



**GLF Schools**

**(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**Year ended 31 August 2021**

**Company Registration Number:  
07551959 (England and Wales)**

**Period of account: 1 September 2020 - 31 August 2021**

## **GLF Schools**

### **Contents**

---

<b>Item</b>	<b>Page</b>
Reference and Administrative Details	1
Trustees' Report	3
Governance Statement	24
Statement on Regularity, Propriety and Compliance	32
Statement of Trustees' Responsibilities	33
Independent Auditor's Report on the Financial Statements	34
Independent Reporting Accountant's Assurance Report on Regularity	38
Statement of Financial Activities incorporating Income & Expenditure Account	40
Comparative Statement of Financial Activities	41
Balance Sheet	42
Statement of Cash Flows	43
Notes to the Financial Statements, incorporating:	44
Statement of Accounting Policies	
Other Notes to the Financial Statements	

**Members**

Jackie Adams  
Mark Allen (until 11/02/21)  
Robin Cayley (appointed 04/06/21)  
David Moss  
Steven Reid (appointed 04/06/21)  
Matt Taylor  
Denis Ward (until 12/11/20)

**Trustees**

Jackie Adams  
Ejaz Ali (from 17/10/21)  
Adam Braithwaite (until 31/08/21)  
Stephen Brown (from 01/09/21)  
Martin Burke  
Colin Charles  
Kieran Cooke (from 01/10/20)  
Bruce Ely-Johnston (until 16/10/21)  
Daria Kuznetsova (from 01/10/20)  
Helen Mannion (until 31/08/21)  
Teresa Mellor  
Gabrielle O'Meara (from 01/09/21)  
Lynne O'Reilly (Chair)

Membership of the Trustee Committees can be seen in the Governance Statement

**Company Secretary**

Sarah Lynagh (until 27/01/2021)  
Annette Wiles (from 27/01/2021)

**Trust Executive Leadership Team**

- |   |                    |
|---|--------------------|
| • Chief Executive Officer                                 | Jon Chaloner       |
| • Education Director                                      | Russell Bennett    |
| • Chief Operating Officer                                 | Sarah Lynagh       |
| • Finance Director (until 31/12/20), CFO (until 31/10/20) | Wendy Lincoln      |
| • Chief Financial Officer (from 01/11/20)                 | Andrew Lynn        |
| • People Director   | Maria-Cicero Scott |
| • Chief Information Officer                               | James Munro        |
| • Estates Director  | Nick Murza         |
| • Business and Operations Director (from 01/09/21)        | Janet Miall        |
| • Business and Operations Director (from 01/09/21)        | Leisa Sleat        |

## GLF Schools

### Reference and Administrative Details (continued)

---

Company Name	GLF Schools
Principal and Registered Office	The Beacon School Picquets Way Banstead SM7 1AG
Company Registration Number	07551959 (England and Wales)
Independent Auditor (until 16/06/21)	Critchleys Audit LLP Beaver House 23-38 Hythe Bridge Street Oxford OX1 2EP
Independent Auditor (from 02/06/21)	MHA MacIntyre Hudson Building 4, Fountain Park Roxborough Way Maidenhead SL6 3UD
Bankers	Lloyds Banking Plc 402/404 Ewell Road Tolworth Surrey KT6 7HG  HSBC Bank Plc Croydon Central Branch 9 Wellesley Road Croydon Surrey CR9 2AA
Solicitors (until 30/11/20)	Winkworth Sherwood LLP Minerva House 5 Montague Close London SE1 9BB
Solicitors (from 01/12/20)	Browne Jacobsen LLP 6 Bevis Marks London EC3A 7BA

## **GLF Schools**

### **Trustees' Report**

---

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

GLF Schools comprised 41 schools across 7 Local Authority areas at the end of 31st August 2021; the 2020-21 academic year.

GLF Schools had a combined pupil capacity of 18,471 and had a roll of 16,777 in the school census on 7 October 2021.

In September 2020 Cherry Fields Primary School, a new school in Banbury, was opened.

