

Company Registration No. 07400386 (England and Wales)

UNITY SCHOOLS PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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COMPANIES HOUSE

UNITY SCHOOLS PARTNERSHIP

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mike Parish (to 29 February 2020)
Christine Quinn (from 3 July 2020)
Paul Marshall
Lesley Birch
Tim Elbourne

Directors

Laura Barbrook
Tim Coulson (Accounting Officer)
Ian Jacobs
Nick Jenkins
Gordon Jones
Mike Parish (Chair of Trust Board) (Resigned 29 February 2020)
Roger Quince (Chair of Audit Committee) (Interim Chair of Trust Board from 1 March 2020 until 03 July 2020)
Christine Quinn (Chair of Trust Board) (Appointed 3 July 2020)
John Smith (Chair of Remuneration Committee) (Resigned 4 February 2020)
Lloyd Spencer-Witcomb (Appointed 4 February 2020)
Dean Sykes
Andrew Willett (Appointed 4 February 2020)

Executive Leadership Team

- Chief Executive Officer	Tim Coulson
- Director of Education (Primary)	Darren Woodward
- Director of Education (Primary)	Stephen Astley
- Director of Education (Secondary)	Rosemary Prince
- Director of Operations	Debbie Willson
- Director of Research School & Teaching School	Andy Samways
- Trust Secretary	Lisa Taylor
- Director of Finance and HR	Sarah Garner
- Director of SEND	Lucie Calow

Company registration number

07400386 (England and Wales)

Registered office

Unity Schools Partnership
Park Road
Haverhill
Suffolk
CB9 7YD

UNITY SCHOOLS PARTNERSHIP

REFERENCE AND ADMINISTRATIVE DETAILS

Academies operated	Location	Headteacher
Abbots Green Primary School	Bury St Edmunds	A Morrison
Burton End Primary Academy	Haverhill	K Sheargold
County Upper School	Bury St Edmunds	V Neale
Castle Manor Academy	Haverhill	V Whitcombe
Churchill Special Free School	Haverhill	G Ellis
Clements Primary Academy	Haverhill	V Hogg
Coupals Primary Academy	Haverhill	D Maguire
Ditton Lodge Primary School	Newmarket	M Moore
Felixstowe Academy	Felixstowe	E Wilson-Downes
Glemsford Primary Academy	Glemsford	B Jeffrey
Horringer Court Middle School	Horringer	S Palmer
Houldsworth Valley Primary Academy	Newmarket	L Tweed
Kedington Primary Academy	Kedington	V Doherty
Langer Primary School	Felixstowe	M Hughes
Laureate Community Academy	Newmarket	D Perkins
Newmarket Academy	Newmarket	N Froy
Place Farm Primary Academy	Haverhill	J Sendall
Samuel Ward Academy	Haverhill	A Hunter
St Edward's Church of England Academy	Romford	J Hassan
Steeple Bumpstead Primary School	Steeple Bumpstead	M Nicholls
Sybil Andrews Academy	Bury St Edmunds	T King
The Bridge School	Ipswich	H Simmons
Thomas Gainsborough School	Great Cornard	W Lloyd
Tollgate Primary School	Bury St Edmunds	H Brookman
Wells Hall Primary School	Great Cornard	M Fuller
Westfield Primary Academy	Haverhill	T Kittle
Westley Middle School	Bury St Edmunds	I Kearns
Wickhambrook Primary Academy	Wickhambrook	R Towns
Woodhall Primary School	Sudbury	M Fuller
 Independent auditor	 RSM UK Audit LLP Abbotsgate House Hollow Road Bury St Edmunds Suffolk IP32 7FA	
 Bankers	 Lloyds Bank plc 8 High Street Haverhill Suffolk CB9 8BA	
 Solicitors	 Stone King LLP Wellington House East Road Cambridge CB1 1BH	

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS

The Directors present their annual report together with the financial statements and auditor's report of the Charitable Company for the year 1 September 2019 to 31 August 2020. The report of Directors serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Academy Trust is responsible for three special schools (one opened on 1 September 2020), 17 primary academies, two middle school academies and eight secondary academies predominantly in Suffolk, but also including schools in Cambridgeshire, Essex and the London Borough of Havering, with the aim that, through geographical hubs of like-minded schools and a vision of excellence that is shared by all, schools smash through barriers to achieve more than others think possible. The vision of Unity Schools Partnership is to achieve the highest standards of education in all of its schools.

It is our intention that all Unity Schools Partnership schools, and the Academy Trust as a whole, be recognised locally and nationally for the exceptional quality of its educational provision.

- We are a family of interdependent schools with a shared ambition to transform lives
- We are committed to the development of a very high-quality, and evidence-informed, model of how excellence is achieved

Our work is fostered by geographical hubs of schools in close proximity that understand their specific communities.

Our academies have a combined pupil roll of 12,474 as at 31 August 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee (registration number 07400386) and an exempt charity. The Charitable Company's Memorandum and Articles of Association is the primary governing document of the Academy Trust.

Unity Schools Partnership was incorporated on 7 October 2010 and became a Multi-Academy Trust on 9 August 2013. At this time, it comprised of Samuel Ward Academy and Churchill Special Free School. Over the last nine years the Academy Trust has continued to grow at a steady pace with six further schools joining the Academy Trust this academic year. Felixstowe Academy and Langer Primary Academy joined the Academy Trust on 1 September 2019 and Tollgate Primary School, Westley Middle School, Horringer Court Middle School and County Upper School joined the Academy Trust on 1 July 2020. Sir Bobby Robson School opened in Ipswich on 1 September 2020.

The Directors are Directors of the Charitable Company for the purpose of the Companies Act 2006 and Trustees for the purpose of charity legislation. Details of the Directors who served during the year, and to the date these financial statements are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Directors' indemnities

Directors of the company are covered by the Education, Skills and Funding Agency Risk Protection Arrangements under their Directors' Indemnity policy.

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

Method of recruitment and appointment or election of Directors

The management of the Academy Trust is the responsibility of the Directors who are elected and co-opted under the terms of the Articles of Association. The Members can appoint up to 11 Directors through such a process as they may determine. In practical terms, this is led by the Chair of the Trust Board, also a member with the support of external agencies.

Directors are subject to retirement after a term of 4 years. After the term they are eligible for re-election at the meeting at which they retire.

The make-up of the Trust Board includes experienced professionals who have a good understanding of the operational and legal requirements of running an establishment such as Unity Schools Partnership.

Policies and procedures adopted for the induction and training of Directors

Local Governing Bodies have developed a scheme of delegation and provided training for all Directors. Training has been provided by the Academy Trust, and is available from external providers including Suffolk County Council. The Academy Trust has also engaged the support and expertise of a highly experienced Educationalist to support and advise the Trust Board adding valuable sector insight.

Organisational structure

Unity Schools Partnership has established a unified structure to enable its efficient running. The structure consists of three levels: The Trust Board along with its Audit Committee and Remuneration Committee; the Executive Management Team, and Local Governing Bodies at each individual academy. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trust Board is responsible for making major decisions about the strategic direction of the Academy Trust, ensuring that its aims are met, and its ethos is maintained. Specifically, this includes setting general policy, adopting an annual plan and budget, monitoring the Academy Trust's financial performance and educational outcomes, making senior staff appointments and approving major investment programmes.

Each Academy will also have a Senior Leadership Team consisting of the senior management at each Academy. These teams are responsible for the day-to-day operation of the academies, organising the teaching staff, curriculum, facilities and students.

The Local Governing Bodies are made up of a mix of local people including staff, parents, community governors and central trust nominees. They act as a 'critical friend' to the Head Teacher and Academy, a 'sounding' board at a local level and to ensure that Unity Schools Partnership values remain at the heart of the academy community. The Academy Trust has a governance adviser to support the work of the local governing bodies and the Trust Board.

The Chair of the Trust Board and the Chief Executive Officer meet and share information with the Local Governing Bodies on a regular basis. Furthermore, members of the Executive Leadership Team regularly attend Local Governing Body meetings and sub committees.

Each layer of the organisation is structured according to a set of terms of reference with associated delegation of authority for all decision-making matters. The Trust Board meets regularly throughout the academic year through a series of structured and systematic meetings.

The Academy Trust is responsible for the Unity Research School, which has a responsibility to promote evidence informed practice in a wide range of schools that includes the Academy Trust but much wider too. The objectives of the Research School are to support schools through research and development and initial teacher training (ITT) and provide continuous professional development (CPD).

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

Arrangements for setting pay and remuneration of key management personnel

Unity Schools Partnership has its own Remuneration Committee who meet on a regular basis to discuss matters relating to the setting of pay and remuneration of the Executive Leadership Team. Where appropriate this committee will also review any settlement agreements prior to Trust Board approval.

The Remuneration Committee also review all recommendations for pay increments for the Executive Leadership Team.

Key Management Personnel salaries are set in accordance with the Academy Trust's pay policy. The Academy Trust's pay scales are set in accordance with the National Teaching and Local Authority support staff pay scales. These are reviewed annually in line with other Academy Trusts.

Trade Union facility time

Unity Schools Partnership subscribe to the Trade Union Facility service provided by the JCNC (Joint Consultative and Negotiating Committee). This is a service provided by lay officers from the Union who are teachers and can therefore provide relevant, appropriate and robust support to staff.

Related parties and co-operation with other organisations

The Academy Trust operates under the Seven Principles of Public Life, known as the Nolan Principles. These are:

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

These principles are reflected in the way we declare and deal with related party transactions so that we are operating fairly, transparently and we are open to scrutiny. Potential for conflict of interest arises when an individual could gain, or be perceived to gain, from an aspect of the Academy Trust business. All potential conflicts of interest and pecuniary interests are declared at the start of each meeting. All purchasing decisions made by the Academy Trust follow the same procurement and/or commissioning procedures. Any business links with Directors or other Trust Officers have been made in accordance with these procedures.

The Trust Board is confident that conflict of interest is handled according to the Seven Principles of Public Life and in accordance with the Academies Financial Handbook.

Streamlined Energy and Carbon Reporting

This content is included under that heading within the Strategic Report section.

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

Engagement with employees

The Trust encourages the involvement of its employees in its management through regular meetings, employee engagement surveys and working party committees.

The Trust have also committed to staff wellbeing, particularly during difficult lockdown months in 2020, with the wellbeing committee providing signposting, practical support, and a wellbeing helpline to staff, as well as commissioning the services of wellbeing and support advisors for staff and pupils in school.

The Trust is committed to ensuring equality of opportunity for all who learn and work here. We respect and value positively differences in race, gender, sexual orientation, ability, class and age. We strive vigorously to remove conditions which place people at a disadvantage, and we will actively combat bigotry. The Trust's Equality & Diversity Committee were established in 2018 and dynamically responded to the Black Lives Matter campaign this year.

The Academies consider all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment within the Trust continues. The Trust's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees.

