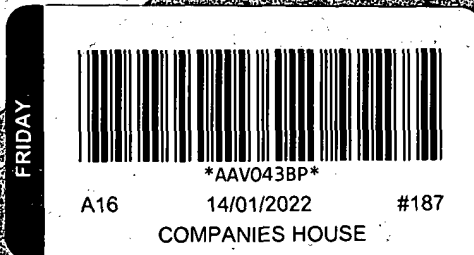


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Greater Manchester Academies Trust

Annual Report and Financial Statements
for the Year Ended 31 August 2021

A company limited by guarantee with
Company Registration Number: 06754335



Greater Manchester Academies Trust

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Greater Manchester Academies Trust

Reference and Administrative Details

Members	Mr J Falder (Chair), appointed by HMG Paints Limited Mr A Davies, appointed by British Telecom Prof C Raffo, appointed by the University of Manchester Mr R Lawler, appointed by Robin Lawler Consulting Ltd (appointed 1 September 2021)
Trustees (Directors)	Ms V Rosin (Chair) (resigned 31 August 2021) Mrs H Slinger (Vice Chair until 31 August 2021) Mr J Rowlands (Executive Principal and Accounting Officer) Mrs D Barrow (Vice Chair from 1 September 2021) Mr R Lawler (resigned 31 August 2021) Mr H Ngawoofah Mr J Putt (resigned 31 August 2021) Mrs H Vaughan Mrs S Walker (Chair from 1 September 2021) Ms C Brett (appointed 1 September 2021) Ms T Said (appointed 1 September 2021)
Company Secretary	Oakwood Corporate Secretary Limited
Senior Management Team	Mr J Rowlands, Executive Principal and Accounting Officer Ms S Watmough, Headteacher (MCA) Mr A Reed, Headteacher (MCPA) Dr P Hodson, Director of Families and Communities Mr A Woolley, Associate Vice Principal Mr S Ash, Chief Financial Officer
Principal and Registered Office	Oakwood Corporate Services 3rd Floor 1 Ashley Road Altrincham Cheshire WA14 2DT
Correspondence Address	Silchester Drive Manchester M40 8NT
Company Registration Number	06754335

Greater Manchester Academies Trust

Reference and Administrative Details (continued)

Auditors	Beever and Struthers Chartered Accountants and Statutory Auditors St George's House 215-219 Chester Road Manchester M15 4JE
Bankers	The Co-Operative Bank PO Box 101 1 Balloon Street Manchester M60 4EP
Solicitors	Mills & Reeve Botanic House 100 Hills Road Cambridge CB2 1PH

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021

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 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates two academies within the community of North Manchester: Manchester Communication Academy (MCA) for students ages 11-16, and Manchester Communication Primary Academy (MCPA) for pupils aged 3-11. The Trust also operates Teach North Manchester, which is the North Manchester Initial Teacher Training (NMITT) centre.

The Trust had a combined student roll of 1,607 as at the school census date of 7 October 2021.

Structure, governance and management

Constitution

The Trust is exempt charity and is constituted as a charitable company limited by guarantee (number: 06754335), governed by its Memorandum and Articles of Association. There were no significant amendments to these governing documents during the year.

The Trustees of Greater Manchester Academies Trust (GMAT) are also the directors of the charitable company for the purpose of company law. The charitable company was previously known as Manchester Communication Academy, with the change in name being resolved in 2016.

Details of the Trustees who served during the year are included in the Reference and Administrative Details section on Page 1. Local governing bodies for MCA and MCPA were in place during 2020-21 and a NMITT Strategic Management Committee was also in place throughout the year.

Members' liability

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

Trustees' indemnities

Subject to the provisions of the Companies Act 2006, every trustee or other officer or auditor of the Trust shall be indemnified out of the assets of the Trust against any liability incurred by them in that capacity in defending the proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Trust.

Greater Manchester Academics Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Method of recruitment and appointment or election of Trustees

The articles of association require the appointment of at least three trustees (there is no maximum number) to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Trust. They are appointed as follows:

- Up to four by British Telecom (currently: H Slinger; S Walker; H Ngawoofah and D Barrow)
- Up to two staff trustees (currently: none)
- The Executive Principal / Accounting Officer, if appointed by resolution of the trustees (currently: J Rowlands)
- Up to four co-opted trustees (currently: H Vaughan, C Brett and T Said). (V Rosin, J Putt and R Lawler were all co-opted trustees who resigned on 31 August 2021. C Brett and T Said were appointed on 1 September 2021).

The trustees are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation.

The term of office for any trustee is four years, save that:

- (i) this time limit shall not apply to the Executive Principal / Accounting Officer
- (ii) a staff trustee shall cease to hold office if they cease to be employed at the Trust.

Any trustee may be re-appointed or re-elected.

The trustees who are currently in office and served throughout the year are listed on page 1. During the period under review the trustees held six meetings of the full Trust Board.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new trustees depends on their existing experience. New trustees undergo training on the legal obligations under company law, the content of the Memorandum and Articles of Association, the governance and decision making process of the Trust, the strategy, the financial position of the Trust and recent financial performance of the Trust.

Where necessary induction provides training on charity matters and on educational, legal and financial matters.

All new trustees are given a tour of the academics within the Trust and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they need to undertake their role as trustees. Inductions are tailored specifically to the individual.

The Trust employs a Governance and Compliance Professional who provides guidance to the trustees on compliance with appropriate legal, regulatory, statutory and other frameworks. The Governance and Compliance Professional maintains training records and skills inventories for the board of trustees.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Organisational structure

A unified management structure operates at the Trust. The management structure consists of four levels:

- 1) the members
- 2) the trustees
- 3) the local governing bodies
- 4) the senior leadership team

The aim of the management structure is to devolve responsibility and encourage involvement in Trust decision making.

The trustees are responsible for setting general policy, adopting an annual and three-year plan and budget, monitoring the Trust by the use of budgets and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

Local Governing Bodies (LGBs) are in place at MCA and MCPA. LGBs oversee the operation of each academy, as per the Trust's Scheme of Delegation and the Chair of each LGB sits on the Trust Board. The LGBs have their own terms of reference.

The senior leaders during the year of account were the Executive Principal who acted as Accounting Officer, supported by the academy Headteachers, an Associate Vice Principal, the Director of Families and Communities and the Chief Financial Officer.

In addition, a designated Senior Safeguarding Lead and other Shared Services Leads formed part of a wider Trust leadership group, whose teams provide services to all GMAT academies and institutions.

The senior leaders direct the Trust at an executive level, implementing the policies laid down by the trustees and reporting back to them. As a group the senior leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for staff in the management team always contain a trustee. Some spending control is devolved to members of the wider management team, with limits above which a senior manager must countersign. These are fully captured and detailed in the Trust's Financial Control Policy.

The management teams at academy level, which includes the senior management, Vice Principals and Assistant Principals, are responsible for the day-to-day operation of the Trust, in particular organising the teaching staff, facilities & students.

As sponsor, BT shares expertise, skills and good practices by way of providing some members, trustees, governors and committee members. BT does not take a direct role in managing the organisation.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Arrangements for setting pay and remuneration of key management personnel

The Trust has a pay scale, agreed by the Trustees, which covers all senior managers (grades are broadly comparable to those found at maintained schools in Manchester). The Executive Principal's pay is reviewed annually by the Chair in liaison with an independent, impartial consultant. The Chair must approve any changes to remuneration.

During the period of account, the Executive Principal was responsible for the performance management of Academy Headteachers and other senior leaders. The Executive Principal met with each staff member in this group to review their progress against agreed targets, and decisions regarding pay progression followed on from this.

Trustees are not paid for their services as board members; however, Trustees may be reimbursed for any appropriate business expenses. During the reporting period, these were nil.

Connected organisations, including related party relationships

The Trust works closely with its sponsor - British Telecom (BT). BT supports the Trust by sharing expertise, skills and good practices by way of providing some members, trustees, governors and committee to support the governance of the organisation.

During the year, the Trust ceased the remaining procurement of telephony and internet services to satisfy the 'at cost' requirements of the Academy Trust Handbook. The termination took effect in November 2020. Expenditure with BT was £3,438.23 during 2020-21, and this represents the final transactions with the Trust's sponsor.

One of the Trust's Members, Mr J Falder, is the managing director of HMG Paints Limited from whom the Trust procured some cleaning consumables during the coronavirus pandemic. The expenditure in this regard was £2,152.50.

The Executive Principal, Mr J Rowlands was appointed a Trustee of Right To Succeed in July 2020. GMAT received grants from Right To Succeed of £28,147.50 during the year. The Right to Succeed Project is a collaboration between Right to Succeed, Manchester City Council and nine Manchester secondary schools which explores ways of reducing pupil exclusions across the city through developing opportunities for young people and delivering positive educational changes.

Another of the Trustees, Mr H Ngawoofah is an employee of Young Manchester. The Trust received a grant from Young Manchester during the year of £12,500. The grant from Young Manchester helped our Families and Communities team facilitate some of their family partnerships and support work throughout our community.

Finally, another of our Trustees, Mrs D Barrow is an employee of the local authority, Manchester City Council.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Section 172 Statement

Under Section 172 of the Companies Act 2006, the Trustees of GMAT must act faithfully in the way they consider, would most likely to promote the success of the Trust for the benefit of all of its stakeholders as a whole.