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

#### **Constitution**

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

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

#### **Members' Liability**

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

#### **Trustees' Indemnities**

There were no provisions required for third party indemnity. In accordance with normal commercial practice, the academy trust purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business.

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

The Articles of Association provide for three categories of trustee: non-executive trustees, the CEO and parent trustees.

Non-executive trustees are appointed based on their skills. When vacancies arise, new trustees are appointed by advertising to local community groups and businesses dependent on the skills needed, advertising nationally, or by using the Academy Ambassadors programme. An interview process is undertaken by a sub-committee of the Board of trustees.

The Articles set out that parent trustees are not required if parent representation is in place within the School Standards Boards (SSB), which it is. Each SSB has two parent members who are nominated from within the parent community and subject to an election where required.

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

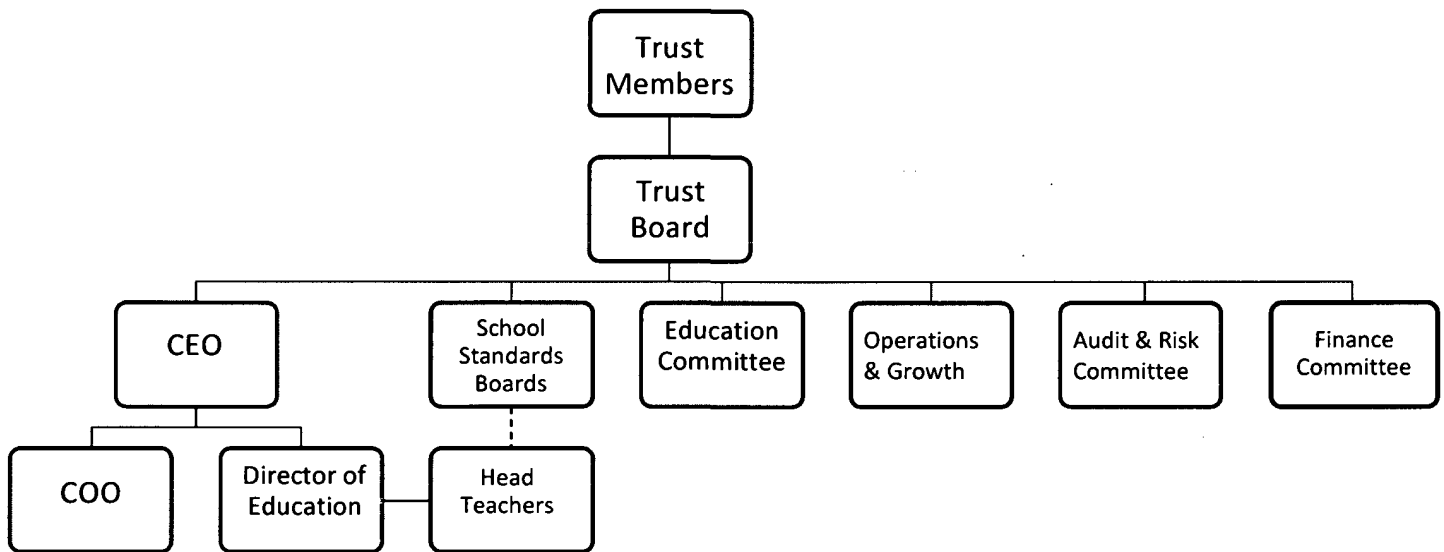
An induction programme is in place for new trustees, which includes the provision of key documentation, the opportunity to engage with members of the Executive team and the appointment of a mentor from among the existing trustees. A key expectation covered as part of the induction process is the 'Seven Principles of Public Life'.

The induction process will then continue with visits to some of our schools and/or attendance at some SSB meetings.

Trustees are expected to attend training and networking events as appropriate to their area of expertise, and are welcome to all committee meetings as observers to gain a deeper understanding of the organisation.

### Organisational Structure

The governance structure of the Trust is shown below:



A Scheme of Delegated Authority is in place which sets out the responsibilities of all levels of governance within the Trust and includes an appendix which clearly shows the accountability of each body.