In accordance with the Academy Trust's Disability Equality Policy:

- The Academy Trust has established its own Equality and Diversity Committee who are committed to addressing issues of inequality and discrimination and raising awareness of current issues across the Academy Trust, the Committee have recognised disabilities as a key area of focus for 2020-21.
- Each Local Governing Body and Headteacher in discussion with disabled staff will endeavour to provide any aids and support that would help them to fulfil their role in the academy.
- Disabled members of staff will be offered the same conditions of service, employment rights, promotion and training opportunities as other staff in the same roles in each academy.
- Disabled staff are encouraged to bring any complaints about their treatment as disabled staff to the notice of the head teacher/principal in the first instance. All staff may use the academy's grievance procedure if they consider this to be the best route.

Unity Schools Partnership are committed to being an Equal Opportunities Employer.

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

The Trust's supplier and customer engagement, including all on boarding policies and procedures are designed to ensure a fair and transparent approach to all business transactions.

The Trust actively encourages local community and customer engagement regarding the development and expansion of these facilities and services.

During the Covid 19 pandemic frequent dialogue has been maintained with all parties to ensure the reestablishment and safe operation, where possible under current legislation, of these facilities.

All customer contracts are, where applicable, charged in line with national approved rates and clear service level agreements established.

The Trust operates a transparent procurement process through a value-based approval structure, therefore ensuring all services and products are assessed under the same best value and risk mitigation criteria.

The Trust has reviewed its financial software during the academic year which has enabled more robust control procedures for order management. This has resulted in stronger communication and engagement with suppliers and more efficient and timely order processes for all parties.

The Trust completes regular relationship management meetings with all strategic services suppliers to ensure effective contract management and engagement.

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

OBJECTIVES AND ACTIVITIES

Objects and aims

Our objective for the period to 2023 is to achieve "Results Plus" in all schools. This will be achieved when:

- All schools currently in the Academy Trust are such that they can be judged at least good at inspection and 50% outstanding.
- The Academy Trust is amongst the highest performing Trusts nationally for attainment of disadvantaged pupils.
- Children and young people are equipped for life.
- The Academy Trust has enabled teachers to be free to attend to what matters for children and young people as well as achieving great results.
- Staff are delighted to work in the Academy Trust.
- The Academy Trust has a leading voice in the development of education policy nationally.
- Income streams have been developed beyond Government funding.

Objectives, strategies and activities

Strategy

It aims to achieve these objectives through:

- ethical leadership
- commitment to inclusion
- excellent communication
- endless ambition
- strong relationships
- a belief in success for every pupil

Public benefit

The Directors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties. The Directors consider that the Academy Trust's aims and the activities undertaken to achieve them are demonstrably to the public benefit.

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

STRATEGIC REPORT

Achievements and performance

Six further schools joined the Academy Trust during the year, two on 1 September 2019 and four on 1 July 2020. We have built a much stronger hub of schools in Bury St Edmunds and have the start of a hub in Ipswich/Felixstowe.

We believe we have made strong progress in improving educational standards across our schools and would have seen improved results in national tests and examinations in the summer of 2020, but these were cancelled as part of the Government's response to the coronavirus crisis. The learning environments of many of our schools have improved as the result of investment by the Academy Trust through our own capital monies as well as extensive new building investments by Suffolk Local Authority.

The Academy Trust is now in the position to play an increasingly strategic regional role. We have developed strong links with community leaders, trusts and councils across the Eastern region, which is informing educational strategy, improving communications, and building capacity. We are committed to supporting the DfE, the Office of the Regional Schools Commissioner and Suffolk County Council in their strategic focus of educational improvement in the East and have positive relationships with all of them.

In both primary and secondary schools, attendance for the Academy Trust at the end of February 2020, prior to lockdown, was above the same position as at the end of February 2019, in a year that the Academy Trust finished above the national average in both phases. Attendance in primary schools was 95.8% at end of February 2020 compared to 95.2% at the end of February the previous year. The previous year attendance in primary schools was 95.8% - at the national average. Attendance in secondary schools was 94.4% at the end of February 2020 compared to 94.7% at the end of February the previous year. The previous year attendance in secondary schools was 95.3% - above the national average (94.5%).

Persistent absence in primary schools was at 9% at the end of February 2020. At the same point in the previous year, it was at 8.4%. The previous year it finished below the national figure (8.2%), at 7.3%. Persistent absence in secondary schools was at 12.1% at the end of February 2020. At the same point in the previous year, it was also 12.1%. The previous year it finished below the national figure (13.7%), at 12.3%.

For 2020-21, as well as maintaining our push towards 97% attendance for all, we will be focusing closely on the attendance of disadvantaged pupils and SEND pupils, to ensure this gap is decreased, especially in light of the impact of the COVID19 pandemic.

During 2019/20, five schools were inspected. The two schools that joined the Academy Trust in September 2019 were both inspected – Langer Primary Academy received a further inadequate judgement and Felixstowe Academy had a monitoring inspection that confirmed effective actions were being taken to remove the need for special measures. Woodhall Primary, Houldsworth Valley Primary Academy and Burton End Primary Academy were all judged good having had previous inspection grades respectively of inadequate, requires improvement and requires improvement.

The Academy Trust has committed to improving the standard of provision for pupils with special educational needs. It appointed an additional post to its Executive Leadership Team to lead this work and appointed one of the Trustees to give particular oversight. Five schools successfully applied to open new specialist provision in September 2020 for pupils with particular needs that require greater levels of support than is generally available in mainstream schools – Burton End Primary Academy, Clements Primary Academy, Houldsworth Valley Primary Academy, Castle Manor Academy and Newmarket Academy. We opened a new special school for children with social, emotional and mental health needs in Ipswich - the Sir Bobby Robson School - in September 2020.

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

Promoting the success of the charitable company

In accordance with Section 172 of the Companies Act 2006, the Directors (who form our Trust Board) complied with their duty to promote the success of the Academy Trust through their approval of the strategic 3-year plan and on-going review of performance against this. All decisions are made in line with the Academy Trust's integrated strategic and financial plan, with the long-term interests of the charity and its stakeholders in mind.

Culture, and employee welfare and engagement are important to Trustees. This is evidenced by trust wide stakeholder survey in June 2020 and gathered views, opinions and feedback about the Academy Trust's support during the Covid19 pandemic. As an Academy Trust, we already support flexible working practices where possible, we have improved our communication with staff in recent years and have established strong staff wellbeing programmes.

Trustees understand the importance of maintaining productive relationships within stakeholders, underlined by a strong sense of purpose. Members of the Executive Leadership Team proactively collaborate with a variety of stakeholders within the education sector to share knowledge and learnings as appropriate.

Trustees are mindful of the Academy Trust's impact on the community and environment. Our communities, social action and enrichment sit at the heart of everything we do, and this is reflected in our curriculum.

As a registered charity, we are committed to making the biggest difference to our pupils, inside and outside the classroom, regardless of their background. The Academy Trust's reputation and business conduct are paramount to its future success and ability to deliver value to its various stakeholders. The Academy Trust has an experienced Trustee Board who are responsible for ensuring corporate governance best practice is followed, supported by the Audit and Risk Committee and Remuneration Committee. The Academy Trust have also committed to establishing a Finance Committee during 2020/21.

Members of the Trust receive copies of meeting minutes and all associated papers for them to feel comfortable with the current situation and strategic direction of the Trust Furthermore, members are invited to every Board meeting, typically one Member attends at least three of the meetings within the year.

The Trustees have established a code of conduct which provides a structure for the responsibilities and expectations associated with the role. This key document, aligned to the Trust Vision and Values, provides trustees with an understanding of what is required and enables them to be transparent, open and accountable in what they do. The code of conduct is underpinned by the Nolan Principles and recognises that decision making should be taken in the interests of all stakeholders with the aim of maintaining a reputation for high standards of business conduct. In accordance with section 172 of the Companies Act 2006, each of the Trustee's acts in the way he or she considers, in good faith and would most likely promote the success of the Trust, to achieve its charitable purpose. Other areas of the Trustee's Report also cover how we foster relationships with key stakeholders.

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

Covid-19 Impact

Over the course of the last nine months the Trustees have taken a considerable amount of time to consider the financial as well as the operational impact of the Covid-19 pandemic. As a result of this, the Trustees, together with the Executive Leadership Team and headteachers within the Academy Trust have taken direct action and implemented a variety of measures to respond to Government guidance to restrict transmission of the virus and provide both remote learning whilst keeping schools open for vulnerable children and children of critical workers.

With the early decision to cancel national exams, the leadership teams within the schools worked collaboratively to address and implement some rigorous and robust methods for student assessments, working as a group of schools to find common benchmarks and peer reviews.

Financially the pandemic impacted numerous areas across the Academy Trust:

Catering Services and other ancillary services – with tough regulations governing procurement policy and schools shouldering some of the responsibility for their key suppliers, we were able to negotiate mutually acceptable terms with catering providers allowing them to provide some core services to key worker and vulnerable children and also ensure that their staff were protected through an enhanced furlough service. Similar arrangements were made with other partners including supply agencies and therapy services.

Across the Academy Trust, 19 staff were furloughed, these staff were all in roles where the Academy Trust previously had enjoyed alternative income streams, e.g., lettings, catering, nurseries and sports centres. The Academy Trust did not furlough any staff who are funded from Government funding.

Over the Spring and Summer school terms the Academy Trust encountered numerous Covid-19 cases amongst children, staff and their families. Not only did this result in further school and 'bubble' closures, but each school impacted were subject to deep cleans and fogging, incurring further costs of staff, supplies and materials.

There was a heavier reliance on IT for remote learning activities created an increased demand for devices, broadband and equipment with some additional devices for disadvantaged children provided by the Government.

Free Schools Meals – prior to the National Voucher Scheme being set up, the Academy Trust organised its own voucher scheme providing all families in reception of free school meals with a voucher equivalent to the funding received. This resulted in the Academy Trust being out of pocket covering catering suppliers' costs as well as the cost of the voucher scheme. This was rectified at the point the national scheme was implemented.

Over the years, the Academy Trust has developed a significant income stream relating to lettings, sports centre facilities and other fundraising activities (in particular PTA fundraising, and events such as proms, productions and Summer Fayres), many of these ceased with little notice in March 2020 with very few being able to restart before the end of term. This had a significant and detrimental impact on the income streams within the Academy Trust, with Secondary schools being the most impacted.

With all the uncertainties mentioned above as well as the uncertainty around timings, closures and when life might return to normal, the Academy Trust implemented several measures, including recruitment and headcount freezes, a spending review on resources and supplies needed for the summer term as well as a tougher stance on the budgets being approved for 2020/21.

The 2020/21 budget was set based on no carry forward for any school, with every Academy Trust school expected to present a balanced budget and not rely on in-year or past year surpluses. This has been a Academy Trust policy for several years, however the increased uncertainty at the end 2019/20 led to tougher financial planning.

As with most Academy Trusts, the UnitySP Trustees monitor the risk register on a regular basis, without doubt Covid-19 became the biggest risk factor inciting regular discussions around the impact. The Board considered the impact financially, as well as operationally, considering the impact of losing key members of staff the virus, being able to manage on fewer staff, risk assessing those staff and students who are considered to be critically and critically extremely vulnerable as well as the additional resources need to provide enhanced cleaning regimes, remote learning possibilities and a significant increase on the demand of our safeguarding leads to ensure children were safe at home, learning appropriately and in receipt of the resources they were entitled to.