In doing so each trustee must have regard (amongst other matters) to: -

- (i) the likely consequences of any decision in the long term;
- (ii) the interest of the Trust's employees;
- (iii) the need to foster the Trust's business relationships with suppliers, customers and other stakeholders;
- (iv) the impact of the Trust's operations on the local and wider community and on the environment;
- (v) the desirability of the Trust maintaining a reputation for high standards of business conduct; and
- (vi) the need to act fairly as between members of the Trust.

(i) The likely consequences of any decision in the long term

The Trust primarily engages its key decision making in alignment to its Strategic Business Plan, and in particular the Key Priorities. The Key Priorities link back to the Trust's vision which is 'to provide high quality teaching & learning through a supportive framework for academic success which engages local communities, mitigates the effects of disadvantage and positively impacts social mobility'.

The Key Priorities in the 2019-22 Strategic Business Plan are:

- (a) Ensuring Educational Excellence
- (b) Networking for Success
- (c) Building Trust and Capacity
- (d) Transforming Lives and Futures

All Trust decisions are made with the intention of directly or indirectly improving educational outcomes for our students; however, each individual decision considers the impact on all stakeholders and considers the need for any changes to, or refinements of decisions previously taken.

The principal decision taken during 2020-21 was to bring the catering functions for both MCA and MCPA in-house. The transfer of catering away from the local authority into the Trust's full control took effect from April 2021.

The Trust now receives better value for money in relation to food, consumables and catering compliance costs; has better control over the menus in the academics; and can better synergise the catering teams with teaching departments as a way of promoting healthy eating, better nutrition and using food as a catalyst for positive change.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

(ii) The interest of the Trust's employees

The Trust recognises the importance of its employees and it values the contributions made by all staff to providing the best possible education for our young people; to supporting the ambitions of our young people and their families; to delivering transformational, positive social impact in our communities; and to improving the life chances of our young people.

During the year, the Trust made positive changes to its Family Policy by way of favourable changes to occupational paternity, maternity, adoption and shared parental pay.

The Trust has engaged with its employees through staff surveys, and through promotion of honest, open, respectful and regular communication within and across teams throughout the Trust. Any issues raised are addressed as soon as is practically possible which steps taken to address communicated back to staff.

Staff are offered access to a wide range of wellbeing and other support initiatives. As we emerge from the coronavirus pandemic, we will re-introduce staff sports sessions, mentoring sessions and other face-to-face engagement and enhanced pastoral support.

(iii) The need to foster the Trust's business relationships with suppliers, customers and other stakeholders

The Trust recognises the importance of building a good working relationship with all of its suppliers, especially those from within the locality. The Trust's Financial Control Policy has a comprehensive section on procurement, payments and expenditure, in which it details how it is desired that preferred suppliers who can clearly demonstrate value for money are those based within the local community or those having an affinity with what we are striving to achieve in the local community.

The Trust has a lettings portfolio, which comprises of a hybrid of community and commercial bookings for a wide range of sports, activities, meetings and sessions. The Trust's Lettings Policy articulates how the two-way engagement between hirers and the Trust has a positive impact on the communities we serve.

The solid working relationships the Trust has with partners, suppliers, customers and other stakeholders are continually evolving and improving, and the Trust acknowledges that these working relationships are cardinal to our effectiveness and delivery of services.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

(iv) The impact of the Trust's operations on the local community and on the environment

The Trust has a positive impact on the local community of North Manchester by way of delivering deep social impact through extensive community and stakeholder insight. Fundamental to the mitigation of the effects of disadvantage and to the positive impacts on social mobility, is the provision of an excellent education to our students; however, further to this is the facilitation of a number of programmes and initiatives within our community.

The Trust is also keen to further improve its impact on the environment. During the year and during previous years, the Trust has taken the following steps to drive developments in energy efficiency and in elimination of waste: installation of a full suite of LED lighting throughout both academies; installation and maintenance of efficient boiler systems; working with energy brokers to help us execute cultural awareness across the Trust, utilising their best practices; introduction of a hybrid of face-to-face and video conference meetings, as the Trust emerges from the coronavirus pandemic.

The Trust is developing an Environmental Strategy which will articulate how we will aim to reduce our carbon footprint and how we will make more efficient use of our resources with regards to our environmental impact. The Trust recognises its responsibility to care for the environment.

(v) The desirability of the Trust maintaining a reputation for high standards of business conduct

The reputation of the Trust and of its academies is a fundamental part of its current and future successes. The values, vision and strategy of the Trust are an integral part of recruitment, selection, training and continuous professional development of our staff, and these have a consequential positive impact on dealings with all internal and external stakeholders.

(vi) The need to act fairly as between members of the Trust

The Trust has a clear, well-communicated vision and strategy which underpins our desire to provide high quality teaching & learning through a supportive framework for academic success which engages local communities, mitigates the effects of disadvantage and positively impacts social mobility.

The Trust produces transparent comprehensive financial and management reporting which is appropriately reviewed and scrutinised, before being used to substantiate business decisions, ultimately impacting our pupils and students.

The Trust strives to continue to be a fully inclusive organisation and does not unfairly discriminate against our students, staff or any other member of our community and stakeholders.

Objectives and activities

Our Core Values

The Trust has five core values which underpin everything we do: *trustworthy; helpful; inspiring; straightforward and heart.*

These values are the foundations upon which every aspect of our work and success are built.

Objects and aims

The Trust's vision is to provide high quality teaching & learning through a supportive framework for academic success which engages local communities, mitigates the effects of disadvantage and positively impacts social mobility.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

GMAT aims to deliver excellent provision for students, families and the community and staff and aims to bring equality of educational experience to every student in order to maximise outcomes for all.

Students will:

- be physically, socially, emotionally safe and healthy
- be asset rich and resilient to the effects of the area and of personal disadvantage
- make good or better academic progress at each stage of their education
- be able to secure the employment opportunities of their choice
- be able to contribute to the community

It is the aim of GMAT that staff will achieve the highest professional standards, continuously developing their skills and experience through high quality research, training and innovation. In addition to this, the Trust supports Teacher Training through the North Manchester Initial Teacher Training Partnership.

Public benefit

The primary purpose of Greater Manchester Academies Trust is the advancement of education in the Greater Manchester area. Inextricably linked with this purpose is the aim of contributing to the public good. Through the provision of educational and other activities, the Trust aims to contribute considerable benefit to the local community. Families and the wider community make an important contribution throughout GMAT. They access outstanding facilities and the diverse programme of social and learning opportunities. Their involvement underpins a far reaching community strategy.

The Trustees have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance provided by the Charity Commission.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Achievements and performance

In response to the coronavirus pandemic, the Trust has provided an effective and continuously improving hybrid package of remote learning and face-to-face learning on site, across all phases of the Trust's educational scope. During periods of coronavirus national lockdown, the face-to-face learning was delivered to vulnerable and key worker pupils and students. The Families and Communities teams fulfilled a wealth of pastoral, counselling, emotional and other support to our students and their families, particularly those within our local community who needed it most during these unprecedented times.

The Trust continued to thrive over the period of account. The NMITT delivered a further cohort of newly qualified teachers, MCPA hosted pupils in all year groups from Nursery through to Year 6, and MCA is at capacity, delivering strong examination results.

MCA

Once again, there were no formal Key Stage 4 GCSE examinations due to the disruption of the coronavirus pandemic. Unlike 2019-20, when Centre Assessed Grades (CAG) were used to determine GCSE results, Teacher Assessed Grades (TAG) were used in 2020-21. With TAG, more evidence is required to substantiate the grades ultimately awarded to students, and MCA staff went through the rigorous TAG processes and procedures. Grade appeals were kept to an absolute minimum.

The examination results achieved by the students were very pleasing and were comparable with previous years. The academy is pleased with the examination results and is extremely proud of the achievements of our students. It is hoped that the examination series for 2021-22 will revert back to how it was pre-pandemic.

During periods of coronavirus national lockdown and during periods where students were isolating, an effective package of remote learning and face-to-face learning was delivered, and the academy is proud of being able to achieve this in unprecedented times of adversity.

There were a number of enhancements to the academy learning areas during the year. The principal addition was the creation of a new library and learning resource centre ('The Beehive'). The Beehive furnishes a wonderful environment for learning and delivers a provision of a diverse range of reading materials and educational resources. It will be a long term focus of the teaching and learning strategy for the academy.

Other capital enrichments within MCA during 2020-21 were implementation of a new catering till system, procurement of 3D printers for the Design and Technology Department, and improvements to some of the other teaching zones.

Student numbers have increased again, with the academy being close to its Pupil Admissions Number (PAN), which is the number of pupils in each year group that the local authority, as admissions authority, has agreed will be admitted without causing problems for the school.

Greater Manchester Academics Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

MCPA

The MCPA community pulled together in response to the coronavirus pandemic and worked hard to make the periods of coronavirus national lockdowns, particularly with regards to the pupils' learning, as successful as possible. As a result, relationships between pupils' families and the academy are the strongest they have ever been. The academy continues to develop its family offer, now hosting a baby group and toddler forest school each week alongside parent breakfasts and weekly coffee mornings.

The academy's curriculum is strong, and well sequenced, with appropriate adaptations to make up for 'lost learning' from coronavirus national lockdowns.

The academy is in the process of securing both the National Nurturing School Award and the Nature Friendly Schools Award. These awards will support our development of nurturing provision and outdoor learning.

The academy building has also been further developed during the year to support the educational outcomes of children. These enhancements have included provision of an outdoor play area and assault course.