The School Standards Board (SSB) is responsible for providing effective support and challenge to school leaders on the educational provision of their school(s), and for supporting the Trust Board in ensuring effective governance of the Trust. The Trust Board is responsible for approving the appointment of Chairs of SSBs.

The CEO has responsibility for the appointment of all Headteacher posts. The Trustees are responsible for trust-wide policies and for any changes to Admissions arrangements for any schools within the trust.

The CEO is the Accounting Officer. The Scheme of Financial Delegated Authority and GLF finance policies set out authorisation levels for the schools and the Trust team. Within schools, some spending control is devolved to appointed budget holders, with limits above which a senior manager must countersign. During the year to 31 August 2021, senior managers were Executive Headteacher, Headteacher, Head of School, Deputy Headteacher or Assistant Headteacher (depending on the size of the schools).

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

There is no pay and remuneration in place for trustees, other than the opportunity to claim expenses (as set out in the Trust's 'Trustees and Governors Allowances Policy') and none were claimed during 2020-21.

## GLF Schools

### Trustees' Report (continued)

Pay and remuneration of the CEO is set by the Board of Trustees, which delegates this to a separate remuneration committee, which also determines pay and remuneration for the executive team. All pay and remuneration is set with reference to the Trust's Pay Policies, Teachers Pay and Conditions (where applicable) and subject to benchmarking with other Trusts, where data is available within annual accounts or recruitment material.

Pay and remuneration for headteachers is again set with reference to Teachers Pay and Conditions and the Trust's pay policy. Oversight of pay and remuneration across the Trust is performed by the Operations and Growth committee.

#### Trade Union Facility Time (for period 1 April 2020 to 31 March 2021)

##### Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
6	4.75

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

Percentage of time	Number of employees
0%	-
1%-50%	6
51%-99%	-
100%	-

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

Provide the total cost of facility time	£12,791.08
Provide the total pay bill	£53,765,809
Provide the percentage of the total pay bill spent on facility time	0.02%

##### Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
---	----



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

GLF Schools provides services to other schools and academy trusts, primarily education support services. In 2020-21 this included support to the Salterns Academy Trust.

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

GLF Schools is committed to providing equal opportunities for all staff and prospective employees and seeks to eliminate unlawful discrimination in all aspects of employment including recruitment, promotion, opportunities for training, pay and benefits, discipline and selection for redundancy.

This is evident throughout the Trust's Equal Opportunities and Dignity at Work policy, and the Trust's Recruitment and Selection policy.

GLF Schools seeks to maintain positive relationships with employees through provision of information and consultation where appropriate. The Trust has a Trade Union Recognition & Facilities Agreement with the major teaching and support staff unions: NEU (formerly NUT and ATL), ASCL, NAHT, NASUWT, VOICE, UNISON and GMB, and meets regularly with representatives. During 2020-21 the Trust has consulted with all staff in respect of the pay policy and with staff at individual schools in the case of specific staffing restructures. Unions were advised of all such consultations.

GLF Schools engages in regular communication with employees, via written communication and forums, and this has been especially important during 2020-21 during the Covid-19 pandemic. The Trust has recently improved its intranet to support future employee engagement.

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

GLF Schools seeks to foster positive business relationships with suppliers and customers and engages the following principles to support this:

- transparent and respectful communication with all parties;
- transparent procurement policies and adherence to these;
- published payments practices reporting;
- regular service meetings for key contracts.

This approach has been particularly important during the Covid-19 pandemic in 2020-21 in order to maintain our relationships with our suppliers and customers, whilst at the same time protecting our own financial position.

## GLF Schools

### Trustees' Report (continued)

---

#### Objectives and Activities

##### Objects and Aims

The Academy Trust's objects, as set out in the Articles, are:

- a) advancing for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum; and
- b) promoting for the benefit of the inhabitants of the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

GLF Schools' aims are that:

- *every child* feels valued and enabled to achieve to their full potential no matter what their socio-economic background;
- *all children* will **enjoy** their learning, **attain** high outcomes and be supported to become **confident** individuals and **responsible** citizens whilst making **excellent progress** in all respects;
- *all children* will benefit from an **inclusive** non-selective ethos, **excellent teaching** and a **broad and balanced** curriculum underpinned by **strong leadership**, in a local school;
- *all children* will be supported and encouraged to lead **healthy and active lives**, making sensible choices whilst respecting the views and attitudes of others.