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

UnitySP set up a Hardship fund, providing supermarket vouchers to some of our neediest families. This was well received by schools and local communities. The fund has been resurrected just prior to Christmas as further lockdowns were imposed and more families were at risk.

With careful planning going into 2019/20 the Academy Trust has expected to add to its reserve position anticipating a reduction of the gap in reserves as set out in its reserve policy. As a result of the pandemic, through prudent spending, considered negotiations with suppliers, recruitment and headcount freezes the Academy Trust were still able to contribute to its reserves, although not as much as it would have liked to in the year.

The Academy Trust continues in 2020/21 to monitor the situation, carefully planning and considering spending requirements, whilst also sensitively balancing the safety, wellbeing and comfort of staff and students.

Financial review

Most of the Academy Trust's income is obtained from the Education Skills & Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to educational purposes. These grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2020, total income of £82,307k (2019: £74,467k) (which excludes transfers of existing academies) exceeded total expenditure of £78,747 (2019: £65,682). The excess of expenditure over income for the year before transfers, actuarial gains/losses, restricted fixed asset movements, and transfers from existing academies was £1,794k (2019: £264k). Transfers of new schools into the Trust from existing Academy Trusts or the Local Authority in the year amounted to £53,407k (2019: £10,894k).

At 31 August 2020 the net book value of fixed assets was £249,225k (2019: £184,557k). Movements in intangible fixed assets are shown in note 14 and tangible assets in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

Assets of £13,097k (2019: £17,573k) were acquired during the year ended 31 August 2020 which were funded through a combination of General Annual Grant (GAG), capital grants, other restricted funds and unrestricted funds. An impairment loss of £2,092k (2019: £nil) was recognised in the year relating to The Bridge School, where a replacement site was transferred to the Trust before the year end, ahead of demolition of the previous site in the year ended 31 August 2021.

In accordance with FRS102, the Academy Trust received an actuarial assessment of its pension scheme deficit. The deficit balance of £30,183k (2019: £18,019k) is included within the balance sheet as at 31 August 2020 and supporting notes to the financial statements.

Though the pension scheme represents a significant liability on the balance sheet, it does not present a significant issue for the Academy Trust in respect of cash flow, as it will not crystallise at once. Contributions for the coming year are the primary factor for the Academy Trust when considering the impact that the liability has on cash flow, and these have been appropriately reflected within forecasts and will be settled on a timely basis.

The deficit on restricted general funds as at 31 August 2020 was £855k, reduced from £2,160k in at 31 August 2019. A conscious effort was made at Trust level to recover historic deficits early in the budgeting process, as a direct impact of closer scrutiny of costs, procurement savings in staffing reorganisations in some schools.

At 31 August 2020, restricted general funds (excluding the pension deficit) and unrestricted funds amounted to £1,830k (2019: £55k).

Financial and risk management objectives and policies

There is a deficit in the pension scheme of £30,183k as disclosed in note 27. The Secretary of State has agreed that in the event of the Academy Trust closing, the Local Government Pension Scheme liabilities would be met by the Department for Education.

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

Reserves policy

The Directors have determined that a level of funds retained should be at least equivalent to one month's total salary commitment to enable the Academy Trust to react to budget changes within a manageable period without the use of cash flow advances from the ESFA. One month's salary commitment for August 2020 was £4.5m (2019: £3.7m).

Total funds held on 31 August 2020 were £221,493k (2019: £167,946k).

The total of restricted general and unrestricted funds (excluding the pension reserve) held on 31 August 2020 was a surplus of £1,830k (£55k) which is still significantly below the monthly salary commitment.

The free reserves are represented by the unrestricted fund. As at 31 August 2020, the free reserves are £2,685k (2019: £2,215k).

The Trustees set a target for reserves to be approximately equal to one month's pay bill, in 2019/20 the Trust fell short of this target, but have managed to reduce the gap significantly in the year by requiring all schools to budget for a contribution towards the aggregated trusts reserve position. Each school was required to set aside 2% of GAG income to support this endeavour, this is a policy that has been in place for the last two years and will continue again into 2020/21 to continue to reduce the gap in required reserves.

The Trust, with its new Chair, have also taken the opportunity to review the reserves policy in 2020/21, the position is still being clarified, but it is anticipated that a target of 5-6% of GAG would be expected, this has been set based on benchmarking with other similar sized trusts.

The Trustees are however of the view that a slower trajectory to reach this target can be applied from 2021/22 in order to release much needed funding back to schools to support remote learning, Covid-19 catch up and an IT strategy.

Investment policy

Unity Schools Partnership manages its cash resources, including appropriate working capital balances, so that all operating needs are met without the need of any borrowings. Surplus cash is invested in short term deposit accounts with the objective of maximising interest income without incurring undue risk. Trade debtors and trade creditors are managed within the credit terms agreed.

Key performance indicators

During 2019/20, five schools were inspected. The two schools that joined the Academy Trust in September 2019 were both inspected – Langer Primary Academy received a further inadequate judgement and Felixstowe Academy had a monitoring inspection that effective action was being made to remove the need for special measures. Woodhall Primary, Houldsworth Valley Primary Academy and Burton End Primary Academy were all judged good having had previous inspection grades respectively of inadequate, requires improvement and requires improvement.

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

Going concern

The Directors 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 charitable company to continue as a going concern.

The Directors make this assessment in respect of a period of at least one year from the date of authorisation of issue of the financial statement and have concluded that Unity Schools Partnership has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Directors believe the going concern basis adopted in preparing the financial statements is appropriate because:

- The reasons for some deficit balances for some schools within the Academy Trust has partly been due to lagged funding in previous periods. The schools are having to bear the costs of higher pupil number and staffing without having the associated funding until the following academic year;
- Schools in the Academy Trust are in consultation to reduce expenditure to bring it into line with income;
- Some schools within the Academy Trust are oversubscribed and therefore there is little risk currently that overall pupil numbers will drop;
- Cash levels and performance against budget are closely monitored ensuring that any issues or shortfalls can be quickly and efficiently remedied. It is considered that cash levels within the Academy Trust are sufficient to meet the needs of the organisation.

Following the uncertainty presented by Covid 19, management has reassessed the going concern assumption and confirms that it remains appropriate based on the strong cash and net asset position which enables it to meet its liabilities as they fall due.

Plans for future periods

The Academy Trust will continue to focus on improving the education of the children it is responsible for by further improving achievement, teaching and learning and leadership. Its expectation is that all its schools will be at least good in Ofsted terms. It will continue to focus on improving the quality of teaching, the development of the curriculum and improvements in the attainment achieved by pupils at all ages, with a particular focus on outcomes for disadvantaged pupils across all schools.

The Trust Board and the Executive Leadership Team are working effectively with school leadership teams and local governing bodies and over the next year the Academy Trust will continue to develop its infrastructure and centralised services and policies.

We will continue to find ways to enhance our back-office functions to offer academies the benefits of economies of scale and improved more efficient levels of service.

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

Principal risks and uncertainties

The Companies Act 2006 s417 (3b) requires disclosure of the principal risks and uncertainties facing a company. The Trust Board 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 Academy Trust's Risk Register is comprehensive and is actively reviewed by the Executive Leadership Team, the Audit Committee and the Trust Board on a regular basis. The Academy Trust utilises the use of an independent internal auditor to perform a suite of internal audits based around a rolling programme aligned around the Risk Register and topical risks.

Local school level risks are monitored via termly meetings with key members of the Executive Leadership Team. Where appropriate, systems or procedures have been established to mitigate the risks each school faces.

The key areas of focus are:

Governance & Legal

The key risks in this area relate to the relationship with the Directors and Governing Bodies, the capacity and performance of the Trust Board and the maintenance of a strong internal control framework. New internal auditors have been appointed in 2019/20 to advise the Trust Board on issues regarding financial control.

Strategic

The key risks in this area relate to the delivery of the Unity Schools Partnership 5-year strategic ambition for "Results Plus" whilst ensuring suitable attention to core business and the performance of the Executive Leadership Team. Capacity with the central team is continually reviewed to ensure correct skill set and sufficient capacity.

Educational

The key risk in this area relates to under performance of academies and underachievement against student outcomes and progress with adverse Ofsted judgements. Significant Trust Board and Executive Leadership Team time is spent focusing on the delivery of the key strategic objectives of the Academy Trust of which student outcomes are paramount.

Human Resources

Key risks in this area relate to retention and recruitment of key employees, attendance management, consistency of HR practice and policy implementation.

The centralised HR team undertake robust vetting procedures of new staff following whilst also ensuring that all appointments and recruitment processes are managed by personnel who have been "safer recruitment" trained.

Other Legal & Operational

The key risks in this area relate to non-compliance with the Freedom of Information Act, General Data Protection Regulations (GDPR) and data quality. Comprehensive annual training on GDPR is provided to all staff including what to do in the case of a data breach and training on Freedom of Information is provided to key personnel.

The Academy Trust's risk register is comprehensive and deals with a wide range of matters relating to the above. Where appropriate, adequate insurance cover is procured to mitigate any residual risks. The Academy Trust has adequate cash and working capital balances.

Financial Liquidity Risk

Unity Schools Partnership manages its cash resources, including appropriate working capital balances, so that all operating needs are met without the need of any borrowings. Surplus cash is invested in short term deposit accounts with the objective of maximising interest income without incurring undue risk. Trade debtors and trade creditors are managed within the credit terms agreed.

Financial Sustainability Risk

The Academy Trust must demonstrate rigorous medium term financial planning and an operating environment focused on value for money in line with the Academies Financial Handbook. The Academy Trust has cash surpluses which have built up over the last two years.

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

Other Risks

The Academy Trust is exposed to risks similar to other MATs and academies related to the funding from central and local governments. Credit risk in this respect is negligible however appropriate funding levels specifically related to the needs of the children in its schools will rely on the future of fair funding for Education.

The Directors have assessed the major risks to which the Academy Trust is exposed and specific risks are identified relating to the teaching, safeguarding, provision of facilities and other operational areas of the Academy Trust and its finances.

The Directors have implemented a number of systems to assess risks that the Academy Trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the controls in order to minimise risk.

The Directors and the Executive Leadership Team undertake its responsibilities towards safeguarding very seriously and ensure that all staff receive regular, appropriate and relevant safeguarding training. The Academy Trust have appointed a Safeguarding Lead and nominated Trustee to ensure that Safer Recruitment trained individuals are involved in the appointment of all staff.

Furthermore, the Academy Trust have continued to take positive action this year to ensure that all staff are aware of the whistleblowing policy and how to invoke it should they feel the need to.

Where significant financial risk still remains, the Academy Trust have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the following statement.

Effective risk management provides the Trust Board with assurance that:

- The financial responsibilities of the governing body are being properly discharged;
- Resources are being managed in an efficient, economical and effective manner;
- Sound systems of internal financial control are being maintained; and
- Financial considerations are fully taken into account in reaching decisions.