Teach North Manchester

North Manchester Initial Teacher Training Programme aims to:

1. Deliver high quality Initial Teacher Training.
2. Ensure that trainees become highly effective teachers.
3. Provide high quality teachers for the children and young people of North Manchester and Greater Manchester.
4. Provide opportunity for the collaborative improvement of learning and teaching across the partnership settings.

In 2020-21, 20 trainees gained Qualified Teacher Status (QTS) across all key stages. As at September 2021, 17 of the alumni, had commenced permanent employment within a school, and a further 2 were working as supply teachers. 17 of the alumni had secured their employment within Greater Manchester.

Social Investment and Standing in our Local Community

Our ambition is to provide the highest quality education for children and young people in the communities whom we serve. We believe passionately in the power of an excellent education to transform lives and futures and feel that we can build on our social investment activities, local knowledge, community relationships and strong partnerships to make this happen.

The Trust has a Families and Communities Department which co-ordinates and undertakes the wide range of support, provision and social investment to our students and families. These investment activities and elements of support, in addition to the provision of an excellent education, enhance and strengthen the Trust's standing in the local community of North Manchester.

Some of the activities based provision and some of the face to face interaction was paused due to the coronavirus pandemic. These activities have been gradually reintroduced throughout the Summer Term 2020-21 and into the 2021-22 Autumn Term, as national coronavirus restrictions were reduced.

The Families and Community Department run a number of programmes and initiatives within our academics and throughout our community as follows:

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Family Zone - Working with parents to ensure that their children are happy, safe and successful in school but also that they experience far reaching opportunities that inspire them to make a vital contribution in the future to our community and to wider society. We remove barriers to realise opportunities for our children growing up in the Family Zone. During the coronavirus pandemic, the engagement with students, parents and wider family members became increasingly more salient.

Community Learning - The Trust provides a range of accredited and non-accredited courses available to the community, including first aid training, English as an additional language lessons, sign language and Maths lessons. There are further enrichment activities available such as art classes, participation in board games and armchair yoga.

Once Upon a Time - A group, primarily for over-50s where people are invited to drop-in sessions to make friends, enjoy companionship, reminisce and consider printed and other group archive material. The group produces a magazine three times a year, which features materials from the archives.

Community Lettings - The Trust is home to around 40 community groups, grassroots clubs and supplementary schools who provide a series of programmes to their participants and community members.

The Trust has introduced and established a Families and Communities Sub-Committee with the first meeting held in November 2021. The role of this Sub-Committee is to further strengthen the review of the work delivered by the Families and Communities Department, to advance the developing of links with other community organisations and to strategise the further championing of our standing in the local community.

Manchester Communication Research School

Manchester Communication Research School was designated by the Education Endowment Foundation in June 2019 and is one of 32 schools nationally. The Research School Network is primarily focused on mobilising evidence and supporting engagement with evidence and evidence informed practice across the teaching profession. The Network are working to develop a regional strategy where Research Schools work with local partnerships, supporting a collaborative and sustained approach to school improvement.

The Research School now leads on a number of partnerships across the North West region. These include; Lancashire, Bury and Manchester. We are also in the early stages of discussions with Salford and Trafford. This year, there has also been a significant development in the Staff Development landscape nationally, with the designation of Teaching School Hubs. As part of these developments, we are partnered with Bright Futures Teaching School Hub across Manchester and Stockport and STAR Teaching School Hub covering Bury, Bolton and Rochdale.

Our work with the Hubs will include offering high quality Continuous Professional Development to partner schools and training their facilitators in the use of evidence for the delivery of the Early Career Framework and National Professional Qualifications.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Display of resilience during the coronavirus pandemic

The Coronavirus pandemic has presented significant challenges across the Trust.

Throughout this period the commitment has been to:

- Redesign and resource support to effectively meet the changing needs of children, families and community both within learning and beyond
- Ensure equally effective learning opportunities irrespective of whether this takes place in school or at home, ensuring technology is in place and used effectively
- Continue to listen to families and staff to support them beyond routine school issues
- Keep in touch through regular phone calls, letters, text, social media and the websites to ensure communication is clear irrespective of whether children are in attendance or supported at home
- To ensure at least basic needs are met for all families

Going Concern

The Trust has continued to make good progress in turning round its financial position. The deficit incurred in 2018-19 would not have been sustainable and the trustees are pleased with the progress made since then, in turning a concerning financial situation around.

The turnaround in financial position to date can be attributed to a longer term realisation of the 2019-20 staffing restructure; a focus on management of cash; an improved culture of financial awareness; augmented financial control, and a strengthening of financial reporting.

A sustainable three-year financial plan for the period 2021 to 2024 has been prepared, reviewed, scrutinised and approved. The plan is a meticulous balance of positivity and prudence and demonstrates that the Trust is a going concern. The plan evaluates both giving the very best for our students and further stabilising the financial position. It can be summarised in the following table which excludes depreciation charges and notional movements in the (LGPS) pension reserve:

	2021-22 (Year 1)	2021-22 (Year 2)	2022-23 (Year 3)
Income	£12.580m	£13.042m	£13.396m
Staffing costs	£9.702m	£9.993m	£10.380m
Non-staffing costs	£2.499m	£2.617m	£2.694m
Capital Expenditure	£0.271m	£0.321m	£0.237m
'Working' Surplus	£0.108m	£0.111m	£0.085m

	31 Aug 2022	31 Aug 2023	31 Aug 2024
Projected cash held as at balance sheet date	£2.008m	£2.113m	£2.195m

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

As such, at the time of approving the annual report and financial statements, the trustees have a firm expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

During the year, in relation to the principal grant (ESFA General Annual Grant), MCA was funded for 1,172 students and MCPA was funded for 385 students.

In 2021-22, MCA is being funded for 1,189 students and MCPA is being funded for 386 students.

Further progress has been made during the year in being as close to 'PAN' as is possible, particularly within MCPA. 2021-22 is the first academic year in which MCPA will contain two forms within each year group, and as such the numbers driving the 2022-23 General Annual Grant for MCPA will be higher.

The Trust has made further progress in reducing its staffing ratio during the academic year; however, due to the increased funding available during the year as a result of the coronavirus pandemic, the staffing ratio (staffing costs as a proportion of total income) has been (favourably) distorted to a degree. The staffing ratio as at 31 August 2021 was 67.8%

The Trust also reviewed non-staffing budgets and other overheads, identifying areas where savings could be made, where procurement could be more efficient and effective, and where recent areas of high expenditure could be targeted and addressed.

A comprehensive Trust-wide asset management plan has been produced during the year, which contains all capital and revenue possessions (not consumables) tagged in a database, which is fully costed, which is fully funded and which has anticipated replacement dates for all assets contained within the plan. The comprehensive asset management plan is intrinsically linked to the Trust's Reserves Policy, by way of allocating an appropriate level of funds each year in order to finance the replacement or refurbishment of assets when they likely fall due.

During 2021-22 the Trust's Finance Team will continue to further a good culture of finance and cash awareness, of sensible procurement and of wider best consideration of public funds.

Financial review

The significant majority of the Trust's income (95.8%) is received from central government and local government revenue grants, which include the main ESFA General Annual Grant allocations, Pupil Premium funding and local authority funding.

The remaining income was generated through the Manchester Communication Research School, through other grants and through the Trust's lettings portfolio (dance studio, football pitches and sports hall), although the availability of these lettings for hire was once again curtailed in 2020-21 due to the coronavirus pandemic. The unavailability of the lettings portfolio for hire during the year has not had a material impact on Trust income levels.

The Trust maintained its standing in the local community during the coronavirus pandemic, and its Families and Communities Department led on offering primarily pastoral and solicitous support, but also some financial support, where necessary, to those members of our community most in need.

Cash in the bank as at 31 August 2021 was £1.978m, up from £0.773m twelve months earlier.

A summary of the financial performance for the year ended 31 August 2021 can be found in the Statement Of Financial Activities (on Page 38) and in the Balance Sheet (on Page 39).

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Capital Expenditure

The Trust has incurred capital expenditure of £239k in 2020-21. The principal capital additions applied during the year were £44.3k on a suite of CCTV cameras across both academies; £36.7k on a new MCA Learning Resource Centre ('The Beehive'); and £27.7k on the new MCPA outdoor play area and assault course.

Of the £239k capital additions, £58.5k was funded by Manchester City Council, £32.5k was funded by the ESFA Devolved Formula Capital Grant and £2.7k by the Football Foundation. The remaining £149.3k was funded by way of a Revenue Contribution to Capital Outlay.

The levels of capital expenditure will continue to be carefully monitored by the Trust moving forward, and the refined comprehensive asset management plan will help effectively monitor capital expenditure over the short, medium and longer terms.

Other significant movements in the Statement Of Financial Activities are £857k of depreciation costs and a further increase in pension liabilities of £1,991k. Although these movements are not 'cash' transactions, the trustees consider and understand the potential longer term implications of these on the financial viability of the Trust.

Depreciation

The Trust's total depreciation charge for the year is £857k (down from £913k in 2019-20). Of this total depreciation charge, £719k is in respect of land and buildings, £77k in respect of furniture, fixtures and fittings, and zero in respect of owned vehicles. These assets are maintained, as far as is possible, in an 'as new' condition, with an annual programme of planned & preventative maintenance (PPM) for both academies, and reactive maintenance budgets for ensuring the upkeep of the built fabric of each site.