Our mission is “to be a supportive family of schools where together we grow, learn and flourish”; through combining the strength and talents of the whole Trust we aim to make every school stronger for being part of GLF and so that every child's education benefits.

#### Objectives, Strategies and Activities

The Trust Board and the executive team have developed a three-year strategy covering the period to end of AY 2021/2022. Our strategic aims are:

SA1: To ensure high quality education provision, enabling all pupils and students to achieve their potential and contribute successfully to society.

SA2: The Trust will enable its people to successfully perform their roles and progress their careers. We will embed rigorous performance development standards for all colleagues to retain the highest calibre colleagues to work in our Trust.

SA3: Our operations teams will provide effective support. We will ensure that our schools maximise their resources, to deliver excellent education and to ensure that GLF Schools is a financially viable and sustainable Trust.

Priority objectives for FY 2020-21, the second year of the strategy, were:

- to ensure that our curriculum provision is consistently excellent and built on clear and coherent principles, adapted precisely for schools' unique contexts;
- to support pupils and staff during the COVID pandemic and ensure continued high quality education for pupils, whether in school or remote.
- to ensure that the Trust offers pay and reward arrangements which support successful staff recruitment and retention and demonstrate the Trust's commitment to equality; and
- to develop an income generation strategy to ensure all available funding is secured.

For the coming year, in addition to continued focus on the above, key objectives are:

- to provide additional, wider support for all pupils, but especially more vulnerable learners, to safeguard wellbeing and mental health, and enable all pupils to be successful in their next step in education, training or employment;
- through the newly established West Sussex Teaching School Hub, support schools and trusts to invest in and develop their workforce, and establish a network to spread excellent practice; and
- strengthening our culture in relation to Diversity and Inclusion.

### **Public Benefit**

The trustees of GLF Schools confirm that they have complied with their duty in Section 17(5) of the 2011 Charities Act to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

As stated in the Objects and Aims above, GLF Schools exists to advance education for the public benefit. The trustees ensure that the admissions arrangements for all schools within the Trusts adhere to the Schools' Admissions Code. All schools within the Trust adopt admissions arrangements which ensures they serve their local communities. Schools within the Trust serve diverse catchment areas.

The secondary object of the Trust is to promote the use of its facilities for the benefit of the inhabitants of the areas surrounding each school. Trustees ensure that appropriate policies and procedures are in place to support schools that provide community use of its facilities, ideally with a focus on parental engagement and provision of extra-curricular activities for pupils from disadvantaged backgrounds.

GLF Schools has not made any charitable donations from monies received by way of funding from the Education Skills Funding Agency, Department for Education or any other Government Grant. However, during the year the pupils have carried out charitable fund-raising activities (e.g. Christmas Fair, sponsored events, cake making, fun days, and raffles) and have donated the funds raised, in full, to a wide range of local, national and international charities. The Trust is developing a fundraising strategy and will further develop its fundraising activities and community partnership work during 2021-22, with a focus on opportunities for more vulnerable families.

**Strategic Report**

**Achievements and Performance**

The Covid-19 pandemic continued to have a significant impact on schools during financial year 2020/21. Periods of national lockdown again meant that schools had to close with only a few days' notice and transfer to the remote delivery of education. All public tests/exams were cancelled, and ultimately GCSE and A Level results were awarded based on Teacher Assessed Grades, using a completely new and untried system and creating uncertainty for students, parents and staff. Notwithstanding this, the Trust has made good progress against its strategic objectives for the year.