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period. As an Academy Trust, the level of financial risk mainly occurs around certainty of year on year funding, cash flow and actuarial assessed pension fund deficit. The Academy Trust recognises the need to monitor the impact of cash flow and will project cash flow based on cash inflows and outflows at the start of the year and review the bank balance throughout the year. Future budgets will be monitored in line with staffing levels/costs and follow benchmarking guidelines as set out by the ESFA.

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

Streamlined energy and carbon reporting

<i>Energy consumption</i>	kWh	kWh
Aggregate of energy consumption in the year		13,373,616
- Gas combustion	8,380,879	
- Fuel consumed for transport	4,646,943	
- Electricity purchased	345,794	

<i>Emissions of CO2 equivalent</i>	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	1,564	
- Fuel consumed for owned transport	45.00	
		1,609.00
Scope 2 - indirect emissions		
- Electricity purchased		1,083.00
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the Academy Trust		42.00
Total gross emissions		2,734.00

Intensity ratio

Tonnes CO2e per pupil	0.24
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Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

As an Academy Trust we are committed to driving energy efficiency across our schools. During this reporting period we have replaced several boilers across the Academy Trust, including a bio mass boiler to drive sustainable energy. We have a rolling programme to address condition related issues identified in surveys. This proactive approach enables us to identify highly inefficient appliances and replace accordingly.

UNITY SCHOOLS PARTNERSHIP

REPORT OF DIRECTORS (CONTINUED)

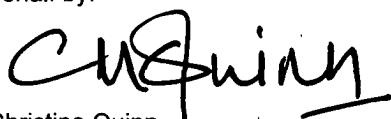
AUDITOR

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement as to disclosure of information to auditor

The Directors have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Directors have confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The report of Directors is approved by order of the Trust Board and the Strategic Report (included therein) is approved by the Trust Board in their capacity as the directors at a meeting on 14 January 2021 and signed on its behalf by:



Christine Quinn
Chair of Trust Board

UNITY SCHOOLS PARTNERSHIP

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Trust Board has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Unity Schools Partnership and the Secretary of State for Education. They are also responsible for reporting to the Trust Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the report of Directors and in the Statement of Directors' Responsibilities. The Trust Board has formally met 8 times during the year. Attendance during the year at meetings of the Trust Board was as follows:

Directors	Meetings attended	Out of possible
Laura Barbrook	7	8
Tim Coulson (Accounting Officer)	8	8
Ian Jacobs	8	8
Nick Jenkins	5	8
Gordon Jones	7	8
Mike Parish (Chair of Trust Board) (Resigned 29 February 2020)	5	5
Roger Quince (Chair of Audit Committee) (Interim Chair of Trust Board from 1 March 2020 until 03 July 2020)	7	8
Christine Quinn (Chair of Trust Board) (Appointed 3 July 2020)	1	1
John Smith (Chair of Remuneration Committee) (Resigned 4 February 2020)	3	5
Lloyd Spencer-Witcomb (Appointed 4 February 2020)	3	3
Dean Sykes	6	8
Andrew Willett (Appointed 4 February 2020)	3	3

UNITY SCHOOLS PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

Mike Parish, who had been Chair of the Trust Board since summer 2017 resigned at the end of February 2020 due to increased professional commitments of his own, making way for the appointment of Christine Quinn who joined the Trust Board officially in July 2020. Christine brings a wealth of experience and knowledge of the Education Sector, which has been identified as a skills gap within the Trust Board.

Despite the pandemic, the Trust Board have been actively supporting the Executive Leadership Team and the Academy Trust as a whole with guidance, direction and sharing of their own experiences to the benefit of the Academy Trust.

The Board understand its responsibility to assess its own effectiveness. In order to give some assurance to this the Board have invited the support of an experienced Board member and educationalist to act as an advisor. This role has been prominent throughout 2019/20 holding the Board to account, summarising the purpose, objectives and what is achieved at each meeting succinctly and to assure the Board that they are challenging appropriately and monitoring effectively.

The Board are also very well aware of the variety of skills, talents and experiences needed to provide a balanced and supportive Board, this is considered carefully during the recruitment process whereby they identify specific skills gaps and look to appoint based on what an individual can bring and complement the existing team with. This was evidenced in 2019/20 with the appointment of a new Chair.

The Executive Team provide the Board with detailed papers at each board meeting, covering the regular detailed finance papers as well as educational performance information in a scorecard format which is scrutinised alongside the detailed commentary provided. The Executive team are flexible in responding to additional reporting requirements and provide various pieces of ad hoc information as appropriate.

Governance reviews

The Academy Trust appointed a Governance Compliance Officer to support the Trust Board and Local Governing Bodies (LGBs) to ensure compliance and robust governance practice throughout. In 2019/20 she has undertaken informal reviews with almost all Local Governing Bodies ensuring standardisation of meeting agendas, discussions, negotiation and implementation around a new scheme of delegation and supporting with the recruitment of new Governors.

In 2019/20 all LGBs were issued with a Trust Governance Handbook which sets out best practice and gives support, information and guidance on the roles and responsibilities of local governors.

The Governance Compliance Officer now attends all Trust Board meetings to ensure compliance and provide guidance where necessary. As a result of the review last year the Trust Board committed to appointing someone with more of an educational background as its new Chair in 2019/20. A similar review will be undertaken in the spring of 2021.

Internal Audit services were commissioned in the year through SBM Services Ltd, a number of audits were carried out identifying minor issues within some schools around controls and procedures, all of which have been reviewed and remedied. Initial audits planned and agreed with the Audit Committee in the Autumn term 2019 had to be postponed due to lockdown and the restriction of visitors in schools in the Spring and Summer terms, the Executive Leadership Team and Audit Committee reacted quickly and diverted the internal audit team to reviews on Governance, and budget setting which could be carried out more remotely using email, telephone and video conferencing facilities.

UNITY SCHOOLS PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

The Audit Committee is a sub-committee of the main Trust Board. The terms of reference for the Audit Committee are:

- to monitor the integrity of the Financial Statements of the Academy Trust and any formal announcements relating to the Academy Trust's financial performance, reviewing significant financial reporting judgements contained in them;
- to review the Academy Trust's internal financial controls and the internal control and risk management systems;
- to monitor and review the effectiveness of the Trust's internal audit function;
- to make recommendations to the Trust Board in relation to the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- to report to the Trust Board on how it has discharged its responsibilities.

Attendance at meetings in the year was as follows:

Directors	Meetings attended	Out of possible
Ian Jacobs	2	3
Gordon Jones	3	3
Roger Quince (Chair of Audit Committee) (Interim Chair of Trust Board from 1 March 2020 until 03 July 2020)	2	3

Review of value for money

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

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

- a review of central service contracts with some larger contracts being tendered with alternative providers;
- supporting and leading the establishment of a Suffolk Schools procurement framework;
- long term contracts being regularly reviewed and compared against other providers, in order to achieve the best price without compromising quality;
- as a Multi Academy Trust we are able to save money using economies of scale with purchases for example print, broadband and IT equipment.

The Academy Trust have also undertaken a review of external services we are currently purchasing to look at opportunities to provide services internally and therefore save money as well as provide a more effective service e.g. training, Governor services and Helpdesk services.

The purpose of the system of internal control

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

UNITY SCHOOLS PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Trust Board 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 Trust Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trust Board.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trust Board;
- regular reviews by the Academy Trust Finance and HR Director, the Trust Board and Local Governing Bodies of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks;
- termly operational reviews by the Academy Trust's Executive Leadership team at each academy.

For 2019/20 the directors procured the Internal Audit Service from SBM Services Ltd. On a termly basis SBM Services Ltd undertook an independent review of the financial systems and provided a written report giving feedback on how the Academy Trust's financial affairs are being discharged. The Trust Director of Finance and HR presented this report to the Audit Committee.

Review of effectiveness

As Accounting Officer, the Chief Executive 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 Executive Leadership Team within the academy who have responsibility for the development and maintenance of the internal control framework.
- The work of the internal auditor.
- The work of the external auditor.

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

Approved by order of the Trust Board on 14 January 2021 and signed on its behalf by:



Tim Coulson
Accounting Officer



Christine Quinn
Chair of Trust Board

UNITY SCHOOLS PARTNERSHIP

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Unity Schools Partnership, I have considered my responsibility to notify the Academy Trust Board and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Trust's Board are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's Funding Agreement and the Academies Financial Handbook 2019.

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



Tim Coulson
Accounting Officer

14 January 2021

UNITY SCHOOLS PARTNERSHIP

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors (who also act as trustees for Unity Schools Partnership) are responsible for preparing the Directors' report (including the strategic report) and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 Directors 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 Directors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from ESFA/DfE have been applied for the purposes intended.

The Directors 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 Trust Board on 14 January 2021 and signed on its behalf by:



Christine Quinn
Chair of Trust Board

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITY SCHOOLS PARTNERSHIP

Opinion

We have audited the financial statements of Unity Schools Partnership (the "charitable company") for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies: Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2019 to 2020 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of Directors which includes the Directors' Report and 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 Directors' Report and the Strategic Report included within the Report of Directors have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNITY SCHOOLS PARTNERSHIP (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Report of Directors.

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

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

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 23, the directors, who also act as trustees for the charitable activities of Unity Schools Partnership, 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 Directors 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 Directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable company 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.

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

Use of our report

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

RSM UK Audit LLP

Claire Sutherland (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk, IP32 7FA

26 January 2021

UNITY SCHOOLS PARTNERSHIP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2020

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2020	Total 2019
	Notes	£000	£000	£000	£000	£000
Income and endowments from:						
Donations and capital grants	4	101	29	11,762	11,892	17,339
Donations - Transfer from local authority		-	-	-	-	10,894
Donations - transfer of existing academy into the trust	33	142	(4,913)	58,178	53,407	-
Charitable activities:						
- Funding for educational operations	5	2,273	66,856	-	69,129	55,454
- Funding for teaching school	32	-	251	-	251	285
Other trading activities	6	942	84	-	1,026	1,386
Investments	7	9	-	-	9	3
Total		<u>3,467</u>	<u>62,307</u>	<u>69,940</u>	<u>135,714</u>	<u>85,361</u>
Expenditure on:						
Raising funds	8	162	1	-	163	232
Charitable activities:						
- Educational operations	9	2,237	69,535	6,408	78,180	65,105
- Teaching School		-	404	-	404	345
Total	8	<u>2,399</u>	<u>69,940</u>	<u>6,408</u>	<u>78,747</u>	<u>65,682</u>
Net income/(expenditure)		1,068	(7,633)	63,532	56,967	19,679
Transfers between funds	21	(598)	194	404	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	27	-	(3,420)	-	(3,420)	(6,141)
Net movement in funds		470	(10,859)	63,936	53,547	13,538
Reconciliation of funds						
Total funds brought forward		2,215	(20,179)	185,910	167,946	154,408
Total funds carried forward		<u>2,685</u>	<u>(31,038)</u>	<u>249,846</u>	<u>221,493</u>	<u>167,946</u>

