 2020 (excluding restricted pension fund and restricted fixed asset fund) were £1,638,308.

Under Financial Reporting Standard No. 102 it is necessary to charge projected deficits on the Local Government Pension Scheme that is provided for our Support Staff to a specific restricted reserve. As at 31 August 2020, the deficit on this reserve amounted to £2,027,000. This will result in increased employers' pension contributions over a period of years. We have reflected the effect of increased pension costs in our future budgets. Increased pension contributions will be met from the academy trust's budgeted annual income, and whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves of the academy trust as a result of recognising the deficit. The Academy Committees of each school have assessed the major risks to which they are exposed, in particular those relating to teaching, provision of facilities and other operational areas of the academy trust, and its finances. The Academy Committees are satisfied that systems and procedures are in place to mitigate the exposure to major risks. Covid risk assessments are under review and the governors and trustees kept fully informed.

Investment Policy

The Multi Academy Trust aims to invest surplus cash funds to optimise returns, albeit interest rates are minimal whilst ensuring that the investment instruments are ethical and such that there is low risk to the loss of these cash funds.

Principal Risks and Uncertainties

As both academy schools are funded directly by the Department for Education, funding streams are considered to be reasonably safe and secure. However, there are two main risk areas, being changes in Government policy (for example, the reduction and then cancelling of the ESG) the impact of the revised funding formula, funding levels and the risk of falling numbers. There are still surplus secondary places in the Worthing area and this is likely to be the case for at least the next 3 years. The Laurels only had its first Y6 in 2018; historically there is still the culture of leaving the school at the end of KS1. Retention of Yr 2 to Yr3 was excellent this year. We expect this to reduce as the school continues to improve. However, low numbers are a risk to our financial sustainability as there remains surplus spaces in the area. If the new school 'Bluebell', part of the New Horizons were to be allowed to open it would create a negative impact on all local schools as there is no need for additional places.

Durrington Multi Academy Trust

Trustees' Report

Fundraising

As part of its work within the community, the Multi Academy Trust undertakes fundraising activities, for example through specific events such as quiz nights, non-uniform days etc. The Trust raises funds in order to support its own students and also to make donations to local and national charities. The Trust undertakes all such activities itself, with the help of its students, their families and volunteer supporters (i.e. The Durrington Fundraisers and Friends of The Laurels). Due to Covid, both fundraising groups have paused their activities but the schools raised significant sums for local and national charities during lockdown. In relation to fundraising, the Trustees confirm that:

- No unsolicited approaches are made to members of the public.
- No commercial participators are used.
- No regularity schemes or standards are applicable.
- No complaints were made to the academy trust during the year.

Plans for Future Periods

The Trust will continue striving to improve the performance of its pupils at all levels and will continue its efforts to ensure all pupils are secure in going on successfully into secondary school, further education or training on leaving our schools. We are keen to expand our MAT and are continuing to develop our partnerships with our local primary schools to work on innovative models of delivery and share our expertise and facilities.

We have been invited to join other teaching school groups and will continue to develop this area of expertise as our capacity allows. Our success in Durrington High School becoming a Research School, plus the addition of the SCITT in September 2018 also at Durrington, gives us a unique opportunity to become even more successful in the future. Our teaching training goes from strength to strength.

Funds Held as Custodian Trustee on Behalf of Others

No funds were held as custodian trustee on behalf of others.

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 that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 8 December 2020 and signed on the board's behalf by:


JR Digby (Dec 8, 2020 11:58 CST)

Mr J Digby
Chair of Trustees

Durrington Multi Academy Trust

Governance Statement

Scope of Responsibility

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

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

Governance

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

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr J Digby	6	6
Ms S Marooney	6	6
Mr P Noakes	6	6
Mrs L Allison	6	6
Mrs N Thomas	5	6
Mrs E Watkins	3	6

Governance reviews:

The Board of Trustees maintains clear sight of the running of the school through their governance and clear reporting from the Academy Committees and CEO. In order to ensure good governance, the Trustees review their membership and the membership of the Academy Committee, (including any specialities) at least once per year. The current specialisms within the governance includes: Chair of the Finance and Audit Committee (Accountant and Auditor), School Improvement/Data (current educationalists), School Improvement/Research (Science and Higher Education specialist), Vulnerable and Disadvantaged Students/Safeguarding, 2 Parent Committee members and Staff Committee members. Our structures enable the Trustees to maintain close working links with the schools and their staff, and to thoroughly review and question the formal termly reports (and other data) submitted by the Headteachers and other Senior Leaders to the Governors at regular intervals.