ICT depreciation for the year is £61k (down from £132k in 2019-20) and this reflects the effects of both the in-year additions, and reduction in value of the Trust's existing ICT hardware & infrastructure. The Trust did enter into an operating lease for its Audio Visual equipment and for its laptop and desktop computers in 2019. These items do not show on the Trust's balance sheet as fixed assets and the lease payments have been realised as items of expenditure in the Statement of Financial Activities.

Greater Manchester Academics Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Pension Liabilities

Trust staff are placed in one of two pension schemes: teaching staff are in the Teachers' Pension Scheme (TPS), and non-teaching staff are in the Local Government Pension Scheme (LGPS). The TPS is 'unfunded', and so no liability as such is reflected in Trust Accounts. The actual rate for TPS employer contributions is currently 23.68%

The LGPS is 'funded' - so each year, the value of the fund and the liabilities to be met from it are assessed, and the change in these factors is reflected in the accounts of bodies who have staff in the fund. The increase in this liability is due to a wide range of macro-level external factors, affecting the financial environment & assumptions about future performance. Managing the Pension Fund so that assets and liabilities match up in the longer term is a role undertaken by fund managers; periodically, contribution rates are amended to ensure the fund continues to be viable.

The LGPS liability is considered in the overall reserves of the Trust:

Restricted and Unrestricted General Fund: £1.759m

Restricted Capital Fund: £29.370m

Restricted Pension Fund: (£5.534m)

The LGPS in which GMAT's non-teaching staff are placed is the Greater Manchester Pension Fund (GMPF).

The current actual rate for GMPF employer contributions is 18.5% for GMAT and this rate is in place until March 2023 after which the next triennial period commences. Whilst MCA and MCPA receive individual actuarial reports each year, the numbers shown in these are notional and do not necessarily drive the actual cash contributions required from the Trust in respect of GMPF employer contributions.

GMAT is placed in a pool of employers known as the 'Manchester City Council Pool'. There are over 100 employers in this pool, and the GMPF employer contribution rate is 18.5% for all in this pool for the period April 2020 to March 2023.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Financial and risk management objectives and policies

Risk Management

The trustees are aware of their responsibilities to identify, assess and manage the major risks to which the Trust is exposed.

During the year, the Trust has developed its work on risk management by further enhancing its risk management policy and risk strategy. All staff and governors continue to have a good understanding of their day to day responsibilities in managing risk.

The Trust has implemented a 'three lines of defence' model to help with the management of risk. The 'three lines of defence' are three sets of people who collaborate to manage risk. A person may belong to more than one set; however, each set as a whole maintains a degree of independence from the preceding set, and each set is proactive and does not wait for the preceding set to 'fail':

- 1) The first 'line of defence' consists of all staff, governors and trustees.
- 2) The 'second line of defence' consists of all Senior Leadership Team, Finance and Audit Committee colleagues, Executive Principal and the Trust Board.

Managers should not only ensure that their staff are aware of their operational risks and that their staff perform the controls expected of them in their day to day activities, but should also apply cross-department challenge in terms of risk and control.

The Executive Principal, Trust Board and its sub-committees shall apply rigorously challenge and independent quality assurance regarding risk management. They shall ensure that staff are performing the controls expected of them, that managers are ensuring their staff are risk aware, and that managers are applying appropriate challenge.

- 3) The 'third line of defence' consists of auditors (internal and external), regulators (such as ESFA and Ofsted) and other relevant third party assurances.

Whilst the Trust does not control the scope and remit of auditors and regulators, it is accepted that these bodies provide definitive, useful and comprehensive assurance which is substantial enough to be classified as a line of defence for the Trust with regards to risk management.

The extensive degree of independence provided by these bodies, is not available in the second line of defence, so it is justifiable for them to be included in the Trust's third line of defence.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Whilst in the 'second line of defence' in terms of assurance, the Trust Board is accountable for the management of risk throughout the Trust.

The Trust has identified the following risk types - thematic categories into which our risks are classified.

- **People Risk** - does the Trust appropriate develop and look after its staff and does the staff appropriate plan for succession within leadership, teaching and non-teaching positions?
- **Finance Risk** - is the Trust in a good financial position with a suitable level of cash reserves and is the Trust able to substantiate its decision making with complete, accurate and timely management reporting?
- **Governance Risk** - is the governance structure of the Trust fit for purpose?
- **Operational Risk** - are our students given everything they need within the academies to be able to achieve the best standards they possibly can?
- **ICT Risk** - does the Trust have an ICT and telephony network that is fit for purpose and which can withstand stresses?
- **Compliance Risk** - does the Trust have an ICT and telephony network that is fit for purpose and which can withstand stresses?
- **Environmental & External Factors Risk** - does the Trust properly inspire and deliver positive changes for all within the community it serves?
- **Facilities Risk** - does the Trust properly protect, secure and maintain its land, buildings and wider asset base?

These classifications are present on the Trust's Risk Register, which holds all identified risks. Each risk is given a severity rating and a likelihood rating and is mapped to a series of controls, in place to mitigate said risks.

Each risk type has an 'owner' who is a senior Trust leader. Policies and procedures have been developed against each to manage risk, and the risk register is reviewed periodically by the Board to identify areas where further measures may be needed.

The processes in place to identify, log, classify and manage risk are reviewed annually or where there have been material changes to the relevant courses of business. The Trust's Risk Register is also reviewed and approved either annually, or where there have been material changes to the relevant courses of business.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Reserves policy

The Trust's Reserves Policy has been scrutinised by the Finance and Audit Committee and has been approved by the Trustees. The principal objective of the Policy is to protect our learners, our staff, trustees and governors, and our assets.

The Policy has other objectives as follows:

- 1) to develop sufficient capital and revenue reserves to fund future projects.
- 2) to have a prudent level of resources available to meet unforeseen contingencies. Very often, the effects of an unplanned event can be managed in the long-term, but the Trust needs reserves in the meantime.
- 3) to further stabilise the Trust's finances and continue the improvement of the Trust's reserves levels.
- 4) to maintain a focus on pure cash reserves
- 5) to be utilised alongside the Trust's Banking and Investments Policy
- 6) to be utilised alongside the Trust's long-term asset management plan.
- 7) to contribute to the culture of good financial control, cash management and value for money, which are communicated and embedded across the Trust and its academies.
- 8) To ensure that the Trust is compliant with the requirements of the Academy Trust Financial Handbook.

The maintenance and improvement of the Trust's reserves is focused primarily on cash in the bank, but also on accounting reserves balances. The Trustees have short term and longer term plans for the maintenance and improvement of these reserves.

For the academic year 2021-22:

- the Trust must hold at least £1,250,000 across all of its bank accounts at any given point in time.
- at each month end date, the Trust must hold the equivalent of at least one and a half month's payroll costs.
- the Trust will allocate a further £250,000 per year towards funding its asset management plan.
- the Trust may open and utilise a deposit account, a cash management platform, or an appropriate call account, in accordance with its Banking and Investments Policy, to increase the return on its increasing reserve levels held. The order of priorities with any such investment must be: a) security; b) liquidity, and; c) return.

The Trustees acknowledge that the level of reserves for the charitable company may change during the year and could either be a good indicator of the underlying financial health of the Trust, or could be an indicator of potential problems.

In the longer term, the Trustees have reserves targets which are a balance between prudence and positivity. These targets will be reviewed and amended as appropriate over the next two years. The Trustees are pleased with the turnaround in cash position over the last 18 months, and acknowledge the further improvements needed in building these reserves.

The Trustees will also look to extend the reporting of reserves, particularly cash balances, to consider academy and institute level reserves.

The mechanics of reporting academy and institute level reserves will be further discussed and worked upon at Local Governing Body level and escalated to Trustees, as appropriate.

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Banking and Investments Policy

The Trust's bank balances must be checked at least twice daily: at the start of each working day, and also once more during the working day. Cash position and cash flow is reported by the Finance Team to the Executive Principal in writing at least once a week.

The Trust must not use any other financial institute without of the agreement of the Trustees. The Trust must not arrange an overdraft facility or undertake borrowing without prior written approval from the ESFA.

If the cash reserves levels rise significantly faster than expected during the year, the Trustees may decide to invest externally. The consideration and potential decision must be added to an agenda item at the next meeting of the Board of Trustees.

For the said agenda item, The Trustees must consider and have minuted:

- the amount to be invested and for how long.
- whether a potential investment gives security of investment (includes looking at counterparty credit ratings).
- how quickly the capital invested can be converted to cash at any given point in time.
- what the return on investment is.
- whether the performance of a potential investment can be reliably measured.
- whether a diversification of investment is preferred.
- whether there is potential to be adversely impacted by currency, interest rate or other market fluctuations.
- whether there are any material brokerage costs.
- whether there are any ethical considerations.
- whether there are any reporting or other contractual requirements as a result of investment.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 01 September 2020 to 31 August 2021

	2021
Energy consumption used to calculate emissions (kWh)	1,780,196
Scope 1 emissions in metric tonnes CO2e	
Owned transport - mini-buses	0.54
Gas consumption	218.86
Total scope 1	219.40
Scope 2 emissions in metric tonnes CO2e	
Purchased electricity	124.28
Scope 3 emissions in metric tonnes CO2e	
Business travel in employee owned vehicles	0.02
Total gross emissions in metric tonnes CO2e	343.70
Intensity ratio	
Tonnes CO2e per pupil	0.22

Greater Manchester Academics Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Quantification and Reporting Methodology:

The Trust has followed the published Streamlined Energy and Carbon Reporting (SECR) for academy trusts guidance, dated 4 August 2021. The Trust has used the GHG Reporting Protocol – Corporate Standard and has used the 2021 UK Government Conversion Factors for Company Reporting.