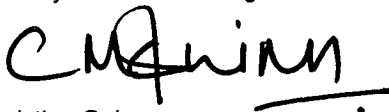
UNITY SCHOOLS PARTNERSHIP

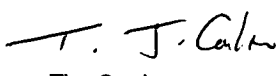
BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £000	2019 £000
Fixed assets			
Intangible assets	14	126	158
Tangible assets	15	249,099	184,389
		249,225	184,547
Current assets			
Stocks	16	31	43
Debtors	17	3,472	4,338
Cash at bank and in hand		7,017	4,656
		10,520	9,037
Current liabilities			
Creditors: amounts falling due within one year	18	(7,834)	(7,363)
Net current assets		2,686	1,674
Total assets less current liabilities		251,911	186,221
Creditors: amounts falling due after more than one year	19	(235)	(256)
Net assets before defined benefit pension scheme liability		251,676	185,965
Defined benefit pension scheme liability	27	(30,183)	(18,019)
Total net assets		221,493	167,946
Funds of the Academy Trust:			
Restricted funds	21		
- Restricted fixed asset funds		249,846	185,910
- Restricted income funds		(855)	(2,160)
- Pension reserve		(30,183)	(18,019)
Total restricted funds		218,808	165,731
Unrestricted income funds	21	2,685	2,215
Total funds		221,493	167,946

The financial statements on pages 26 to 66 were approved by the Trust Board and authorised for issue on 14 January 2021 and are signed on their behalf by:


Christine Quinn
Chair of Trust Board


Tim Coulson
Accounting Officer

UNITY SCHOOLS PARTNERSHIP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £000	2019 £000
Cash flows from operating activities			
Net cash provided by operating activities	25	3,675	1,528
Cash flows from investing activities			
Cash funds transferred from academies joining the Academy Trust		1,052	-
Cash funds transferred on conversion		-	46
Interest received		9	3
Capital grants from DfE Group		2,524	2,216
Capital funding received from sponsors and others		204	1,797
Purchase of intangible fixed assets		(24)	(56)
Purchase of tangible fixed assets		(5,043)	(3,322)
Proceeds from sale of tangible fixed assets		23	-
Net cash (used in)/provided by investing activities		(1,255)	684
Cash flows from financing activities			
New other loan		-	94
Salix loan repayments		(59)	(47)
Net cash (used in)/provided by financing activities		(59)	47
Net increase in cash and cash equivalents in the reporting period		2,361	2,259
Cash and cash equivalents at beginning of the year		4,656	2,397
Cash and cash equivalents at end of the year		7,017	4,656

UNITY SCHOOLS PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

General information

Unity Schools Partnership is a charitable company (the Academy Trust). The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Report of Directors.

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

Basis of preparation

The financial statements of the Academy Trust 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Academy Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Academy Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Following the uncertainty presented by Covid-19, management has reassessed the going concern assumption and confirms that it remains appropriate based on the strong cash and net asset position which enables it to meet its liabilities as they fall due.

The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Transfer from other academy trusts

The transfer of six schools into the Academy Trust, involved the transfer of identifiable assets and liabilities and the operation of the school(s) for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The net assets transferred to the Academy Trust have been valued at their fair values. The fair value has been derived based on that of equivalent items. The amount has been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer to the academy trust in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 33.

UNITY SCHOOLS PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

Income

All income is 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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations

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

Donated assets are recognised within income when title passes to the Trust, and the value can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised at fair value of the consideration received or receivable 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

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.

UNITY SCHOOLS PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

Charitable activities

These are costs incurred on the Academy Trust's educational operations to further its charitable aims for the benefit of the beneficiaries, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

Intangible fixed assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Purchased computer software	20%
-----------------------------	-----

Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the Statement of Financial Activities as incurred.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

Depreciation is provided on all tangible fixed assets other than freehold land, so as to write off the cost of assets less their residual values on a straight-line basis over their useful lives on the following bases:

Freehold property	2%
Leasehold property	2%
Building improvements	10%
Computer equipment	20%
Fixtures, fittings, plant and machinery	10 - 20%

Assets in the course of construction are included at cost less any identified impairment loss. Cost includes professional fees and other directly attributable costs that are necessary to bring the property to its operating condition. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

Liabilities

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

UNITY SCHOOLS PARTNERSHIP

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

1 Accounting policies (Continued)

Leased assets

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

Financial instruments

The Academy Trust has adopted Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Academy Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs). A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Stock

Unsold uniforms, textbooks and catering stocks are valued at the lower of cost and estimated selling price less costs to complete and sell.

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.

Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer 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 projected unit credit method. The TPS is a multi-employer scheme but 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 are recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

UNITY SCHOOLS PARTNERSHIP

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

1 Accounting policies (Continued)

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the DfE Group, as well as other third parties.

Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities.

The Academy Trust is also acting as an agent to distribute a one-off amount from the Combined Cadet Force Association. These funds are being held on behalf of the cadets and will be drawn down by the cadets from the Academy Trust. These funds have been excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds.

The funds received and paid and any balances held are disclosed in note 31.

Employee benefits

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and areas of judgement

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

UNITY SCHOOLS PARTNERSHIP

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

2 Critical accounting estimates and areas of judgement (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.

Local Government Pension Scheme defined benefit liability

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Church school land and buildings

On transfer of St Edward's Church of England Academy into the Academy Trust, a value was required to be attributed to the land and buildings occupied by the School, as it was considered that the substance of the arrangements relating to occupation of the site equate to ownership. As no previous valuations had been performed on the site, a Directors' valuation was used, based upon an existing School within the Academy Trust with a comparable PAN, and reflecting the location of the transferring site. Though assumptions have been applied, it is not considered that the resulting value reflected within these financial statements would result in a material difference from the transferring value of the site.

UNITY SCHOOLS PARTNERSHIP

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

3 Comparative year information

Year ended 31 August 2019	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed asset Funds £000	Total 2019 £000
Income and endowments from:				
Donations and capital grants	123	453	16,763	17,339
Donations - Transfer from local authority	18	(729)	11,605	10,894
Charitable activities:				
- Funding for educational operations	2,613	52,841	-	55,454
- Funding for teaching school	-	285	-	285
Other trading activities	1,278	108	-	1,386
Investments	3	-	-	3
Total	4,035	52,958	28,368	85,361
Expenditure on:				
Raising funds	228	4	-	232
Charitable activities:				
- Educational operations	2,727	54,664	7,714	65,105
- Teaching School	-	345	-	345
Total	2,955	55,013	7,714	65,682
Net income/(expenditure)	1,080	(2,055)	20,654	19,679
Transfers between funds	(577)	252	325	-
Other recognised gains/(losses)				
Actuarial losses on defined benefit pension schemes	-	(6,141)	-	(6,141)
Net movement in funds	503	(7,944)	20,979	13,538

4 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2020 £000	Total 2019 £000
Donated fixed assets	-	9,034	9,034	12,750
Capital grants	-	2,706	2,706	2,216
Other donations	101	51	152	2,373
	101	11,791	11,892	17,339

UNITY SCHOOLS PARTNERSHIP

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

5 Funding for the Academy Trust's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2020 £000	Total 2019 £000
DfE / ESFA grants				
General annual grant (GAG)	-	54,386	54,386	44,758
Start up grants	-	160	160	375
Other DfE group grants	-	6,956	6,956	4,267
	-	61,502	61,502	49,400
Other government grants				
Local authority grants	-	5,300	5,300	3,368
Exceptional government funding				
Coronavirus job retention scheme grant	58	-	58	-
Other Coronavirus funding	57	-	57	-
	115	-	115	-
Teaching School	-	251	251	285
Other incoming resources	2,158	54	2,212	2,686
	2,158	305	2,463	2,971
	2,273	67,107	69,380	55,739

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

The funding received for coronavirus exceptional support covers £57k of additional cleaning services and materials and supplies directly related to the protection of staff and children's costs. These costs are included in notes 8 and 10 below as appropriate.

The Academy Trust furloughed 19 of its staff under the government's Coronavirus Job Retention Scheme, predominantly in roles within catering, lettings, sports facilities and private nurseries. The funding received of £58k relates to staff costs in respect of 19 staff.

UNITY SCHOOLS PARTNERSHIP

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

6 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2020 £000	Total 2019 £000
Hire of facilities	301	-	301	383
Sale of goods	44	-	44	91
Other income	597	84	681	912
	<u>942</u>	<u>84</u>	<u>1,026</u>	<u>1,386</u>

7 Investment income

	Unrestricted funds £000	Restricted funds £000	Total 2020 £000	Total 2019 £000
Interest from short term deposits	9	-	9	3
	<u>9</u>	<u>-</u>	<u>9</u>	<u>3</u>

8 Expenditure

	Staff costs £000	Non Pay Premises £000	Expenditure Other £000	Total 2020 £000	Total 2019 £000
Expenditure on raising funds					
- Direct costs	80	-	83	163	232
Academy's educational operations					
- Direct costs	47,695	4,422	4,337	56,454	48,321
- Allocated support costs	11,206	6,736	3,784	21,726	16,784
Teaching School					
- Direct costs	208	-	11	219	142
- Allocated support costs	170	2	13	185	203
	<u>59,359</u>	<u>11,160</u>	<u>8,228</u>	<u>78,747</u>	<u>65,682</u>

UNITY SCHOOLS PARTNERSHIP

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

8 Expenditure (Continued)

Net income/(expenditure) for the year includes:	2020 £000	2019 £000
Operating lease rentals	485	386
Depreciation of tangible fixed assets	4,379	3,277
Amortisation of intangible fixed assets	56	47
(Gain)/loss on disposal of fixed assets	(13)	4,391
Impairment of freehold property	2,092	-
Net interest on defined benefit pension liability	359	284
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit services- statutory audit	69	58
- Other services	8	14
- Audit-related assurance	11	12
- All other taxation advisory	-	2

9 Charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2020 £000	Total 2019 £000
Direct costs				
Educational operations	1,072	55,382	56,454	48,321
Teaching School	-	219	219	142
Support costs				
Educational operations	1,165	20,561	21,726	16,784
Teaching School	-	185	185	203
	<u>2,237</u>	<u>76,347</u>	<u>78,584</u>	<u>65,450</u>

	Teaching School £000	Educational operations £000	Total 2020 £000	Total 2019 £000
Analysis of support costs				
Support staff costs	171	11,621	11,792	8,552
Impairment of freehold property	-	2,092	2,092	-
Premises costs	2	4,644	4,646	4,640
Legal costs	6	466	472	628
Other support costs	6	2,821	2,827	3,081
Governance costs	-	82	82	86
	<u>185</u>	<u>21,726</u>	<u>21,911</u>	<u>16,987</u>

UNITY SCHOOLS PARTNERSHIP

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

10 Staff

Staff costs

Staff costs during the year were:

	2020 £000	2019 £000
Wages and salaries	41,692	33,389
Social security costs	3,994	3,196
Pension costs	12,244	7,440
Staff costs - employees	57,930	44,025
Agency staff costs	1,203	1,219
Staff restructuring costs	226	93
	59,359	45,337
Staff development and other staff costs	671	366
Total staff expenditure	60,030	45,703
Staff restructuring costs comprise:		
Redundancy payments	6	6
Severance payments	220	86
Other restructuring costs	-	1
	226	93

No specific funding was received or receivable to support the payments disclosed above in respect of the current or prior year.