Durrington Multi Academy Trust

Governance Statement

Governance (continued)

During the year, all Trustees and Academy Committee members have attended annual safeguarding training (held in the schools) and attended training sessions on reading and interpreting school data. The schools also have membership of the National Governors Association and the Key, and all Trustees and Academy Committee members have on-line access to the training and information packages that the Association has available. This enables the Trustees to fulfil their duties effectively and remain abreast of the current regulations, requirements and responsibilities associated with their role.

For Durrington High School, the Finance and Audit Committee is a sub-committee of the Academy Committee and reports to the Trustees. Its purpose is to oversee the finances within the framework set by the whole Academy Committee and to receive reports, monitor and make recommendations to all Academy Committee members. During the year 2019/20 the committee met a total of 6 times. Attendance at these meetings was as follows:

Finance and Audit Committee	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr P Noakes – Chair	6	6
Dr B Marsh	5	6
Mr R D Barraclough	3	6
Ms J Squires	6	6
Ms S Marooney, Headteacher	6	6

Durrington Multi Academy Trust

Governance Statement

Review of Value for Money

As accounting officer the [principal / chief executive] has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Outcomes - Improving Educational Results:

Both schools have been well above the national average and West Sussex for outcomes and progress. Both are coastal schools where standards are not replicated nationally and locally with other coastal schools. It is essential that children in schools like those within DMAT have access to the highest quality staff (teaching and non-teaching), the highest quality teaching and learning, and the best resources the schools and trust can provide for them. Recruiting and retaining these high-quality staff is of paramount importance to the board and our academy committees. The level of need in our area, already high, continues to rise, affecting not just disadvantaged students, and children's services in West Sussex continue to lack in many areas (OFSTED 2019 Inadequate) so our schools must go over and above in all that we do. Our staff provide excellent value for money.

- Financial Governance and Oversight:

The trust continues to pursue rigorous financial strategies aimed at ensuring that the best possible outcomes for students are achieved from the funds allocated. The trust has a Financial Regulations Policy, which contains the strategies and methods by which financial governance and oversight is achieved. This includes: the Statement on the System of Internal Financial Controls; the Delegation of Financial Powers and Duties of the Governing Body; and the Scheme of Delegation.

- Maximising Income Generation:

Additional income into the Trust has come from the National Research School Network (£60,000); and income generated by the Research School (£40,000). The schools also maximise resources through a lettings programme, whereby various facilities are rented or 'let' to outside clubs, bodies or agencies, in return for an agreed rental payment, which is approved annually by the Governing Body. However, we also give community groups reduced fees to support participation. In 2019/20 our lettings income was £24,206.25. Once we further improve our facilities we expect this to increase.

Durrington Multi Academy Trust

Governance Statement

Review of Value for Money (continued)

- Maximising Cost Savings:

The Trust is relentless in its approach to reducing costs and identifying efficiencies. The Delegation of Financial Powers details the requirements to obtain 3 quotes before awarding a contract or buying a service. This ensures that the schools gain the best possible information on a purchase before committing to it. Existing contracts are never automatically renewed at the renewal date; instead other alternative providers are approached for competitiveness which has resulted on more than one occasion in significant reductions being achieved. For example, this year the IT Department saved £5,000-£10,000 on developing the Laurels and the SCITT websites in-house rather than paying for an external contractor to do it. Additionally, across both schools, we saved over £6,000 on the purchase of IT equipment by negotiating further savings on a chosen quote. Finally, we anticipate saving a further £4,000 on broadband provision when we come to renew the contract to provide this service. Supply Teacher agency costs are kept to the lowest levels where possible. Bundles of days are purchased in advance to secure a lower daily rate of £151.00 as opposed to between £170-185. Another example is the daily comparison by finance staff of the most cost-effective supplier for everyday items of stationery, including exercise books, which tend to be ordered in large numbers and which has saved considerable amounts of money over the year. Benchmarking and spending profiles are used to review spend and to assess likely savings; investment in facilities maintenance allows the school to keep buildings, fittings and furniture in the best possible condition. Investment in maintaining the school at the forefront of teaching technology has resulted in the school continually replacing and updating its IT provision, including classroom teaching aids, classroom hand-held devices and the school Intranet and website. We also recruit and then retrain and develop skilled IT and site team staff so that we can do a lot of IT and site maintenance in-house, at a high standard whilst making significant savings.

- Reviewing Controls and Managing Risk:

A comprehensive Risk Management Policy and Risk Register is maintained by the Trust and reviewed by the Trustees, Academy committees and senior leaders either termly, or whenever a new risk arises or an existing risk changes. Regular Management Accounts are produced and circulated to the Trustees, the Finance Committee of the Academy committees and the Senior Leadership Teams, and the CEO, Chief Financial Officer (CFO) and School Business Manager (SBM) meet at least weekly to review on-going financial affairs. Bank and credit card statements are reconciled by the Senior Finance Officer (SFO) and counter signed by the CEO (Accounting Officer). Payroll monthly reports are checked by the CFO/SBM and passed to the CEO for approval to be released, prior to being processed for payment by the school's pay agents. Internal school budget holders have monthly budget statements issued to them and have direct access to the SBM and/or CFO whenever they need to review any part of their budget. The CEO reviews all expenditure and will question expenditure and value and regularly negotiates with companies to ensure best value.