**To ensure that our curriculum provision is consistently excellent and built on clear and coherent principles, adapted precisely for schools' unique contexts:**

- post-Covid re-engagement curriculum principles had been developed and disseminated prior to the start of the academic year. Considerable work has been done to ensure these are now embedded in all schools. There is focus on basic skills, re-establishing relationships, identifying academic gaps and prioritising the curriculum to meet the needs of the individual cohorts;
- Trust-wide curricular principles had been developed to underpin the core curriculum. Work has gone on across both phases with different stakeholders to develop the GLF Pillars of Education. These pillars will complement the Trust's vision and values, and connect our schools, whilst preserving their unique identities to meet the needs of their local communities. The three pillars are (1) Ambition and Excellence; (2) Collaboration; (3) Relationships and Belonging; and
- an evaluation of the provision for subject development/CPD through learning and teaching leads took place which led to a revised strategy. Extra capacity has also been added to the Trust's subject leadership to sharpen and strengthen the support.

**To support pupils and staff during the COVID pandemic and ensure continued high-quality education for pupils, whether in school or remote:**

- the LMT Response committee has continued to meet daily during the pandemic to review latest guidance and the emerging situation in the Trust and provide a daily bulletin or advice and guidance to schools;
- lessons learned from the first national lockdown were incorporated into the remote education provision during subsequent lockdowns leading to an improved experience for the pupils; and
- all schools have placed an even greater focus on pastoral support for pupils and staff, to safeguard wellbeing and mental health, with support from the central education team.

**To ensure that the Trust offers pay and reward arrangements which support successful staff recruitment and retention and demonstrate the Trust's commitment to equality:**

- a new Associate Staff pay policy has been implemented, ensuring consistency across the Trust; and
- a review of the Trust's rewards policy took place. A working party with representation from trustees, executive leaders, headteacher and operations leaders has been established to ensure rewards are equitable, transparent, competitive and affordable.

**To develop an income generation strategy to ensure all available resource is secured:**

- considerable work has gone into developing a community fundraising vehicle for the Trust, aimed at improving life chances for our pupils in 21st Century. This has already resulted in a number of donations and activities that have enabled some of our pupils, especially those who are disadvantaged, to take part in trips, activities or sports that they otherwise would not have been able to. This work will continue in the next academic year;
- the marketing strategy for the Trust, regions and clusters (including community profiling & USPs) has been refined, and extra marketing capacity has been added to the Trust central team. This is aimed at supporting the school to increase numbers on roll and to carry out fundraising activities; and
- work has started on developing a strategy to make more effective use of the Trust's estate, both to generate funds for the Trust and to enable greater community use of the facilities.

**Key Performance Indicators****Ofsted inspections 2020-21**

On 17 March 2020, all routine inspections were suspended due to the COVID-19 pandemic. In autumn 2020, interim monitoring visits to schools started, Ofsted stating that this was to enable them to fully understand the impact of COVID-19 and report on this as part of their national research programme. Cordwalles Junior School was the only GLF school to receive a in monitoring visit in December 2020. No judgements were made on such visits, and no concerns were raised in relation to the Cordwalles provision.

From January 2021 for the remainder of the academic year, Ofsted carried out additional monitoring inspections of schools judged as requires improvement (RI) or inadequate. Even though we have five schools that are judged as RI, we did not receive any additional monitoring inspections.

**GLF validation**

Last academic year the Education Team carried out a number of School Effectiveness Reviews (SERs) both remotely and in person. Schools were identified based on our internal RAG document and assessment. Twelve primary schools and three secondary schools were additionally monitored internally during the summer term 20/21 in order to ascertain the progress made towards the key priorities and the impact of the pandemic. During lockdown a number of remote learning reviews also took place to validate the quality of the remote learning provision.

**Prioritisation curriculum and re-engagement - March 2021**

From 8th March 2020 to 8th March 2021, most pupils experienced 16/17 weeks of face-to-face teaching and 23/22 weeks of learning remotely. This equates to 60% of their curriculum being delivered while they were learning at home. While there were concerns about how children 'catch up' on 'lost' learning and 'cover the curriculum' by the end of the year, we advised schools to prioritise their curriculum, making it bespoke to their children, while prioritising the most important concepts, knowledge and skills in order to ready children for the next stage of their education.