Intensity measurement

The Trust has chosen its intensity ratio to be the total gross emissions in metric tonnes CO₂e per student / pupil. This is the recommended ratio to use for the Education sector.

Measures taken to improve energy efficiency

The Trust has taken the following measures during the year and during previous years to drive improvements in energy efficiency and in elimination of waste:

- installation of an efficient boiler system.
- installation of a full suite of LED lighting throughout both academies.
- installation of timers and switches on much of the trusts lighting system.
- embedding a culture of energy efficiency awareness across the Trust, including how staff and students can reduce consumption of gas, electricity and other fuel.
- working with energy brokers to help us execute cultural awareness across the Trust, utilising their best practices.
- installation of some solar panels at MCA.
- ambition for further installation of solar panels across the Trust, as part of a wider decarbonisation strategy.
- introduction of a hybrid of face-to-face and video conference meetings, as the Trust emerges from the coronavirus pandemic.

Fundraising

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

The Trust is grateful to the following other funders who have supported us by way of restricted grants during the academic year:

- Manchester City Council
- Thrive Young Manchester
- Right To Succeed
- The Wolfson Foundation
- The Opening Schools Facilities Fund
- Youth Sports Trust
- The Football Foundation
- Collyhurst Big Local (articulated in Note 13 of the notes to the accounts)

Greater Manchester Academies Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Funds held as Custodian Trustee on behalf of others

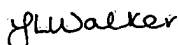
The Trust does not act as a custodian trustee for any charities.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the board of trustees on 29 November 2021 and signed on its behalf by:



.....
Mrs S Walker (Chair from 1 September 2021)
Trustee



.....
Mr J Rowlands
Executive Principal

Greater Manchester Academies Trust

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Greater Manchester Academies Trust has an effective and appropriate set of financial, operational and other controls. Our system is designed to mitigate and 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 Mr J Rowlands (Executive Principal), as the 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 Greater Manchester Academies Trust and the Secretary of State for Education.

The Executive Principal, academy local governing bodies, North Manchester Initial Teacher Training Strategic Committee and Finance and Audit Committee are responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

In 2021-22, three new sub-committees, Pay and Personnel Committee, Families and Communities Committee and Growth and Partnerships Committee will also report to the board of trustees.

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. Due to the coronavirus pandemic, five out of the six meetings were conducted using video conference software, and the remaining one meeting was a hybrid of attendance via video link. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Ms V Rosin (Chair) (resigned 31 August 2021)	6	6
Mrs D Barrow (Vice Chair from 1 September 2021)	6	6
Mrs H Slinger (Vice Chair until 31 August 2021)	4	6
Mrs H Vaughan	5	6
Mr J Putt (resigned 31 August 2021)	6	6
Mr R Lawler (resigned 31 August 2021)	5	6
Mr H Ngawoofah	6	6
Mr J Rowlands (Executive Principal and Accounting Officer)	6	6
Mrs S Walker (Chair from 1 September 2021)	6	6

Three long serving trustees resigned on 31 August 2021. The Trust acknowledges the dedication and service of V Rosin, R Lawler and J Putt over the years, and is grateful to the contributions they have made to the Trust and to the young people and community whom we serve.

Two new trustees, C Brett and T Said were appointed with their trusteeships commencing on 1 September 2021. S Walker was appointed as the new Chair of Trustees and D Barrow was appointed as the new Vice Chair of Trustees.

The Trust Board seeks to receive & review key performance data for each of the key components of the Trust; to ensure that key deliverables (audited accounts; cash management; budgets; and effective management reporting) are delivered to schedule; and secure and safeguard the Trust's future by reviewing key risks & actions required to address them.

Greater Manchester Academies Trust

Governance Statement (continued)

Finance and Audit Committee

The Finance and Audit Committee is a sub-committee of the main Trust Board. Its purpose is to provide advice and guidance to the main Board on all financial matters, to lead on liaison with Internal and External Audit, to scrutinise risk management, to ensure compliance with the Academy Trust Handbook and to scrutinise Value For Money and propriety in the Trust's financial processes & procedures.

The Finance and Audit Committee oversees and approves the Trust's internal audit book of work, ensures that risks are being addressed appropriately through internal scrutiny and reports to the Trust Board on the adequacy of the trust's internal control framework.

The Finance and Audit Committee has formally met seven times during the year, with six routine sessions plus one extraordinary session to make a key decision as delegated by the Trust Board. Due to the coronavirus pandemic, all sessions of Finance and Audit Committee during the year were conducted using video conferencing software.

The meeting attendance for the year is as follows:

Finance and Audit Committee Member	Meetings attended	Out of a possible
H Vaughan (Chair)	7	7
J Rowlands	6	7
D Barrow	4	7
G Johnson	4	7
A Jubb	6	7
A Lund (appointed 22 September 2020 and resigned 26 May 2021)	5	6
H Ngawoofah (resigned 31 August 2021)	6	7
J Uttley (resigned 24 March 2021)	0	4
S Ash	7	7
A Woolley (appointed 22 September 2020)	7	7

Additional Sub-Committees in 2021-22

The Trust Board established additional sub-committees during 2021-22, each having appropriate delegated powers. The Pay and Personnel Committee, Families and Communities Committee and Growth and Partnerships Committee commenced from November 2021.

Review of value for money

The Executive Principal, as Accounting Officer has responsibility for ensuring that the Trust delivers as best value as it can in the use of public resources. The Executive Principal understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

It is further considered how the Trust's use of its resources has provided best value for money during each academic year. The Executive Principal reports to the board of trustees detailing where value for money can be improved.

During the academic year the Trust demonstrated achieving best value for money by:

Greater Manchester Academies Trust

Governance Statement (continued)

- taking the decision to bring the provision of catering services and school meals in-house, thus giving greater control over procurement and catering operations, and contributing to better synergising functions across the academies.
- promoting the Trust's lettings portfolio, which comprises of a hybrid of community and commercial bookings for a wide range of sports, activities, meetings and sessions, as a means of generating income as well as enhancing the opportunities available to our community.
- looking for opportunities for capital and revenue grant funding, which supplements the core funding received from central and local government, and other funding gratefully received into the Trust.
- procuring electric car charging stations, whilst the prices are relatively low, as the first step of a wider, developing decarbonisation strategy.
- investing time and some resource into producing an enhanced, comprehensive Trust-wide asset management plan which has all capital and revenue possessions (not consumables) tagged in a database, which is fully costed, which is fully funded and which has anticipated replacement dates for all assets contained within the plan.
- continuous improvement of financial reporting, an enhancement of information presented to members, trustees and governors and further embedding a culture of cash awareness and sound financial control throughout the Trust.
- refining and improving its financial controls and procurement procedures by introducing a new, comprehensive Financial Controls Policy.

The Trustees are pleased with the progress made in achieving best value for money, and strive to improve further in this regard over the next academic year.

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. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 Greater Manchester Academies Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

The Trust refined and improved its financial controls during 2020-21 by replacing its Financial Regulations Manual with a new, comprehensive Financial Controls Policy. The intention of the refresh is to improve the culture of financial awareness, to assist with the effective management of cash, and to better obtain good value for money.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

Greater Manchester Academies Trust

Governance Statement (continued)

The Risk and Control Framework

The Trust has a comprehensive risk management strategy and detailed risk register which has been further refined and scrutinised during 2020-21. Details of the Trust's risk management strategy are articulated in the Trustees' Report. The risk register is a standing agenda item at the majority of Finance and Audit Committee meetings and the risk management strategy and risk register are approved by the Trust Board when there have been material changes to the relevant courses of business, but as a minimum, annually.

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- comprehensive scrutiny of cash flow management and liquidity.
- regular reviews by the finance and audit committee of reports which substantiate financial position (in particular cash); observe financial performance against the budgets; and of major purchase plans, capital works and other programmes of expenditure.
- setting targets to measure financial, operational and other performance.
- delegation of authority and segregation of duties.
- identification and management of risks.
- clearly defined purchasing, procurement and expenditure guidelines.

Risk management formed a significant part of the Trust's internal audit book of work during 2021 which is fully detailed in the below paragraphs.

Internal Audit

The board of trustees appointed three internal auditors for three separate pieces of internal scrutiny and assurance during the academic year, as follows:

- Haines Watts - to provide assurance on the general compliance with the requirements of the Academy Trust Handbook.
- RSM Risk Assurance Services - to provide a deep dive assurance piece on the Trust's risk management strategy, risk register and overall risk culture.
- Willis Towers Watson - to provide a deep dive assurance piece on the management of health and safety within MCA.

The role of the internal auditors is to review the Trust's systems, processes and procedures; to report on their schedules of work to the Finance and Audit Committee; and to provide details of any material control issues arising as a result of their work and, if relevant, to describe what remedial action is being taken to rectify the issues. The Trust's risk register is a key driver of the internal audit book of work.

Recommendations were made by the internal auditors as a result of their assurance work. These recommendations were added as action points (with action owners and action due dates) to the Trust's comprehensive master audit action tracker, which is managed by the Finance and Audit Committee.

None of the recommendations made by internal auditors during the year amounted to material control issues.

Greater Manchester Academies Trust

Governance Statement (continued)

Review of Effectiveness

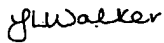
The Executive Principal, as Accounting Officer, has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal audit function ;
- 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 senior and wider leadership teams within the trust who have responsibility for the development and maintenance of the internal control framework.