Durrington Multi Academy Trust

Governance Statement

Review of Value for Money (continued)

- Responsible Officer:

The Trust has appointed Carpenter Box LLP (Chartered Accountants) to the position of Responsible Officer, a position that produces a detailed report 3 times a year (one per term). The schools work very closely with them to ensure that all procedural responsibilities, including the timely submission of all necessary reports to the Education Funding Agency and the Department for Education are met and that the schools financial position is accurately reported to the Finance Committee of the Governing Body through the issue of regular Management Accounts.

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

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

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

Durrington Multi Academy Trust

Governance Statement

The Risk and Control Framework (continued)

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. The Trust appoints third parties as Responsible Officer (RO). The appointee's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems.

On a termly basis, the appointee reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. RO reports were logged in the minutes of the finance and audit committee meetings. The schedule of work was completed as planned for the financial year.

Review of Effectiveness

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

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

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

Approved by order of the members of the board of trustees on 8 December 2020 and signed on its behalf by:


JR Digby (Dec 8, 2020 11:58 CST)

Mr J Digby
Chair of Trustees


sue marooney (Dec 9, 2020 13:13 GMT)

Ms S Marooney
Accounting Officer

Durrington Multi Academy Trust

Statement of Regularity, Propriety and Compliance

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

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

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

sue marooney
sue marooney (Dec 9, 2020 13:13 GMT)

Ms S Marooney
Accounting Officer
8 December 2020

Durrington Multi Academy 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 and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial 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 2019 to 2020
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the board of trustees on 8 December 2020 and signed on its behalf by:


JR Digby (Dec 8, 2020 11:58 CST)

Mr J Digby
Chair of Trustees

Durrington Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Durrington Multi Academy Trust

Opinion

We have audited the financial statements of Durrington Multi Academy Trust ('the charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), 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, 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 2019 to 2020 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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.

Durrington Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Durrington Multi Academy Trust

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. It includes the Reference and Administrative Details, the Trustees' Report (including the Strategic Report), and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

Durrington Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Durrington Multi Academy Trust

Responsibilities of the trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company 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 to 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

Use of our report

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


David Brookes (Dec 16, 2020 17:40 GMT)

D Brookes FCA (Senior statutory auditor)
For and on behalf of Hopper Williams & Bell Limited
Statutory Auditor
Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date 16/12/2020

Durrington Multi Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Durrington Multi Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 1 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Durrington Multi Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Durrington Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Durrington Multi Academy Trust's funding agreement with the Secretary of State for Education dated 28 March 2014 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Durrington Multi Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Durrington Multi Academy Trust and the Education & Skills Funding Agency

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the 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:

- Consideration as to whether prior approval was sought from the Secretary of State where it is required by the Academies Financial Handbook (AFH).
- Review of any special payments to staff, including compromise agreements, to consider whether prior approval was sought where required by the AFH and that any payments are in line with the severance guidance published by ESFA.
- Consideration as to whether any borrowings have been made in accordance with the AFH.
- Review of any 'minded to' letters or Financial Notices to Improve have been issued to the academy trust.
- Review of any transactions with related parties to ensure that they have been carried out in accordance with the AFH.
- Review of governance arrangements to determine whether the requirements of the AFH have been met.
- Review of the academy trust's internal controls, including whether the general control environment has regard to the regularity of underlying transactions, including fraud management.
- Review of the academy trust's procurement policies to determine effectiveness and testing a sample of purchases to confirm that the policies have been correctly implemented.
- Identifying any conditions associated with specialist grant income and determining whether it has been spent as the purposes intended.

Durrington Multi Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Durrington Multi Academy Trust and the Education & Skills Funding Agency

Conclusion

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

David Brookes

David Brookes (Dec 16, 2020 17:40 GMT)

D Brookes FCA
Reporting Accountant
Hopper Williams & Bell Limited
Chartered Accountants
Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date 16/12/2020

Durrington Multi Academy Trust

Statement of Financial Activities for the year ended 31 August 2020 (including Income and Expenditure Account)