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £138,832 (2019: £19,099). Individually, the payments were: £28,453, £26,902, £19,400, £19,307, £15,459, £13,212, £9,793, £3,634 and £2,672.

Staff numbers

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

	2020 Number	2019 Number
Teachers	735	596
Administration and support	1,013	872
Management	35	28
	1,783	1,496

UNITY SCHOOLS PARTNERSHIP

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

10 Staff (Continued)

Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	31	20
£70,001 - £80,000	7	3
£80,001 - £90,000	7	8
£90,001 - £100,000	6	3
£100,001 - £110,000	1	-
£120,001 - £130,000	1	-
£150,001 - £160,000	1	1

Key management personnel

The key management personnel of the Academy Trust comprise the Directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and national insurance contributions) received by key management personnel for their services to the Academy Trust was £978,494 (2019: £869,588).

11 Central services

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

- Executive Team Leadership
- Targeted school improvement support – Science and Leadership
- Financial administration services, including hub finance support, in-house payroll service and transactional processing services
- Dedicated HR Services (HR transactional support, contract management, wellbeing, HR Helpdesk, recruitment and employee relations)
- Legal & Professional Services
- Teaching & Learning support including school reviews and access to learning advisors and a wide range of educational resources
- Centralised ICT
- Property Management and building condition improvement services
- Executive PA support
- A range of educational software licenses, packages and platforms available to all schools

The Academy Trust charges for these services on the following basis:

All academies were charged the same flat rate of 5.9% of their whole schools' general annual grant (GAG) funding, and a smaller percentage of some other recurrent grant funding (contribution for Trust IT was 0.5%).

UNITY SCHOOLS PARTNERSHIP

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

11 Central services (Continued)

The amounts charged during the year were as follows:

	2020 £000	2019 £000
Abbots Green Primary School	99	90
Burton End Primary Academy	92	86
County Upper School	52	-
Castle Manor Academy	210	177
Churchill Special Free School	97	91
Clements Primary Academy	79	69
Coupals Primary Academy	69	57
Ditton Lodge Primary School	48	45
Felixstowe Academy	372	-
Glemsford Primary Academy	58	50
Horringer Court Middle School	16	-
Houldsworth Valley Primary Academy	79	66
Kedington Primary Academy	48	43
Langer Primary School	48	-
Laureate Community Academy	65	61
Newmarket Academy	226	191
Place Farm Primary Academy	98	88
Samuel Ward Academy	395	365
St Edward's Church of England Academy	296	312
Steeple Bumpstead Primary School	45	41
Sybil Andrews Academy	220	180
The Bridge School	207	48
Thomas Gainsborough School	469	426
Tollgate Primary School	12	-
Wells Hall Primary School	101	93
Westfield Primary Academy	95	90
Westley Middle School	21	-
Wickhambrook Primary Academy	41	38
Woodhall Primary School	100	89
Teaching School	25	47
	<u>3,783</u>	<u>2,843</u>

UNITY SCHOOLS PARTNERSHIP

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

12 Directors' remuneration and expenses

One of the Directors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Chief Executive Officer only receives remuneration in respect of services provided in undertaking the role of Chief Executive Officer under his contract of employment, and not in respect of services as Trustee.

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

		2020 £	2019 £
Dr Tim Coulson	Remuneration	160,000	152,250
	Pension contributions	37,888	29,091

During the year ended 31 August 2020, travel and subsistence expenses totalling £3,233 (2019: £6,066) were reimbursed or paid directly to two Trustees (2019: one Trustee).

13 Directors 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 Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Directors and officers indemnity element from the overall cost of the RPA scheme.

14 Intangible fixed assets

	Computer software £000
Cost	
At 1 September 2019	292
Additions	24
	—
At 31 August 2020	316
	—
Amortisation	
At 1 September 2019	134
Charge for year	56
	—
At 31 August 2020	190
	—
Carrying amount	
At 31 August 2020	126
	—
At 31 August 2019	158
	—

UNITY SCHOOLS PARTNERSHIP

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

15 Tangible fixed assets

	Freehold property	Leasehold property	Computer equipment	Fixtures, fittings, plant and machinery	Assets under construction	Total
	£000	£000	£000	£000	£000	£000
Cost						
At 1 September 2019	84,706	102,281	2,524	3,458	2,077	195,046
Transfer of schools joining	-	57,827	64	227	-	58,118
Additions	679	9,742	530	1,002	1,120	13,073
Transfer between classes	(3,837)	6,050	550	(503)	(2,260)	-
Disposals	-	-	-	-	(10)	(10)
At 31 August 2020	81,548	175,900	3,668	4,184	927	266,227
Depreciation						
At 1 September 2019	4,706	3,256	1,515	1,180	-	10,657
Charge for the year	1,310	2,077	445	547	-	4,379
Transfer between classes	(73)	-	82	(9)	-	-
Impairment	-	2,092	-	-	-	2,092
At 31 August 2020	5,943	7,425	2,042	1,718	-	17,128
Net book value						
At 31 August 2020	75,605	168,475	1,626	2,466	927	249,099
At 31 August 2019	80,000	99,025	1,009	2,278	2,077	184,389

Transfer between classes relate to the transfer of assets under construction to their completed categories and to correct the classification of assets between leasehold and freehold.

The impairment loss of £2,145,785 on leasehold property has arisen on a building at The Bridge School which has been replaced by a newly built school building and the old building is due to be demolished. The cost has been recognised in expenditure on charitable activities - educational operations.

16 Stocks

	2020 £000	2019 £000
Goods for resale	31	43

UNITY SCHOOLS PARTNERSHIP

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

17 Debtors

	2020 £000	2019 £000
Trade debtors	364	174
VAT recoverable	580	573
Other debtors	31	86
Prepayments and accrued income	2,497	3,505
	<u>3,472</u>	<u>4,338</u>

18 Creditors: amounts falling due within one year

	2020 £000	2019 £000
Other loans	58	58
Trade creditors	2,605	2,196
Other taxation and social security	1,086	703
ESFA creditors - abatement of GAG	138	253
Other creditors	1,828	1,332
Accruals and deferred income (see note 20)	2,119	2,821
	<u>7,834</u>	<u>7,363</u>

Loans totalling £58,145 (2019: £58,145) are from ESFA in relation to Salix loans. No interest is charged on these loans and they are unsecured.

19 Creditors: amounts falling due after more than one year

	2020 £000	2019 £000
Other loans	<u>235</u>	<u>256</u>
Analysis of loans		
Wholly repayable within five years	293	314
Less: included in current liabilities	<u>(58)</u>	<u>(58)</u>
Amounts included above	<u>235</u>	<u>256</u>

UNITY SCHOOLS PARTNERSHIP

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

19	Creditors: amounts falling due after more than one year	2020	2019 (Continued)
	Loan maturity		
	Debt due in one year or less	58	58
	Due in more than one year but not more than two years	66	58
	Due in more than two years but not more than five years	126	130
	Due in more than five years	43	68
		<u>293</u>	<u>314</u>

Loans totalling £234,709 (2019: £255,420) are from ESFA in relation to Salix loans. No interest is charged on these loans and they are unsecured.

20	Deferred income	2020 £000	2019 £000
	Deferred income is included within:		
	Creditors due within one year	<u>1,218</u>	<u>1,046</u>
	Deferred income at 1 September 2019	1,046	897
	Released from previous years	(1,046)	(897)
	Resources deferred in the year	<u>1,218</u>	<u>1,046</u>
	Deferred income at 31 August 2020	<u><u>1,218</u></u>	<u><u>1,046</u></u>

At the reporting date the Academy Trust was holding funds received in advance for future school trips, rates relief, early years funding and universal infant free school meals funding.

UNITY SCHOOLS PARTNERSHIP

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

21 Funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2020 £000
Restricted general funds					
General Annual Grant (GAG)	(2,582)	54,764	(53,739)	(185)	(1,742)
Start up grants	164	160	(200)	-	124
Other DfE / ESFA grants	140	7,083	(6,916)	9	316
Other government grants	86	5,392	(5,158)	(82)	238
Teaching School	(87)	251	(404)	240	-
Other restricted funds	119	185	(307)	212	209
Pension reserve	(18,019)	(5,528)	(3,216)	(3,420)	(30,183)
	<u>(20,179)</u>	<u>62,307</u>	<u>(69,940)</u>	<u>(3,226)</u>	<u>(31,038)</u>
Restricted fixed asset funds					
Inherited on conversion	157,911	58,178	(4,736)	(17)	211,336
DfE group capital grants	6,335	2,706	(677)	(39)	8,325
Capital expenditure from GAG	1,428	-	(349)	287	1,366
Unspent capital grants	1,690	-	-	(470)	1,220
Overspent capital grants	(83)	-	-	(301)	(384)
Salix loans	(314)	-	-	59	(255)
Other capital income	18,943	9,056	(646)	885	28,238
	<u>185,910</u>	<u>69,940</u>	<u>(6,408)</u>	<u>404</u>	<u>249,846</u>
Total restricted funds	<u>165,731</u>	<u>132,247</u>	<u>(76,348)</u>	<u>(2,822)</u>	<u>218,808</u>
Unrestricted funds					
General funds	<u>2,215</u>	<u>3,467</u>	<u>(2,399)</u>	<u>(598)</u>	<u>2,685</u>
Total funds	<u>167,946</u>	<u>135,714</u>	<u>(78,747)</u>	<u>(3,420)</u>	<u>221,493</u>

UNITY SCHOOLS PARTNERSHIP

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

21 Funds (Continued)

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

General Annual Grant (GAG)

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the GAG that it could carry forward at 31 August 2020. The GAG fund remains in deficit with a recovery plan in place to reduce future expenditure and consider new funding opportunities. The deficit brought forward has been reduced in the current year and this is expected to continue in future years. It should be noted that the Trust has unrestricted funds in excess of the deficit on the GAG fund.

Start up grants

Start up grants relates to income received to cover the start up costs of schools on converting to an Academy.

Other DfE/ESFA grants

Other DfE/ESFA grants include:

- Pupil Premium must be used to support the cost of raising the attainment of disadvantaged pupils.
- Universal infant free school meals funding must be used to provide free school meals to infant school pupils.

Other government grants

Other government grants include:

- SEN funding which represents grants received in order to provide additional teaching resources for children with special learning needs. The cost of these teaching resources has been set against the income.
- Early years funding received for 3 and 4 year olds.
- Other lower level grants and donations received for a particular purpose. Any relevant costs have been offset against this income.

Teaching School

Teaching school grant is received from the ESFA and National College as part of the teaching school status. The teaching school status has ceased during the year, there was a deficit on the fund of £240k which has been transferred from GAG funding to clear the deficit.

Other restricted funds

Other restricted funds represent lower level grants and donations received for a particular purpose. Any relevant costs have been offset against this income.

Pension reserve

The Pension reserve represents the Academy Trust's net liability in respect of the Local Government Pension Scheme.