## **GLF Schools**

### **Trustees' Report (continued)**

---

#### **Primary performance data**

National/statutory testing for primary children did not take place last academic year and as a result, we adapted our approach to assessment and advised schools to use teacher assessment to identify gaps in children's understanding and inform their planning for the next stage of the children's education. These outcomes were collated, but not deeply analysed or reported on because schools were asked to assess the children against their prioritised and bespoke curriculum rather than the whole curriculum content for their year group, which meant the summative data was not comparable.

As a team, we also made the decision to invest into PiXL (Partners in Excellence) which is a large network which provides our schools with resources to diagnose, intervene, test and revisit in order to improve outcomes. It also provides us with MAT level analysis and an opportunity to benchmark our schools across a large network. 100% of GLF primary schools now engage with PiXL and the impact of this will be monitored as we embed the resources during 2021/22.

In the autumn term 2020, all GLF schools took the Y2 PSC (Phonics Screening Check) as directed by the DfE and this data was submitted to the different Local Authorities and collated by the trust. There was variation in the Y2 PSC across the 28 settings. The GLF average was 81.82% which was an increase from the 18-19 outcomes and broadly in line with Y1 national PSC outcomes. However, it is important to note, the end of Y2 national benchmark in 18-19 was 91% which was significantly higher than the GLF average and also reflects the end of Y2 outcomes pre the pandemic.

Following the PSC, 10 schools were identified as focus schools based on the autumn Y2 PSC outcomes. All focus schools completed a detailed case study and an action plan and were provided with the DfE English Hubs Early Reading Challenge Checklist to support internal audit and action planning. 100% of the focus schools improved their Y2 PSC outcomes when the children were retested in the summer term 2021.

#### **Secondary performance data**

Analysis of the 2020/21 GCSE exam results for GLF schools confirm an improvement in both attainment and progress across the board, compared to 2019 outcomes, the last time external examinations took place. This mirrors what has taken place nationally (as with last year). It is now worth reflecting on the fact that in relative terms, our 'grade inflation' was not as significant as in some other centres.

Using the FFT Aspire Self Evaluation Service, we are also able to compare MAT level data to other schools who subscribe to this service, and FFT generates their own proxy measures that reflect the measures used by the DfE in performance tables.

This analysis shows that in 2021, using TAGS and Government guidance, the 727 GLF students in Year 11, performed significantly above the national average in terms of Attainment (A8 of 5.8 vs 5.2), the percentage of students passing English and maths (83% vs 75%) and in terms of Progress for the 699 with matched prior attainment data. The equivalent trust Progress score was +0.34 compared to the FFT national average of zero.

**Going Concern**

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

**Promoting the success of the company**

The Trust Board's remit is strategic not operational, and Board decision making is always concerned with the medium to long term impact, particularly on pupils and finances, taking into account the Trust's strategic aims and the overriding Objects of the Trust as set out in its Articles of Association (see Objects and Aims above). This is supported by a robust risk management process and a detailed medium term financial budget.

One of the three strategic aims of our three-year strategy concerns our people (see Objectives, Strategies and Activities above). Our Operations and Growth committee applies oversight to all people-related matters in the Trust, with an emphasis on equality, development, retention and wellbeing.

We have revised the remit and operation of our SSBs and the information flow between SSBs and the Board to improve the visibility of the needs and views of local stakeholders. Our SSBs are the Board's conduit to all stakeholders in our schools, including pupils, staff, parents and the local community. Our SSBs are charged with establishing effective mechanisms to hear and respond to stakeholder voice and informing the Board of the key issues and impacts. Through these mechanisms we ensure the views of our stakeholders are understood and considered in our decision making, and we foster positive collaboration.

Trustees, SSB members and Staff each have a code of conduct based on best industry practice and tailored to their areas of responsibility. All codes of conduct emphasise the need to act with openness, honesty, integrity and respect with all stakeholders and with each other, and include the Nolan Principles.

**GLF Schools**  
**Trustees' Report (continued)**

---

**Financial Review**

Most of the Academy Trust's income is obtained from the Department for Education in the form of recurring grants, the use of which is restricted to particular purposes. The grants received during the year ended 31st August 2021 and the associated expenditure are shown in the Statement of Financial Activities and are summarised below.