	Note	Un- restricted funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2019/20 Total £	2018/19 Total £
Income and endowments from:							
Donations and capital grants	2	18,525	-	-	37,588	56,113	160,987
Charitable activities:							
Funding for the academy trust's educational operations	3	-	10,097,629	-	-	10,097,629	9,777,560
Other trading activities	4	45,125	-	-	-	45,125	32,380
Investments	5	28,545	-	-	-	28,545	22,947
Total		92,195	10,097,629	-	37,588	10,227,412	9,993,874
Expenditure on:							
Charitable activities:							
Academy trust educational operations	7	-	9,668,645	374,000	515,741	10,558,386	10,311,818
Net income / (expenditure)		92,195	428,984	(374,000)	(478,153)	(330,974)	(317,944)
Transfers between funds	16	-	(1,055,198)	-	1,055,198	-	-
Other recognised gains / (losses):							
Actuarial gains / (losses) on defined benefit pension schemes	25	-	-	778,000	-	778,000	(603,000)
Net movement in funds		92,195	(626,214)	404,000	577,045	447,026	(920,944)
Reconciliation of funds							
Total funds brought forward		1,978,170	2,264,522	(2,431,000)	22,738,000	24,549,692	25,470,636
Total funds carried forward		2,070,365	1,638,308	(2,027,000)	23,315,045	24,996,718	24,549,692

The notes on pages 37 to 59 form part of these financial statements.

Durrington Multi Academy Trust

Balance Sheet as at 31 August 2020

Company Number 08895870

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	12		23,282,591		22,678,864
Current assets					
Debtors	13	454,260		545,913	
Investments	14	2,516,229		2,000,000	
Cash at bank and in hand		<u>1,934,213</u>		<u>2,559,815</u>	
		4,904,702		5,105,728	
Liabilities					
Creditors: Amounts falling due within one year	15	<u>(1,163,575)</u>		<u>(803,900)</u>	
Net current assets			<u>3,741,127</u>		<u>4,301,828</u>
Total assets less current liabilities			27,023,718		26,980,692
Defined benefit pension scheme liability	25		(2,027,000)		(2,431,000)
Total net assets			<u>24,996,718</u>		<u>24,549,692</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	16	23,315,045		22,738,000	
Restricted income fund	16	1,638,308		2,264,522	
Pension reserve	16	<u>(2,027,000)</u>		<u>(2,431,000)</u>	
Total restricted funds			22,926,353		22,571,522
Unrestricted income funds	16		2,070,365		1,978,170
Total funds			<u>24,996,718</u>		<u>24,549,692</u>

The financial statements on pages 34 to 59 were approved by the trustees and authorised for issue on 8 December 2020 and are signed on their behalf by:


JR Digby (Dec 8, 2020 11:58 CST)

Mr J Digby
Chair of Trustees

The notes on pages 37 to 59 form part of these financial statements.

Durrington Multi Academy Trust

Statement of Cash Flows for the year ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	20	1,010,095	387,905
Cash flows from investing activities	21	(1,635,697)	(71,581)
Change in cash and cash equivalents in the reporting period		<u>(625,602)</u>	<u>316,324</u>
Cash and cash equivalents at 1 September 2019		2,559,815	2,243,491
Cash and cash equivalents at 31 August 2020	22	<u>1,934,213</u>	<u>2,559,815</u>

Durrington Multi Academy Trust

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

1 Accounting policies

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

Basis of Preparation

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

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 academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

- Grants

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

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

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

- Donations

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

Durrington Multi Academy Trust

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

Income (continued)

- Other Income

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

- Donated goods, facilities and services

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

Expenditure

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

- Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

Durrington Multi Academy Trust

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

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.

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

Leasehold Land and Buildings	2% straight line on buildings; not provided on land
Furniture and Equipment	20% straight line
Computer Equipment	33% straight line
Motor Vehicles	20% straight line

Long leasehold land has not been depreciated as it is similar to freehold land, which does not require depreciation.

Where the academy trust can identify the value of major components of freehold or leasehold buildings based upon additions following conversion to academy status, the academy trust reviews whether one or more such components have significantly different patterns of consumption of economic benefits. In such cases, the academy trust allocates the cost of the asset to its major components and depreciates each component separately over its useful life.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

Liabilities

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

Durrington Multi Academy Trust

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

Provisions

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

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

Leased Assets

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

Financial Instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

Current asset investments

Current asset investments comprise fixed term bank deposits. These investments are classified as a basic financial instrument and are measured at amortised cost.

Cash at bank

Cash at bank is classified as a basic financial instrument and is measured at face value. An investment is treated as a cash equivalent when it has a short maturity of three months or less from the date of acquisition.

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

Durrington Multi Academy Trust

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

Pensions Benefits

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

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

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

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

Fund Accounting

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

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

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

Durrington Multi Academy Trust

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The assumptions used are disclosed in note 25.

Critical areas of judgement

There are no other critical areas of judgement.