UNITY SCHOOLS PARTNERSHIP

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

21 Funds (Continued)

Restricted fixed asset funds

Restricted fixed asset funds include:

- Inherited on conversion relates to the assets transferred from predecessor schools upon joining the Academy Trust. Income relates to the value of assets transferred on schools joining the Academy Trust where the net transfer was recognised as a net gain in the statement of financial activities. Expenditure relates to depreciation in respect of these assets.
- DfE group capital grants relates to capital grants received during the year including devolved formula capital grants, schools condition allowance and healthy pupils capital fund.
- Capital expenditure from revenue funds includes fixed assets purchased by schools within the Academy Trust following conversion. Expenditure relates to depreciation charged on these assets.
- The overspent capital grants deficit will be cleared by funding instalments and transfers from unrestricted funds in future periods.
- Unspent capital grants relates to capital grants received which have not been spent at the year end.
- Salix loans represent the amounts owed in respect of loans taken out to fund the purchase of assets.
- Other capital income relates to capital donations and income from other sources.

Unrestricted funds

These funds relate to unrestricted income to be used to support the Academy Trust's objectives and educational activities.

Transfers

Transfers between funds during the year relate to fixed asset purchases from unrestricted income and GAG funding and allocation of capital grants and additions between restricted fixed asset funds.

Following a detailed review of the composition of funds in the previous year, a further transfer between funds has been made to correct the allocation of fund balances at the year end.

UNITY SCHOOLS PARTNERSHIP

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

21 Funds (Continued)

Funds prior year

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2019 £000
Restricted general funds					
General Annual Grant (GAG)	(3,357)	44,758	(44,221)	238	(2,582)
Start up grants	27	375	(228)	(10)	164
Other DfE / ESFA grants	239	4,267	(4,453)	87	140
Other government grants	179	3,368	(3,436)	(25)	86
Teaching School	(26)	285	(345)	(1)	(87)
Other restricted funds	72	638	(554)	(37)	119
Pension reserve	(9,369)	(733)	(1,776)	(6,141)	(18,019)
	<u>(12,235)</u>	<u>52,958</u>	<u>(55,013)</u>	<u>(5,889)</u>	<u>(20,179)</u>
Restricted fixed asset funds					
Transfer on conversion	162,858	11,605	(6,288)	(10,264)	157,911
DfE group capital grants	-	2,216	(582)	4,701	6,335
Capital expenditure from GAG	250	-	(313)	1,491	1,428
Unspent capital grants	2,117	-	-	(427)	1,690
Overspent capital grants	(27)	-	-	(56)	(83)
Salix loans	(267)	-	-	(47)	(314)
Other capital income	-	14,547	(531)	4,927	18,943
	<u>164,931</u>	<u>28,368</u>	<u>(7,714)</u>	<u>325</u>	<u>185,910</u>
Total restricted funds	<u>152,696</u>	<u>81,326</u>	<u>(62,727)</u>	<u>(5,564)</u>	<u>165,731</u>
Unrestricted funds					
General funds	<u>1,712</u>	<u>4,035</u>	<u>(2,955)</u>	<u>(577)</u>	<u>2,215</u>
Total funds	<u>154,408</u>	<u>85,361</u>	<u>(65,682)</u>	<u>(6,141)</u>	<u>167,946</u>

UNITY SCHOOLS PARTNERSHIP

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

21 Funds (Continued)

Total funds analysis by academy

	2020 £000	2019 £000
Fund balances at 31 August 2020 were allocated as follows:		
Abbots Green Primary School	-	(49)
Burton End Primary Academy	-	452
County Upper School	-	-
Castle Manor Academy	-	(438)
Churchill Special Free School	-	709
Clements Primary Academy	-	237
Coupals Primary Academy	-	389
Ditton Lodge Primary School	-	81
Felixstowe Academy	-	-
Glemsford Primary Academy	-	(33)
Horringer Court Middle School	-	-
Houldsworth Valley Primary Academy	-	307
Kedington Primary Academy	-	61
Langer Primary School	-	-
Laureate Community Academy	-	199
Newmarket Academy	-	(1,099)
Place Farm Primary Academy	-	440
Samuel Ward Academy	-	(2,225)
St Edward's Church of England Academy	-	358
Steeple Bumpstead Primary School	-	56
Sybil Andrews Academy	-	45
The Bridge School	-	(50)
Thomas Gainsborough School	-	260
Tollgate Primary School	-	-
Wells Hall Primary School	-	281
Westfield Primary Academy	-	654
Westley Middle School	-	-
Wickhambrook Primary Academy	-	32
Woodhall Primary School	-	290
Central Trust	1,830	(902)
Total before fixed assets fund and pension reserve	1,830	55
Restricted fixed asset fund	249,846	185,910
Pension reserve	(30,183)	(18,019)
Total funds	221,493	167,946

UNITY SCHOOLS PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

21 Funds (Continued)

In line with the new freedoms within the Academy Trust's Master Funding Agreement and with encouragement of the Department of Education, the Trust Board have decided to pool all reserves with effect from 12 December 2019. Accordingly, no surpluses or deficits are attributed to particular academies but all are held centrally.

In February 2020, the board agreed, following consulting with trust school leaders and governors, to adopt GAG pooling and also put in place the necessary appeal mechanism.

UNITY SCHOOLS PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

21 Funds (Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000	Total 2019 £000
Abbots Green Primary School	1,352	133	53	271	1,809	1,739
Burton End Primary Academy	1,215	113	53	206	1,587	1,574
County Upper School	684	84	17	(9)	776	-
Castle Manor Academy	2,516	539	149	456	3,660	3,306
Churchill Special Free School	1,182	90	17	120	1,409	1,367
Clements Primary Academy	1,055	121	62	197	1,435	1,352
Coupals Primary Academy	871	86	75	182	1,214	1,128
Ditton Lodge Primary School	678	60	29	152	919	927
Felixstowe Academy	4,491	668	155	767	6,081	-
Glemsford Primary Academy	802	79	38	127	1,046	983
Horringer Court Middle School	209	23	2	21	255	-
Houldsworth Valley Primary Academy	1,023	115	40	184	1,362	1,284
Kedington Primary Academy	559	53	31	176	819	823
Langer Primary School	558	76	54	143	831	-
Laureate Community Academy	914	76	28	156	1,174	1,171
Newmarket Academy	2,629	437	131	477	3,674	3,761
Place Farm Primary Academy	1,293	148	72	254	1,767	1,672
Samuel Ward Academy	4,737	680	199	686	6,302	6,269
St Edward's Church of England Academy	3,540	655	131	777	5,103	5,741
Steeple Bumpstead Primary School	583	92	24	84	783	760
Sybil Andrews Academy	2,434	361	110	612	3,517	3,388
The Bridge School	2,850	273	101	411	3,635	963
Thomas Gainsborough School	5,868	920	338	874	8,000	7,745
Tollgate Primary School	159	22	1	18	200	-
Wells Hall Primary School	1,390	191	55	163	1,799	1,772
Westfield Primary Academy	1,267	142	44	257	1,710	1,712
Westley Middle School	294	29	7	38	368	-

UNITY SCHOOLS PARTNERSHIP

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

21 Funds

	Teaching and educational support staff £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000	Total 2019 £000
						(Continued)
Wickhambrook Primary Academy	543	45	24	113	725	695
Woodhall Primary School	1,499	119	69	232	1,919	1,706
Central Trust	4,739	1,668	93	1,855	8,355	6,130
	<u>51,934</u>	<u>8,098</u>	<u>2,202</u>	<u>10,000</u>	<u>72,234</u>	<u>57,968</u>

22 Analysis of net assets between funds

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Fund balances at 31 August 2020 are represented by:				
Intangible fixed assets	-	-	126	126
Tangible fixed assets	-	-	249,099	249,099
Current assets	2,447	7,037	1,036	10,520
Creditors falling due within one year	(7)	(7,647)	(180)	(7,834)
Creditors falling due after one year	-	-	(235)	(235)
Defined benefit pension liability	-	(30,183)	-	(30,183)
Total net assets	<u>2,440</u>	<u>(30,793)</u>	<u>249,846</u>	<u>221,493</u>

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
Fund balances at 31 August 2019 are represented by:				
Intangible fixed assets	-	-	158	158
Tangible fixed assets	-	-	184,389	184,389
Current assets	2,894	4,466	1,677	9,037
Creditors falling due within one year	(679)	(6,626)	(58)	(7,363)
Creditors falling due after one year	-	-	(256)	(256)
Defined benefit pension liability	-	(18,019)	-	(18,019)
Total net assets	<u>2,215</u>	<u>(20,179)</u>	<u>185,910</u>	<u>167,946</u>

23 Capital commitments

The Academy Trust had capital commitments relating to school improvement works of £691,019 (2019: £678,247) at 31 August 2020.

UNITY SCHOOLS PARTNERSHIP

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

24 Commitments under operating leases

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

	2020 £000	2019 £000
Amounts due within one year	508	463
Amounts due between one and five years	337	529
	<u>845</u>	<u>992</u>

25 Reconciliation of net income to net cash flow from operating activities

	2020 £000	2019 £000
Net income for the reporting period (as per the Statement of Financial Activities)	56,967	19,679
Adjusted for:		
Net surplus on conversion to academy	-	(10,894)
Net surplus on transfer of academy in the Academy Trust	(53,407)	-
Capital grants from DfE and other capital income	(11,762)	(16,763)
Interest receivable	(9)	(3)
Defined benefit pension scheme costs less contributions payable	2,857	1,492
Defined benefit pension scheme finance cost	359	284
Depreciation of tangible fixed assets	4,379	3,277
Amortisation of intangible fixed assets	56	47
Profit/(loss) on disposal of fixed assets	(13)	4,391
Impairment losses on tangible fixed assets	2,092	-
Movements in working capital:		
Decrease in stocks	12	36
Decrease/(increase) in debtors	866	(114)
Increase/(decrease) in creditors	1,513	(218)
Stocks, debtors and creditors transferred on conversion	(235)	-
Net cash provided by operating activities	<u>3,675</u>	<u>1,214</u>

UNITY SCHOOLS PARTNERSHIP

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

26 Analysis of changes in net funds

	1 September 2019 £000	Cash flows £000	Other non- cash changes £000	31 August 2020 £000
Cash	4,656	2,361	-	7,017
Loans falling due within one year	(58)	59	(59)	(58)
Loans falling due after more than one year	(256)	(38)	59	(235)
	<u>4,342</u>	<u>2,382</u>	<u>-</u>	<u>6,724</u>

27 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. 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 £1,236,142 were payable to the schemes at 31 August 2020 (2019: £755,194) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 2014.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer.

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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 except it has been prepared following the Government's decision to pause the operation of the cost control mechanisms at the time when legal challenges were still pending. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI

UNITY SCHOOLS PARTNERSHIP

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

27 Pension and similar obligations (Continued)

As a result of the valuation, new employer contribution rates were set at 23.68% (including a 0.08% administration levy) of pensionable pay from September 2019 onwards (compared to 16.48% during 2019/20). The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £6,318,421 (2019: £3,587,520).

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are listed below for employers and 5.5% - 12.5% for employees.