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

A review of progress made on recommendations identified during the previous year was also undertaken and reported to the Trust Board.

Approved by order of the members of the board of trustees on 29 November 2021 and signed on its behalf by:



.....
Mrs S Walker (Chair from 1 September 2021)
Trustee



.....
Mr J Rowlands
Executive Principal

Greater Manchester Academies Trust

Statement on Regularity, Propriety and Compliance

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

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and the ESFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA:


Financial Issues

During the year of account, the Trust had the following transactions with British Telecom:

- Internet access and telephony services to the value of £3,438 (excl VAT) for both schools;

The above transactions do not meet the "At Cost" requirements of the Academy Trust Handbook 2020. As we have previously noted, transactions with BT have been entered into after open & fair competition, and there has been no personal benefit to BT Trustees from these transactions. Nonetheless, we have ended this contract early, to ensure we comply with DfE requirements regarding related party transactions.

The contract termination took effect from November 2020.



Mr J Rowlands, (Executive Principal)
Accounting Officer

Date: 29 November 2021

Greater Manchester Academies Trust

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Greater Manchester Academies Trust 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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

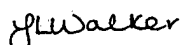
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 102, have been followed; and
- 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 the 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 on 29 November 2021 and signed on its behalf by:



.....
Mrs S Walker (Chair from 1 September 2021)
Trustee

Greater Manchester Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of Greater Manchester Academies Trust

Opinion

We have audited the financial statements of Greater Manchester Academies Trust "the academy trust" for the year ended 31 August 2021, which comprise the Statement of Financial Activities (including the Summary Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows, and the related notes including significant accounting policies in Note 1. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Greater Manchester Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of Greater Manchester Academies Trust (continued)

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees (who are also the directors of the academy for the purposes of company law) are responsible for the other information. 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, which includes the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report included within 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 academy and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report; or

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

- In the light of the knowledge and understanding of the academy and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or

Greater Manchester Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of Greater Manchester Academies Trust (continued)

- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 30, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the academy through discussions with trustees and other management, and from our knowledge and experience of the academy sector.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including the Companies Act 2006, the Charities Act 2011, and the Academies Accounts Direction 2020 to 2021 and Academies Financial Handbook 2020, both issued by the Education and Skills Funding Agency.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Greater Manchester Academies Trust

Independent Auditor's Report on the Financial Statements to the Members of Greater Manchester Academies Trust (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures on material balances for which robust, substantive analytical procedures have been undertaken to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Use of our report

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

Beever and Struthers

.....
Sue Hutchinson FCCA (Senior Statutory Auditor)
For and on behalf of
Beever and Struthers,

St George's House
215-219 Chester Road
Manchester
M15 4JE

13 December 2021
Date:.....

Greater Manchester Academies Trust

Independent Reporting Accountant's Report on Regularity to Greater Manchester Academies Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 1 June 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Greater Manchester Academies Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Greater Manchester Academies Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Greater Manchester Academies 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 Greater Manchester Academies Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the board of trustees' funding agreement with the Secretary of State for Education dated 13 March 2009 and the Academies Financial Handbook extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review and testing of financial systems of internal control
- Sample testing of transactions
- Discussions with management

Greater Manchester Academies Trust

Independent Reporting Accountant's Report on Regularity to Greater Manchester Academies Trust and the Education and Skills Funding Agency (continued)

Conclusion

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

The Trust entered into related party transactions with a connected party. Details are as follows:

1. British Telecommunications Plc (BT) - BT is a member of the Academy Trust. The Academy Trust procured goods and services from BT. The transactions are at normal market rates and therefore include an element of profit. The transactions therefore do not meet the "at cost" requirements of the Academies Financial Handbook (reference 5.48).

Full details of the related party transactions noted above are included in Note 23 of the Financial Statements, and details are also provided in the Accounting Officer's Statement on Regularity, Propriety and Internal Control on page 30.

Beever and Struthers

.....
Sue Hutchinson FCCA

For and on behalf of Beever and Struthers, Chartered Accountants

St George's House
215-219 Chester Road
Manchester
M15 4JE

13 December 2021
Date:.....

Greater Manchester Academics Trust

Statement of Financial Activities for the Year Ended 31 August 2021
(including Income and Expenditure Account)

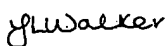
	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2020/21 Total £ 000	2019/20 Total £ 000
Income and endowments from:						
Donations and capital grants	2	8	-	94	102	135
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	12,331	-	12,331	11,147
Teaching schools		-	327	-	327	282
Other trading activities	4	134	-	-	134	330
Apprenticeship levy funded training		-	38	-	38	17
Total		142	12,696	94	12,932	11,911
Expenditure on:						
Raising funds	5	-	36	-	36	84
<i>Charitable activities:</i>						
Academy trust educational operations	6	-	11,695	862	12,557	12,193
Teaching schools	22	-	321	-	321	259
Apprenticeship levy funded training		-	38	-	38	17
Total		-	12,090	862	12,952	12,553
Net income/(expenditure)		142	606	(768)	(20)	(642)
Transfers between funds		-	(119)	119	-	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	24	-	(1,467)	-	(1,467)	(422)
Net movement in funds/(deficit)		142	(980)	(649)	(1,487)	(1,064)
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2020		210	(3,147)	30,019	27,082	28,145
Total funds/(deficit) carried forward at 31 August 2021		352	(4,127)	29,370	25,595	27,081


Greater Manchester Academies Trust

(Registration number: 06754335)
Balance Sheet as at 31 August 2021

	Note	2021 £ 000	2020 £ 000
Fixed assets			
Tangible assets	11	29,370	29,989
Current assets			
Debtors	12	571	500
Cash at bank and in hand		<u>1,978</u>	<u>773</u>
		2,549	1,273
Liabilities			
Creditors: Amounts falling due within one year	13	<u>(790)</u>	<u>(637)</u>
Net current assets		<u>1,759</u>	<u>636</u>
Total assets less current liabilities		<u>31,129</u>	<u>30,625</u>
Net assets excluding pension liability		31,129	30,625
Defined benefit pension scheme liability	24	<u>(5,534)</u>	<u>(3,543)</u>
Total net assets including pension liability		<u>25,595</u>	<u>27,082</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		1,407	396
Restricted fixed asset fund		29,370	30,019
Restricted pension fund		<u>(5,534)</u>	<u>(3,543)</u>
		25,243	26,872
Unrestricted funds			
Unrestricted general fund		<u>352</u>	<u>210</u>
Total funds		<u>25,595</u>	<u>27,082</u>

The financial statements on pages 37 to 67 were approved by the Trustees, and authorised for issue on 29 November 2021 and signed on their behalf by:


.....
Mrs S Walker
Trustee


.....
Mr J Rowlands
Executive Principal

Greater Manchester Academies Trust

Statement of Cash Flows for the Year Ended 31 August 2021

	Note	2021 £ 000	2020 £ 000
Cash flows from operating activities			
Net cash provided by operating activities	17	1,350	575
Cash flows from investing activities	18	<u>(145)</u>	<u>39</u>
Change in cash and cash equivalents in the year		1,205	614
Cash and cash equivalents at 1 September		<u>773</u>	<u>159</u>
Cash and cash equivalents at 31 August	19	<u><u>1,978</u></u>	<u><u>773</u></u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

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 2020 to 2021 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. The financial performance reviewed in these statements do not give rise to concern about the continuing operation of the Trust.

The three-year budget projection for the Trust, based on the actions agreed at the Trust Board, demonstrates that the Trust is a going concern. In summary, after making appropriate enquiries, the Trust Board 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 Trustees' Annual Report on Pages 4-15.

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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Greater Manchester Academics Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Donations

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

Other income

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

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Tangible fixed assets

Assets costing £2,000 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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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

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

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Asset class	Depreciation method and rate
L/Term Leasehold Property	50 Years
S/Term additions to leasehold buildings	8 Years
Motor Vehicles	4 Years
Fixtures & Fittings	4 Years
Computer equipment	3 Years

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.

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 to the statement of financial activities incorporating income and expenditure account 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 12. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

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

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

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Pension 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. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 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 the Education and Skills Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

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

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.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

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, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31/08/21. 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.