Agency arrangements

The academy trust acts as an agent in distributing SCITT funds from the Student Loans Company. Payments received and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in the notes to the financial statements.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	2019/20 Total £	2018/19 Total £
Capital grants	-	37,588	37,588	130,717
Other donations	18,525	-	18,525	30,270
	<u>18,525</u>	<u>37,588</u>	<u>56,113</u>	<u>160,987</u>
Total 2019	<u>30,270</u>	<u>130,717</u>	<u>160,987</u>	

Durrington Multi Academy Trust

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

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2019/20 Total £	2018/19 Total £
DfE / ESFA grants				
General Annual Grant (GAG)	-	8,603,576	8,603,576	8,560,072
Pupil Premium	-	408,586	408,586	375,279
Other DfE Group grants	-	582,871	582,871	151,412
	-	9,595,033	9,595,033	9,086,763
Other government grants				
Local authority grants	-	76,111	76,111	64,879
Other government grants	-	120,670	120,670	324,288
	-	196,781	196,781	389,167
Other income from the academy trust's educational operations				
Trip income	-	170,854	170,854	112,531
Other income	-	134,961	134,961	189,099
	-	305,815	305,815	301,630
	-	10,097,629	10,097,629	9,777,560
Total 2019	-	9,777,560	9,777,560	

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2019/20 Total £	2018/19 Total £
Hire of facilities	45,125	-	45,125	32,380
Total 2019	32,380	-	32,380	

5 Investment income

	Unrestricted funds £	Restricted funds £	2019/20 Total £	2018/19 Total £
Short term deposits	28,545	-	28,545	22,947
Total 2019	22,947	-	22,947	

Durrington Multi Academy Trust

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

6 Expenditure

	Staff costs £	Non Pay Expenditure		Total 2019/20 £	Total 2018/19 £
		Premises £	Other £		
Academy's educational operations:					
Direct costs	6,554,154	-	772,151	7,326,305	7,190,454
Allocated support costs	1,668,169	706,637	857,275	3,232,081	3,121,364
	<u>8,222,323</u>	<u>706,637</u>	<u>1,629,426</u>	<u>10,558,386</u>	<u>10,311,818</u>
Total 2019	8,014,868	742,114	1,554,836	10,311,818	

Net income/(expenditure) for the period includes:

	2019/20 £	2018/19 £
Operating lease rentals	7,846	5,857
Depreciation	515,741	527,520
Fees payable to auditor for:		
Audit	7,470	7,395
Other services	9,185	9,815
	<u>9,185</u>	<u>9,815</u>

7 Charitable activities

	2019/20 Total £	2018/19 Total £
Direct costs	7,326,305	7,190,454
Support costs	3,232,081	3,121,364
	<u>10,558,386</u>	<u>10,311,818</u>

Analysis of support costs:

	Educational operations £	2019/20 Total £	2018/19 Total £
Support staff costs	1,668,169	1,668,169	1,566,231
Depreciation	515,741	515,741	527,520
Technology costs	102,009	102,009	80,584
Premises costs	706,637	706,637	742,114
Other support costs	214,110	214,110	176,752
Governance costs	25,415	25,415	28,163
Total support costs	<u>3,232,081</u>	<u>3,232,081</u>	<u>3,121,364</u>
Total 2019	3,121,364	3,121,364	

Durrington Multi Academy Trust

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

8 Staff

a) Staff costs

Staff costs during the period were:

	2019/20	2018/19
	£	£
Wages and salaries	5,920,462	5,925,734
Social security costs	575,194	568,269
Pension costs	1,598,474	1,254,204
	<u>8,094,130</u>	<u>7,748,207</u>
Agency staff costs	128,193	254,211
Staff restructuring costs	-	12,450
	<u>8,222,323</u>	<u>8,014,868</u>

Staff restructuring costs comprise:

Redundancy payments	-	12,450
	<u>-</u>	<u>12,450</u>

b) Staff numbers

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

	2019/20	2018/19
	No.	No.
Teachers	100	115
Administration and support	78	87
Management	6	9
	<u>184</u>	<u>211</u>

c) Higher paid staff

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

	2019/20	2018/19
	No.	No.
£60,001 - £70,000	2	5
£70,001 - £80,000	1	1
£90,001 - £100,000	2	2
£130,001 - £140,000	1	-
£150,001 - £160,000	-	1

d) Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £694,820 (2019: £779,292).

Durrington Multi Academy Trust

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

9 Related Party Transactions – Trustees' remuneration and expenses

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

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

		2019/20	2018/19
		£000	£000
S Marooney	Remuneration	135-140	150-155
(Headteacher DHS, CEO DMAT, and trustee)	Employer's pension contributions paid	30-35	25-30
L Allison	Remuneration	70-75	70-75
(Staff trustee)	Employer's pension contributions paid	15-20	10-15

During the period ended 31 August 2020, travel and subsistence expenses totalling £268 were reimbursed or paid directly to two trustees (2019: £336 to one trustee).