	2020 %
Suffolk County Council	23.5
Cambridgeshire County Council	23.9
London Borough of Havering	21.5
Essex County Council	24.46

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

	2020 £000	2019 £000
The deficit for the year is allocated:		
Suffolk County Council	26,164	14,342
Cambridgeshire County Council	581	488
London Borough of Havering	2,859	2,674
Essex County Council	579	515
	<u>30,183</u>	<u>18,019</u>
Total contributions made	2020 £000	2019 £000
Employer's contributions	3,236	2,379
Employees' contributions	759	581
	<u>3,995</u>	<u>2,960</u>

UNITY SCHOOLS PARTNERSHIP

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

27 Pension and similar obligations (Continued)

Local Government Pension Scheme - Suffolk County Council

During the year six schools transferred into the Academy Trust. The obligation in respect of employees who transferred to the Academy Trust representing their cumulative service to the predecessor employer was recognised in the Statement of Financial Activities as part of the gain on transfer as set out in note 33.

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 August 2020 by a qualified independent actuary.

	2020 %	2019 %
Rate of increase in salaries	2.9	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.8

The assumed life expectations on retirement age 65 are:

	2020 Years	2019 Years
Retiring today		
- Males	21.9	21.3
- Females	24.1	23.5
Retiring in 20 years		
- Males	22.7	22.3
- Females	25.6	24.9

The Academy Trust's share of the assets in the scheme

	2020 Fair value £000	2019 Fair value £000
Equities	24,958	11,301
Bonds	10,998	6,103
Property	3,807	4,973
Other assets	2,538	226
Total fair value of assets	42,301	22,603

The actual return on scheme assets was £5,298,000 (2019: £1,043,000).

UNITY SCHOOLS PARTNERSHIP

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

27 Pension and similar obligations (Continued)

Amount recognised in the Statement of Financial Activities	2020 £000	2019 £000
Current service cost	5,612	3,214
Net interest cost	291	214
Plan introductions, changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	136
Total operating charge	5,903	3,564
Changes in the present value of defined benefit obligations	2020 £000	2019 £000
At 1 September 2019	36,945	24,840
Obligations acquired on conversion	16,618	1,901
Current service cost	5,612	3,214
Interest cost	745	758
Employee contributions	699	511
Actuarial loss	8,193	5,727
Benefits paid	(347)	(142)
Past service cost	-	136
At 31 August 2020	68,465	36,945
Changes in the fair value of the Academy Trust's share of scheme assets	2020 £000	2019 £000
At 1 September 2019	22,603	17,934
Assets acquired on conversion	11,090	1,168
Interest income	454	544
Return on plan assets (excluding net interest on the net defined pension liability)	4,844	499
Employer contributions	2,958	2,089
Employee contributions	699	511
Benefits paid	(347)	(142)
At 31 August 2020	42,301	22,603

UNITY SCHOOLS PARTNERSHIP

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

27 Pension and similar obligations (Continued)

Local Government Pension Scheme - Cambridgeshire County Council

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 August 2020 by a qualified independent actuary.

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

The assumed life expectations on retirement age 65 are:

	2020 Years	2019 Years
Retiring today		
- Males	22.0	21.5
- Females	24.0	23.5
Retiring in 20 years		
- Males	22.7	22.4
- Females	25.5	24.9

The Academy Trust's share of the assets in the scheme

	2020 Fair value £000	2019 Fair value £000
Equities	285	261
Bonds	45	46
Property	61	38
Other assets	16	3
Total fair value of assets	407	348

The actual return on scheme assets was (£1,000) (2019: £14,000).

Amount recognised in the Statement of Financial Activities

	2020 £000	2019 £000
Current service cost	100	82
Net interest cost	10	9
Plan introductions, changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	3
Total operating charge	110	94

UNITY SCHOOLS PARTNERSHIP

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

27 Pension and similar obligations (Continued)

Changes in the present value of defined benefit obligations	2020 £000	2019 £000
At 1 September 2019	836	578
Current service cost	100	82
Interest cost	17	17
Employee contributions	13	13
Actuarial loss	24	143
Benefits paid	(2)	-
Past service cost	-	3
At 31 August 2020	988	836

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

	2020 £000	2019 £000
At 1 September 2019	348	269
Interest income	7	8
Return on plan assets (excluding net interest on the net defined pension liability)	(8)	6
Employer contributions	49	52
Employee contributions	13	13
Benefits paid	(2)	-
At 31 August 2020	407	348

Local Government Pension Scheme - London Borough of Havering

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 August 2020 by a qualified independent actuary.

	2020 %	2019 %
Rate of increase in salaries	3.0	2.6
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.7	1.8

UNITY SCHOOLS PARTNERSHIP

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

27 Pension and similar obligations (Continued)

The assumed life expectations on retirement age 65 are:

	2020 Years	2019 Years
Retiring today		
- Males	21.6	21.1
- Females	23.7	23.3
Retiring in 20 years		
- Males	22.4	22.2
- Females	25.2	24.8

The Academy Trust's share of the assets in the scheme

	2020 Fair value £000	2019 Fair value £000
Equities	2,004	2,257
Bonds	1,470	1,345
Property	712	304
Other assets	267	434
Total fair value of assets	4,453	4,340

The actual return on scheme assets was (£30,000) (2019: £294,000).

Amount recognised in the Statement of Financial Activities

	2020 £000	2019 £000
Current service cost	289	304
Net interest cost	49	51
Plan introductions, changes, gain/(loss) on curtailment and gain/(loss) on settlement	26	56
Total operating charge	364	411

Changes in the present value of defined benefit obligations

	2020 £000	2019 £000
At 1 September 2019	7,014	5,651
Current service cost	289	304
Interest cost	129	162
Employee contributions	39	48
Actuarial (gain)/loss	(93)	887
Benefits paid	(92)	(94)
Past service cost	26	56
At 31 August 2020	7,312	7,014

UNITY SCHOOLS PARTNERSHIP

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

27 Pension and similar obligations (Continued)

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

	2020 £000	2019 £000
At 1 September 2019	4,340	3,890
Interest income	80	111
Return on plan assets (excluding net interest on the net defined pension liability)	(110)	183
Employer contributions	196	202
Employee contributions	39	48
Benefits paid	(92)	(94)
At 31 August 2020	<u>4,453</u>	<u>4,340</u>

Local Government Pension Scheme - Essex County Council

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 August 2020 by a qualified independent actuary.

	2020 %	2019 %
Rate of increase in salaries	3.30	3.70
Rate of increase for pensions in payment/inflation	2.30	2.20
Discount rate for scheme liabilities	<u>1.60</u>	<u>1.85</u>

The assumed life expectations on retirement age 65 are:

	2020 Years	2019 Years
Retiring today		
- Males	21.8	21.3
- Females	23.8	23.6
Retiring in 20 years		
- Males	23.2	23.0
- Females	<u>25.2</u>	<u>25.4</u>

UNITY SCHOOLS PARTNERSHIP

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

27 Pension and similar obligations (Continued)

The Academy Trust's share of the assets in the scheme	2020 Fair value £000	2019 Fair value £000
Equities	284	270
Bonds	26	24
Gilts	20	23
Property	36	34
Other assets	94	76
Total fair value of assets	460	427

The actual return on scheme assets was £11,000 (2019: £31,000).

Amount recognised in the Statement of Financial Activities	2020 £000	2019 £000
Current service cost	66	65
Net interest cost	9	10
Plan introductions, changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	11
Total operating charge	75	86

Changes in the present value of defined benefit obligations	2020 £000	2019 £000
At 1 September 2019	942	744
Current service cost	66	65
Interest cost	17	20
Employee contributions	8	9
Actuarial loss	24	93
Benefits paid	(18)	-
Past service cost	-	11
At 31 August 2020	1,039	942

UNITY SCHOOLS PARTNERSHIP

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

27 Pension and similar obligations (Continued)

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

	2020 £000	2019 £000
At 1 September 2019	427	351
Interest income	8	10
Return on plan assets (excluding net interest on the net defined pension liability)	2	21
Employer contributions	33	36
Employee contributions	8	9
Benefits paid	(18)	-
At 31 August 2020	460	427

28 Members' liability

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

29 Post balance sheet events

After the year end, Sir Bobby Robson School joined Unity School Partnership on 1 September 2020.

30 Related party transactions

No related party transactions took place in the period of account, other than certain Directors' remuneration and expenses already disclosed in note 12.

31 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020, the Academy Trust received £46,457 (2019: £43,780) and disbursed £27,795 (2019: £28,370) from the fund. An amount of £158,130 (2019: £139,468) is included in other creditors relating to undistributed funds that is repayable to ESFA.

As at 31 August 2020, the Academy Trust has included £25,508 (2019: £25,508) in other creditors as a one-off amount from Combined Cadet Force Association. These funds are being held on behalf of the cadets and will be drawn down by the cadets upon application to the Academy trust. During the year ending 31 August 2020, the Academy Trust disbursed £Nil (2019: £Nil) from the fund.

UNITY SCHOOLS PARTNERSHIP

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

32 Teaching School trading account

	2020		2019	
	£000	£000	£000	£000
Direct income				
External funding		60		156
Other direct income		191		129
		<u>251</u>		<u>285</u>
Total income		251		285
Direct costs				
Direct staff costs	208		113	
Staff development	(2)		13	
Other direct costs	8		10	
Technology costs	4		1	
Educational supplies and services	-		1	
Educational consultancy	1		4	
	<u>219</u>		<u>142</u>	
Other costs				
Support staff costs	171		101	
Maintenance of premises and equipment	2		-	
Catering	4		-	
Other support costs	2		77	
Share of governance costs	6		25	
	<u>185</u>		<u>203</u>	
Total expenditure		(404)		(345)
Transfers between funds excluding depreciation		240		(1)
		<u>87</u>		<u>(61)</u>
Surplus/(deficit) from all sources		87		(61)
Teaching School balances at 1 September 2019		(87)		(26)
Teaching School balances at 31 August 2020		<u>-</u>		<u>(87)</u>

33 Transfer of existing academies into the Academy Trust

Felixstowe Academy and Langer Primary Academy

On 1 September 2019 Felixstowe Academy and Langer Primary Academy transferred from Academies Enterprise Trust and all the operations and assets and liabilities were transferred to Unity Schools Partnership for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer of existing academy into the trust.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

UNITY SCHOOLS PARTNERSHIP

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

33 Transfer of existing academies into the Academy Trust (Continued)

	Transfer in recognised £000
Net assets acquired	
Leasehold land and buildings	24,605
Other tangible fixed assets	25
Cash and cash equivalents	63
Pension scheme	(2,598)
Total net assets	22,095

There were no fair value adjustments required to the values reported by the transferring trust.

Bury St Edmunds County Upper School, Horringer Court Middle School, Tollgate Primary School and Westley Middle School

On 1 July 2020 Bury St Edmunds County Upper School, Horringer Court Middle School, Tollgate Primary School and Westley Middle School transferred from Bury St Edmunds Academy Trust and all the operations and assets and liabilities were transferred to Unity Schools Partnership for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer of existing academy into the trust.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Value reported by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
Net assets acquired			
Leasehold land and buildings	32,460	762	33,222
Other tangible fixed assets	375	(109)	266
Debtors	293	-	293
Creditors	(528)	-	(528)
Cash and cash equivalents	989	-	989
Pension scheme	(2,930)	-	(2,930)
Total net assets	30,659	653	31,312