2 Donations and capital grants

	Unrestricted funds £ 000	Restricted fixed asset funds £ 000	2020/21 Total £ 000	2019/20 Total £ 000
Government grants	-	94	94	122
Other donations	8	-	8	13
	<u>8</u>	<u>94</u>	<u>102</u>	<u>135</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted funds £ 000	2020/21 Total £ 000	2019/20 Total £ 000
DfE/ESFA revenue grants			
General Annual Grant (GAG)	9,642	9,642	9,173
Pupil Premium	939	939	897
Other DfE/ESFA grants	236	236	188
PE & Sports Grant	19	19	19
Insurance	4	4	28
Teachers' Pay Grant	102	102	65
Teachers' Pension Grant	319	319	251
	<u>11,261</u>	<u>11,261</u>	<u>10,621</u>
Other government grants			
SEN from Local Authority	299	299	207
Other government grants	219	219	135
Music Tuition grant	11	11	8
	<u>529</u>	<u>529</u>	<u>350</u>
Non-government grants and other income			
Holiday Programme	-	-	1
Once Upon A Time	3	3	2
Thrive - Young Manchester	13	13	13
Education Endowment Foundation	74	74	65
Garfield Weston Foundation	-	-	40
Other	26	26	-
Teach First	5	5	-
STEM	2	2	-
The Wolfson Foundation	11	11	-
YMCA	1	1	-
UKIE	3	3	-
Opening Schools Facilities Fund	3	3	-
	<u>141</u>	<u>141</u>	<u>121</u>
Exceptional government funding			
Exceptional Coronavirus Funding	400	400	55
Total grants	<u>12,331</u>	<u>12,331</u>	<u>11,147</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

4 Other trading activities

	Unrestricted funds £ 000	2020/21 Total £ 000	2019/20 Total £ 000
Hire of facilities	86	86	113
Catering income	42	42	43
Other income	6	6	174
	<u>134</u>	<u>134</u>	<u>330</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

5 Expenditure

	Non Pay Expenditure			2020/21	2019/20
	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total £ 000	Total £ 000
Expenditure on raising funds					
Allocated support costs	29	6	1	36	84
Academy's educational operations					
Direct costs	6,463	781	839	8,083	7,845
Allocated support costs	2,724	509	1,241	4,474	4,348
Teaching School	-	-	321	321	259
Apprenticeship levy funded training					
Allocated support costs	-	-	38	38	17
	<u>9,216</u>	<u>1,296</u>	<u>2,440</u>	<u>12,952</u>	<u>12,553</u>

Net income/(expenditure) for the year includes:

	2020/21 £ 000	2019/20 £ 000
Operating lease rentals	214	223
Depreciation	857	913
Fees payable to auditor - audit	13	12
- other audit services	<u>6</u>	<u>5</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

6 Charitable activities

		Total 2021 £ 000	Total 2020 £ 000
Direct costs - educational operations		8,083	7,845
Support costs - educational operations		<u>4,474</u>	<u>4,348</u>
		<u>12,557</u>	<u>12,193</u>
	Educational operations £ 000	Total 2021 £ 000	Total 2020 £ 000
Analysis of support costs			
Support staff costs	2,724	2,724	2,887
Depreciation	77	77	82
Technology costs	124	124	53
Premises costs	432	432	487
Other support costs	1,090	1,090	808
Governance costs	<u>27</u>	<u>27</u>	<u>30</u>
Total support costs	<u>4,474</u>	<u>4,474</u>	<u>4,347</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

7 Staff

Staff costs

	2021 £ 000	2020 £ 000
Staff costs during the year were:		
Wages and salaries	6,745	6,669
Social security costs	666	635
Operating costs of defined benefit pension schemes	<u>1,784</u>	<u>1,755</u>
	9,195	9,059
Supply staff costs	9	31
Staff restructuring costs	<u>12</u>	<u>87</u>
	<u>9,216</u>	<u>9,177</u>

Included within the Operating costs of defined benefit pension schemes is the service cost of £459k (2020: £463k) for the LGPS.

	2021 £ 000	2020 £ 000
Staff restructuring costs comprise:		
Redundancy payments	3	52
Severance payments	<u>9</u>	<u>35</u>
	<u>12</u>	<u>87</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £11,593 (2020: £87,000). Individually, the payments, which include any nominal associated legal costs were:

Non-statutory payments £2,426
 Non-statutory payments £4,300
 Non-statutory payments £4,867

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

7 Staff (continued)

Staff numbers

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

	2020/21 No	2019/20 No
Charitable Activities		
Teachers	128	133
Non-teaching staff	124	129
	<u>252</u>	<u>262</u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2021 No	2020 No
£60,001 - £70,000	5	7
£70,001 - £80,000	4	2
£80,001 - £90,000	1	2
£100,001 - £110,000	<u>1</u>	<u>1</u>

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) received by key management personnel for their services to the Academy Trust was £579,150 (2020: £571,042).

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Shared services

The Trust provides a number of centralised functions and delivers a number of centralised services, known collectively to MCA, MCPA and NMITTP as the Shared Services. During the academic year these provisions and deliverables covered:

- Leadership
- Finance
- Governance
- Payroll
- Human Resources
- Site Management
- Web and Media Support
- ICT Systems, Software and Support
- Safeguarding
- Community & Mission
- Other Costs

During the year the trust charged MCA, MCPA and NMITTP for shared services on the basis of an assented Service Level Agreement (SLA). Costs of the Shared Services are reported to Academy Local Governing Bodies and to the NMITTP Strategic Management Committee.

The actual annual amounts charged were as follows:

	2021 £ 000
Manchester Communication Academy	1,180
Manchester Communication Primary Academy	233
Teach North Manchester	18
	<u>1,431</u>

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 Executive Principal only receives remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees.

Other related party transactions involving the trustees are set out in note 23.

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 £10,000,000. The cost for the period ended 31 August 2021 was £28,818 (2020: £27,882). The cost of this insurance is included in the total insurance cost.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

11 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and equipment £ 000	Computer equipment £ 000	Motor vehicles £ 000	Total £ 000
Cost					
At 1 September 2020	35,851	2,106	2,561	32	40,550
Additions	24	108	107	-	239
At 31 August 2021	35,875	2,214	2,668	32	40,789
Depreciation					
At 1 September 2020	6,070	1,954	2,506	32	10,562
Charge for the year	719	77	61	-	857
At 31 August 2021	6,789	2,031	2,567	32	11,419
Net book value					
At 31 August 2021	29,086	183	101	-	29,370
At 31 August 2020	29,781	152	55	-	29,988

12 Debtors

	2021 £ 000	2020 £ 000
Trade debtors	15	84
VAT recoverable	44	70
Prepayments	314	274
Accrued grant and other income	198	72
	571	500

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

13 Creditors: amounts falling due within one year

	2021 £ 000	2020 £ 000
Trade creditors	291	171
Other taxation and social security	185	147
Other creditors	47	28
Accruals	67	101
Deferred income	34	44
Pension scheme creditor	166	146
	<u>790</u>	<u>637</u>
	2021 £ 000	2020 £ 000
Deferred income		
Deferred income at 1 September 2020	44	75
Resources deferred in the period	34	44
Amounts released from previous periods	<u>(44)</u>	<u>(75)</u>
Deferred income at 31 August 2021	<u>34</u>	<u>44</u>

Income of £33,653 has been deferred for advanced payment of Universal Free School Meals, Urban Crew community project income and coronavirus testing payment income, all of which relate to the 2021-22 academic year.

Collyhurst Big Local

The Trust collaborates with the Collyhurst Big Local - a partnership of local stakeholders in the M40 postcode area of Manchester. Collyhurst Big Local aims to make lasting and positive differences to this area by way of bringing together local talent, ambitions, skills and energy from individuals, groups and organisations. The Collyhurst Big Local Partnership receives grant funding from the National Lottery Community Fund.

The Trust has been a guardian of the Fund since 2014. It receives the funding from Big Local Trust (part of the National Lottery Community Fund), and facilitates local organisations drawing down this funding as and when approved by the Collyhurst Big Local Partnership.

The Trust's other creditors balance as at the year end date, represents the funds held by the Trust on behalf of Collyhurst Big Local. The Trust's reporting period is different to the Collyhurst Big local's reporting period. The income and expenditure in relation to Collyhurst Big Local have is not shown in the Statement of Financial Activities. Instead, the Collyhurst Big Local net income for the year is shown as a movement in the funds held by the Trust on behalf of Collyhurst Big Local.

The Trust is not; however, a custodian Trustee of the Collyhurst Big Local.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

14 Funds

	Balance at 1 September 2020 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2021 £ 000
Restricted general funds					
GAG	-	9,642	(8,550)	(119)	973
Pupil Premium	-	939	(939)	-	-
Other DfE/ESFA grants	223	237	(237)	-	223
Teachers' Pay Grant	-	101	(101)	-	-
Teachers Pension Grant	-	319	(319)	-	-
Other income	30	1,093	(1,061)	-	62
Teaching School	143	327	(321)	-	149
Apprenticeship Levy funded training	-	38	(38)	-	-
	<u>396</u>	<u>12,696</u>	<u>(11,566)</u>	<u>(119)</u>	<u>1,407</u>
Restricted pension funds					
Pension reserve	<u>(3,543)</u>	<u>-</u>	<u>(524)</u>	<u>(1,467)</u>	<u>(5,534)</u>
Total restricted general funds	<u>3,147</u>	<u>(12,696)</u>	<u>12,090</u>	<u>1,586</u>	<u>4,127</u>
Restricted fixed asset funds					
Restricted fixed asset funds	<u>30,019</u>	<u>94</u>	<u>(862)</u>	<u>119</u>	<u>29,370</u>
Total restricted funds	<u>26,872</u>	<u>12,790</u>	<u>(12,952)</u>	<u>(1,467)</u>	<u>25,243</u>
Unrestricted funds					
Unrestricted general funds	<u>210</u>	<u>142</u>	<u>-</u>	<u>-</u>	<u>352</u>
Total funds	<u>27,082</u>	<u>12,932</u>	<u>(12,952)</u>	<u>(1,467)</u>	<u>25,595</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

14 Funds (continued)

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

	Balance at 1 September 2019 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2020 £ 000
Restricted general funds					
GAG	(320)	9,173	(8,814)	(39)	-
Pupil Premium	-	897	(897)	-	-
Other DfE/ESFA grants	130	1,126	(1,003)	-	253
Teaching School	120	282	(259)	-	143
Apprenticeship Levy funded training	-	17	(17)	-	-
	(70)	11,495	(10,990)	(39)	396
Restricted fixed asset funds					
Restricted fixed asset funds	30,819	122	(961)	39	30,019
Restricted pension funds					
Pension reserve	(2,604)	-	(517)	(422)	(3,543)
Total restricted funds	28,145	11,617	(12,468)	(422)	26,872
Unrestricted funds					
Unrestricted general funds	-	294	(84)	-	210
Total funds	28,145	11,911	(12,552)	(422)	27,082

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

Restricted General Funds are used specifically to provide educational resources for the pupils of the Academy.