10 Trustees and officers insurance

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

Durrington Multi Academy Trust

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

11 Central Services

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

- Human resources
- Premises costs
- Other costs

The academy trust charges for these services on the following basis:

- Schools with more than 900 pupils = £160 per pupil
- Schools with less than 900 pupils = £145 per pupil

The actual amounts charged during the year were as follows:

	2019/20	2018/19
	£	£
Durrington High School	264,000	268,820
The Laurels Primary School	30,456	30,456
	<u>294,456</u>	<u>299,276</u>

12 Tangible fixed assets

	Leasehold Land and Buildings £	Assets Under Con- struction £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost						
At 1 September 2019	24,623,106	-	571,641	445,265	8,711	25,648,723
Acquisitions	-	1,093,879	-	25,589	-	1,119,468
Reclassifications	-	-	(17,530)	-	17,530	-
At 31 August 2020	<u>24,623,106</u>	<u>1,093,879</u>	<u>554,111</u>	<u>470,854</u>	<u>26,241</u>	<u>26,768,191</u>
Depreciation						
At 1 September 2019	2,125,524	-	440,712	401,009	2,614	2,969,859
Charged in year	405,400	-	79,509	25,583	5,249	515,741
Reclassifications	-	-	(7,596)	-	7,596	-
At 31 August 2020	<u>2,530,924</u>	<u>-</u>	<u>512,625</u>	<u>426,592</u>	<u>15,459</u>	<u>3,485,600</u>
Net book values						
At 31 August 2019	22,497,582	-	130,929	44,256	6,097	22,678,864
At 31 August 2020	<u>22,092,182</u>	<u>1,093,879</u>	<u>41,486</u>	<u>44,262</u>	<u>10,782</u>	<u>23,282,591</u>

Durrington Multi Academy Trust

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

13 Debtors

	2019/20	2018/19
	£	£
Trade debtors	27,530	4,120
VAT recoverable	83,308	62,816
Other debtors	4,866	165,303
Prepayments and accrued income	338,556	313,674
	<u>454,260</u>	<u>545,913</u>

14 Current asset investments

	2019/20	2018/19
	£	£
Bank deposits	<u>2,516,229</u>	<u>2,000,000</u>

15 Creditors: amounts falling due within one year

	2019/20	2018/19
	£	£
Trade creditors	523,407	169,108
Other taxation and social security	141,011	139,680
Other creditors falling due within one year	220,596	323,213
Accruals and deferred income	278,561	171,899
	<u>1,163,575</u>	<u>803,900</u>

	2019/20	2018/19
	£	£
Deferred income at 1 September 2019	116,177	13,651
Released from previous years	(116,177)	(13,651)
Resources deferred in the year	112,486	116,177
Deferred income at 31 August 2020	<u>112,486</u>	<u>116,177</u>

At the balance sheet date the academy trust was holding funds received in advance for lettings booked for trip income and grant funding which relates to the forthcoming year.

Durrington Multi Academy Trust

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

16 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2020 £
Restricted general funds						
General Annual Grant (GAG)	2,264,522	8,603,576	(8,174,592)	(1,055,198)	-	1,638,308
Pupil Premium	-	408,586	(408,586)	-	-	-
Other DfE/ESFA grants	-	582,871	(582,871)	-	-	-
Other government grants	-	196,781	(196,781)	-	-	-
Other educational activities	-	305,815	(305,815)	-	-	-
	<u>2,264,522</u>	<u>10,097,629</u>	<u>(9,668,645)</u>	<u>(1,055,198)</u>	<u>-</u>	<u>1,638,308</u>
Pension reserve	(2,431,000)	-	(374,000)	-	778,000	(2,027,000)
	<u>(166,478)</u>	<u>10,097,629</u>	<u>(10,042,645)</u>	<u>(1,055,198)</u>	<u>778,000</u>	<u>(388,692)</u>
Restricted fixed asset funds						
Fixed asset fund	22,678,864	-	(515,741)	1,119,468	-	23,282,591
ESFA capital grants (DFC)	59,136	37,588	-	(64,270)	-	32,454
	<u>22,738,000</u>	<u>37,588</u>	<u>(515,741)</u>	<u>1,055,198</u>	<u>-</u>	<u>23,315,045</u>
Total restricted funds	<u>22,571,522</u>	<u>10,135,217</u>	<u>(10,558,386)</u>	<u>-</u>	<u>778,000</u>	<u>22,926,353</u>
Total unrestricted funds	<u>1,978,170</u>	<u>92,195</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,070,365</u>
Total funds	<u>24,549,692</u>	<u>10,227,412</u>	<u>(10,558,386)</u>	<u>-</u>	<u>778,000</u>	<u>24,996,718</u>

Durrington Multi Academy Trust

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

16 Funds (continued)

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

General annual grant

This includes all funding received from the ESFA to carry out the objectives of the academy. It includes the school budget share; minimum funding guarantee; education services grant; insurance; rates; and pre-16 high needs funding streams.

Other DfE/ESFA grants

This is funding received from the ESFA for specific purposes, for example pupil premium funding.

Local authority grants

This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

Other educational activities

This includes all other educational income/expenditure.

Pension reserve

This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the academy trust on conversion.

Fixed asset fund

The fund includes the value of the tangible fixed assets of the academy on conversion, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

DfE/ESFA capital grants

This is funding received from the DfE/ESFA specifically for expenditure on tangible fixed assets.

Transfers between funds

Transfers to the restricted fixed asset fund represent the cost of fixed asset additions which have been funded from restricted or unrestricted general funds.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Durrington Multi Academy Trust

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

16 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2019/20	2018/19
	£	£
Durrington High School	3,527,642	4,029,252
The Laurels Primary School	95,975	71,422
Central services	85,056	142,018
Total before fixed assets and pension reserve	<u>3,708,673</u>	<u>4,242,692</u>
Restricted fixed asset fund	23,315,045	22,738,000
Pension reserve	<u>(2,027,000)</u>	<u>(2,431,000)</u>
Total	<u>24,996,718</u>	<u>24,549,692</u>

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excl. dep- reciation) £	2019/20 Total £	2018/19 Total £
Durrington High School	5,868,608	1,579,163	686,331	922,510	9,056,612	8,738,445
The Laurels Primary School	685,546	89,006	85,820	125,661	986,033	1,045,853
	<u>6,554,154</u>	<u>1,668,169</u>	<u>772,151</u>	<u>1,048,171</u>	<u>10,042,645</u>	<u>9,784,298</u>

Durrington Multi Academy Trust

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

16 Funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers £	Gains and losses £	Balance at 31 August 2019 £
Restricted general funds						
General Annual Grant (GAG)	1,987,260	8,560,072	(8,282,810)	-	-	2,264,522
Pupil Premium	-	375,279	(375,279)	-	-	-
Other DfE/ESFA grants	-	151,412	(151,412)	-	-	-
Other government grants	-	389,167	(389,167)	-	-	-
Other educational activities	-	301,630	(301,630)	-	-	-
	<u>1,987,260</u>	<u>9,777,560</u>	<u>(9,500,298)</u>	<u>-</u>	<u>-</u>	<u>2,264,522</u>
Pension reserve	(1,544,000)	-	(284,000)	-	(603,000)	(2,431,000)
	<u>443,260</u>	<u>9,777,560</u>	<u>(9,784,298)</u>	<u>-</u>	<u>(603,000)</u>	<u>(166,478)</u>
Restricted fixed asset funds						
Fixed asset fund	23,134,803	-	(527,520)	71,581	-	22,678,864
ESFA capital grants (DFC)	-	130,717	-	(71,581)	-	59,136
	<u>23,134,803</u>	<u>130,717</u>	<u>(527,520)</u>	<u>-</u>	<u>-</u>	<u>22,738,000</u>
Total restricted funds	<u>23,578,063</u>	<u>9,908,277</u>	<u>(10,311,818)</u>	<u>-</u>	<u>(603,000)</u>	<u>22,571,522</u>
Total unrestricted funds	<u>1,892,573</u>	<u>85,597</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,978,170</u>
Total funds	<u>25,470,636</u>	<u>9,993,874</u>	<u>(10,311,818)</u>	<u>-</u>	<u>(603,000)</u>	<u>24,549,692</u>

Durrington Multi Academy Trust

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

17 Analysis of net assets between funds

	Un- restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	23,282,591	23,282,591
Current assets	2,070,365	2,801,883	-	32,454	4,904,702
Current liabilities	-	(1,163,575)	-	-	(1,163,575)
Pension scheme liability	-	-	(2,027,000)	-	(2,027,000)
Total net assets	2,070,365	1,638,308	(2,027,000)	23,315,045	24,996,718

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

	Un- restricted funds	Restricted general funds	Restricted pension funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	22,678,864	22,678,864
Current assets	1,978,170	3,068,422	-	59,136	5,105,728
Current liabilities	-	(803,900)	-	-	(803,900)
Pension scheme liability	-	-	(2,431,000)	-	(2,431,000)
Total net assets	1,978,170	2,264,522	(2,431,000)	22,738,000	24,549,692

18 Capital commitments

	2019/20	2018/19
	£	£
Contracted for, but not provided in the financial statements	711,325	-

19 Commitments under operating leases

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

	2019/20	2018/19
	£	£
Amounts due within one year	3,887	4,659
Amounts due between one and five years	-	1,649
	3,887	6,308