Restricted Fixed Asset funds provide for the installations, maintenance and repair of the fixed assets of the Academy.

Unrestricted Funds are those other resources which may be used to further the objectives of the Academy.

The transfers from GAG restricted funds to restricted fixed asset funds represents capital expenditure funded from GAG.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

14 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2021 were allocated as follows:

	2021 £ 000	2020 £ 000
Manchester Communication Academy	1,061	51
Manchester Communication Primary Academy	550	412
Teach North Manchester	148	143
Total before fixed assets and pension reserve	1,759	606
Restricted fixed asset funds	29,370	30,019
Pension reserve	(5,534)	(3,543)
Total	25,595	27,082

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

14 Funds (continued)

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total 2021 £ 000	Total 2020 £ 000
Manchester Communication Academy	5,013	1,777	163	2,277	9,230	9,230
Manchester Communication Primary Academy	898	553	42	287	1,780	1,780
Central services	102	922	-	-	1,024	1,024
Academy Trust	<u>6,013</u>	<u>3,252</u>	<u>205</u>	<u>2,564</u>	<u>12,034</u>	<u>12,034</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	29,370	29,370
Current assets	316	2,233	-	2,549
Current liabilities	-	(790)	-	(790)
Pension scheme liability	-	(5,534)	-	(5,534)
Total net assets	<u>316</u>	<u>(4,091)</u>	<u>29,370</u>	<u>25,595</u>

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	29,988	29,988
Current assets	210	1,063	-	1,273
Current liabilities	-	(637)	-	(637)
Pension scheme liability	-	(3,543)	-	(3,543)
Total net assets	<u>210</u>	<u>(3,117)</u>	<u>29,988</u>	<u>27,081</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Commitments under operating leases

Operating leases

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

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Commitments under operating leases (continued)

	2021 £ 000	2020 £ 000
Amounts due within one year	162	210
Amounts due between one and five years	-	165
	<u>162</u>	<u>375</u>

17 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2021 £ 000	2020 £ 000
Net expenditure	(20)	(642)
Depreciation	857	914
Capital grants from DfE and other capital income	(94)	(122)
Defined benefit pension scheme cost less contributions payable	459	463
Defined benefit pension scheme finance cost	65	54
Increase in debtors	(71)	(40)
Increase/(decrease) in creditors	153	(51)
Net cash provided by Operating Activities	<u>1,349</u>	<u>576</u>

18 Cash flows from investing activities

	2021 £ 000	2020 £ 000
Purchase of tangible fixed assets	(239)	(132)
Proceeds from sale of tangible fixed assets	-	49
Capital funding received from sponsors and others	94	122
Net cash (used in)/provided by investing activities	<u>(145)</u>	<u>39</u>

19 Analysis of cash and cash equivalents

	2021 £ 000	2020 £ 000
Cash at bank and in hand	<u>1,978</u>	<u>773</u>
Total cash and cash equivalents	<u>1,978</u>	<u>773</u>

20 Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash	<u>773</u>	<u>1,205</u>	<u>1,978</u>
Total	<u>773</u>	<u>1,205</u>	<u>1,978</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

21 Members' liability

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

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

22 Teaching school trading account

	2020/21 £ 000	2019/20 £ 000
Income		
Direct Income		
Other income	327	282
Total Income	<u>327</u>	<u>282</u>
Expenditure		
Direct costs		
Direct staff costs	105	81
Staff development	29	23
Other direct costs	2	1
Total direct costs	<u>136</u>	<u>105</u>
Other costs		
Support staff costs	2	3
Recruitment and support	165	139
Share of governance costs	18	12
Total other costs	<u>185</u>	<u>154</u>
Total Expenditure	<u>(321)</u>	<u>(259)</u>
Surplus from all sources	6	23
Teaching school balances at 1 September 2020	<u>143</u>	<u>120</u>
Teaching school balances at 31 August 2021	<u>149</u>	<u>143</u>

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

23 Related party transactions

Owing to the nature to the Academies Trust and to the composition of the board of trustees - historically being drawn from local public and private sector organisations - transactions have previously taken place with organisations in which the Trust has an interest. All transactions involving such organisations, have been conducted at arm's length and in accordance with the Trust's Financial Control Policy.

British Telecom

The Trust works closely with its sponsor - British Telecom (BT). BT supports the Trust by sharing expertise, skills and good practices by way of providing some members, trustees, governors and committee to support the governance of the organisation.

During the year, the Trust ceased the remaining procurement of telephony and internet services to satisfy the 'at cost' requirements of the Academy Financial Handbook 2020. The termination took effect in November 2020. Expenditure with BT was £3,438.23 during 2020-21 and this represents the final transactions with the Trust's sponsor.

Manchester City Council

The Trust's transactions with Manchester City Council, meet the 'at cost' requirements of the Academy Financial Handbook 2020.

One of the trustees, Mrs D Barrow, is an employee of Manchester City Council. Mrs D Barrow holds the post of HR Business Partner and is not directly involved in the management or decision making of any of the divisions of the local authority with whom the Trust transacted.

Manchester Fayre

Manchester Fayre is part of Manchester City Council. The Trust brought the provision of catering in-house during 2020-21 from Manchester Fayre. Manchester Fayre stated its intentions to cease the catering function in Manchester schools in October 2020. There was a one-off liability of £122,655 payable in 2020-21 resulting from the vastly reduced income received due to school closedowns during the coronavirus national lockdown.

The arrangement was based on the trading account (1 April to 31 March) position, which any surplus returned to the Trust each year, but with any deficit payable by the Trust. For the period 1 April 2020 to 31 March 2021, there were two national coronavirus national lockdowns during which the academies were closed.

Right To Succeed

The Executive Principal, Mr J Rowlands was appointed a Trustee of Right To Succeed in July 2020. The Trust received grants from Right To Succeed of £28,147.50 during the year. The Right To Succeed Project is a collaboration between Right to Succeed, Manchester City Council and nine Manchester secondary schools which explores ways of reducing pupil exclusions across the city through developing opportunities for young people and delivering positive educational changes.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

23 Related party transactions (continued)

HMG Paints Limited

One of the Trust's Members, Mr J Falder, is the managing director of HMG Paints Limited from whom the Trust procured some cleaning consumables during the coronavirus pandemic. The expenditure in this regard was £2,152.50.

Thrive - Young Manchester

Finally, another of the Trustees, Mr H Ngawoofah is an employee of Young Manchester. The Trust received a grant from Young Manchester during the year of £12,500. The grant from Young Manchester helped our Families and Communities team facilitate some of their family partnerships and support work throughout our community.

24 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 Greater Manchester Pension Fund . 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 £ 166k (2020 - £146k) were payable to the schemes at 31 August 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.

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

24 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% 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 £1,070,232 (2020: £992,039).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £424,000 (2020 - £421,000), of which employer's contributions totalled £318,000 (2020 - £319,000) and employees' contributions totalled £106,000 (2020 - £102,000). The agreed contribution rates for future years are 18.5 per cent for employers and between 5.5 - 12.5 per cent for employees.

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

	2021 %	2020 %
Rate of increase in salaries	3.70	3.00
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	1.70	1.70

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

24 Pension and similar obligations (continued)

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

	2021	2020
Retiring today		
Males retiring today	20.50	20.50
Females retiring today	23.30	23.10
Retiring in 20 years		
Males retiring in 20 years	21.90	22.00
Females retiring in 20 years	25.30	25.00
Sensitivity analysis		
	MCAP 2021 £000	MCAP 2020 £000
Discount rate -0.1%	354	1,153.00
Mortality assumption – 1 year increase	428	-
CPI rate +0.1%	329	1,048.00
Salary increase rate +0.1%	21	86.00
Salary increase rate -0.1%	-	10.00

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

	2021 £ 000	2020 £ 000
Equities	3,679	2,684
Other bonds	777	632
Property	363	276
Cash and other liquid assets	363	355
Total market value of assets	5,182	3,947

The actual return on scheme assets was £822,000 (2020 - (£164,000)).

Amounts recognised in the statement of financial activities

	2021 £ 000	2020 £ 000
Current service cost (net of employee contributions)	(459)	(463)
Interest income	70	74
Interest cost	(135)	(128)
Total amount recognised in the SOFA	(524)	(517)

Included within the Statement of Financial Activities expenditure is the Actuarial Gain/(Loss) amounting to £1,467k (2020: £422k)

Greater Manchester Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

24 Pension and similar obligations (continued)

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

	2020/21 £ 000	2019/20 £ 000
At start of period	7,490	6,302
Current service cost	777	782
Interest cost	135	128
Employee contributions	106	102
Actuarial (gain)/loss	2,219	184
Benefits paid	<u>(11)</u>	<u>(8)</u>
At 31 August	<u>10,716</u>	<u>7,490</u>

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

	2020/21 £ 000	2019/20 £ 000
At start of period	3,947	3,698
Interest income	70	74
Actuarial gain/(loss)	752	(238)
Employer contributions	318	319
Employee contributions	106	102
Benefits paid	<u>(11)</u>	<u>(8)</u>
At 31 August	<u>5,182</u>	<u>3,947</u>