Durrington Multi Academy Trust

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

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

	2019/20	2018/19
	£	£
Net expenditure for the reporting period	(330,974)	(317,944)
Adjusted for:		
Depreciation	515,741	527,520
Defined benefit pension scheme cost less contributions payable	325,000	238,000
Defined benefit pension scheme finance cost	49,000	46,000
Decrease / (increase) in debtors	91,653	(171,823)
Increase in creditors	359,675	66,152
Net cash provided by Operating Activities	<u>1,010,095</u>	<u>387,905</u>

21 Cash flows from investing activities

	2019/20	2018/19
	£	£
(Increase) / decrease in current asset investments	(516,229)	-
Purchase of tangible fixed assets	(1,119,468)	(71,581)
Net cash used in investing activities	<u>(1,635,697)</u>	<u>(71,581)</u>

22 Analysis of cash and cash equivalents

	2019/20	2018/19
	£	£
Cash at bank and in hand	<u>1,934,213</u>	<u>2,559,815</u>

Durrington Multi Academy Trust

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

23 Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	Acquisition/ disposal of subsidiaries £	New finance leases £	Other non-cash changes £	At 31 August 2020 £
Cash	2,559,815	(625,602)	-	-	-	1,934,213
Total	<u>2,559,815</u>	<u>(625,602)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,934,213</u>

24 Members liability

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

Durrington Multi Academy Trust

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

25 Pension and similar obligations

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

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

Contributions amounting to £140,103 were payable to the schemes at 31 August 2020 (2019: £114,289) and are included within creditors.

Teachers' Pension Scheme

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

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

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 TPS in the period amounted to £910,670 (2019: £1,026,655).

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

Durrington Multi Academy Trust

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

25 Pension and similar obligations (continued)

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 2020 was as follows:

	2020	2019
	£	£
Employer's contributions	360,000	303,000
Employees' contributions	90,000	75,000
	<u>450,000</u>	<u>378,000</u>

The agreed contribution rates for future years are 18.9% for employers and 5.5% to 12.5% for employees.

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

Principal actuarial assumptions

	2020	2019
Rate of increase in salaries	2.7%	3.0%
Rate of increase for pensions in payment/inflation	2.2%	2.3%
Discount rate for scheme liabilities	1.7%	1.9%
Inflation assumption (CPI)	2.2%	2.3%

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

	2020	2019
Retiring today		
Males	22.2	21.8
Females	<u>24.2</u>	<u>23.6</u>
Retiring in 20 years		
Males	23.3	23.0
Females	<u>25.9</u>	<u>25.5</u>

Durrington Multi Academy Trust

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

25 Pension and similar obligations (continued)

Sensitivity analysis	Increase/(reduction) in defined benefit obligation	
	2020	2019
	£	£
Discount rate -0.1%	204,000	189,000
CPI rate +0.1%	189,000	153,000

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

	2020	2019
	£	£
Equities	3,097,000	2,384,000
Property	401,000	381,000
Government bonds	1,950,000	1,764,000
Cash	287,000	238,000
Total market value of assets	<u>5,735,000</u>	<u>4,767,000</u>

The actual return on scheme assets was £567,000 (2019: £358,000).

Amount recognised in the Statement of Financial Activities

	2019/20	2018/19
	£	£
Current service cost	685,000	475,000
Past service cost	-	66,000
Interest income	(95,000)	(118,000)
Interest cost	144,000	164,000
Total amount recognised in the SOFA	<u>734,000</u>	<u>587,000</u>

Durrington Multi Academy Trust

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

25 Pension and similar obligations (continued)

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

	2019/20	2018/19
	£	£
At 1 September	7,198,000	5,603,000
Current service cost	685,000	475,000
Interest cost	144,000	164,000
Employee contributions	90,000	75,000
Actuarial (gain) / loss	(306,000)	843,000
Benefits paid	(49,000)	(28,000)
Past service cost	-	66,000
At 31 August	<u>7,762,000</u>	<u>7,198,000</u>

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

	2019/20	2018/19
	£	£
At 1 September	4,767,000	4,059,000
Interest income	95,000	118,000
Actuarial gain	472,000	240,000
Employer contributions	360,000	303,000
Employee contributions	90,000	75,000
Benefits paid	(49,000)	(28,000)
At 31 August	<u>5,735,000</u>	<u>4,767,000</u>

26 Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.

27 Agency arrangements

The academy trust acts as an agent in distributing SCITT funds from the Student Loans Company. In the accounting period ended 31 August 2020 the academy trust received and disbursed £323,200. In addition, an amount of £49,744 (2019: £38,077) is included in other creditors relating to SCITT funds that are repayable to the ESFA.