	Year ended		Movement
	31 Aug '20	31 Aug '21	
	£'000	£'000	£'000
Income	129,835	107,435	(22,400)
Expenditure	96,660	107,353	10,693
Net income/(expenditure)	33,175	82	(33,093)

As well as the recurring grants, new schools to the Trust provide 'income' by way of the assets gained on transfer. Hence the growth of the Trust by 8 schools in 2019/20 compared with the one in 2020/21 (a new primary school, Cherry Fields in Banbury) has meant that income for the year, by this measure, is significantly lower. Income from such growth was £38.9m in 2019/20 and £7.6m in 2020/21.

Revenue reserve funds available increased from £5,846k at August 2020 to £7,513k at August 2021. The improvement in the Revenue Reserves position of the Trust is a reflection in part of a continued focus during the year to improve operating efficiency and is partly down to the impact of the Covid-19 pandemic, whereby planned spending was not able to proceed and so has been deferred into 2021/22.

Total funds held by the Academy Trust decreased from £201,346k to £192,614k as pension liabilities increased. The movement of funds by type is detailed in the Reserve Policy note below.

Pressure on Government funding streams has continued to drive the agenda, as has the increase in costs relating to employees, resulting from both salary and pension increases and competition in the market for high quality teachers. The Trustees have ensured robust systems of challenge and support for the schools and the central team throughout the annual finance cycle to underpin the long-term financial security of the Trust. The main ongoing challenge across the organisation and the whole sector is ensuring the provision of a high quality, inclusive education offering, using a finite set of resources, coupled with the impact of ever-changing curriculum and administrative demands. The management of this year's Covid pandemic also has an impact on the Trust's finances.



## **GLF Schools**

### **Trustees' Report (continued)**

---

The Trustees are clear that the constraints of school funding mean that strategies and working practices will need to be under constant review to protect the Trust's longer term financial stability. Trustees are committed to ensuring that the Trust ensures that it is operating at its most efficient and will hold the Executive team to account to deliver these efficiencies. At the moment we are not clear when the government's increase in funding from the Autumn 2021 budget will begin to arrive and we have reason to believe that it will not cover the costs of the national insurance rise, likely salary inflation, the impact of Teachers Pension Scheme (TPS) and Local Government Pension Scheme (LGPS) revaluations and the honouring of the £30,000 starting salary. Also in the current financial year we believe the national insurance rise will not be covered from April 2022 and there is no consideration being given to the impact of increases in energy costs.

While GLF Schools has an ongoing strategy to improve operational efficiency and value for money, the likely impact of these funding shortfalls means the Trustees & Executive acknowledge that these factors will impact the breadth & quality of the education offer that can be provided across the board but perhaps especially for more vulnerable learners.

The increase in the pension deficit of £38m to £53m for the Local Government Pension Schemes is driven by an increase of £27m in the underlying scheme liabilities offset by an increase of the underlying assets of £12m (see the details in note 30 to the accounts).

The movement in the pension deficit is not controllable by GLF Schools as it depends on the actuarial valuation of the schemes at 31 August 2021. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy trust closure, outstanding Local Government Pension Scheme liabilities for that Trust would be met by the Department for Education.

Unless the assets increase in value or the liabilities reduce our working assumption for the LGPS Pension Deficit is that it is likely to be met in the longer term from any combination of increased employer contributions, increased government funding or change to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds.

### **Reserves Policy**

The Trust's policy for reserves is that a minimum un-committed revenue reserve of no less than 3% of ESFA General Annual Grant Statement is retained across GLF Schools.

The Trust has set out the purpose of such reserves as follow:

- a. An unforeseen emergency or unexpected need for funds, e.g. an unexpected large repair bill.
- b. Covering unforeseen day to day operational costs, e.g. employing temporary staff to cover a long-term absence.
- c. A grant not being renewed.
- d. Significant planned commitments or projects that cannot be met by future income alone.
- e. The need to fund short-term deficits in cash flow before a funding grant is received.

## GLF Schools

### Trustees' Report (continued)

---

On 31 August 2021, the academy trust held the following Reserves:

	31 Aug '20	31 Aug '21	Movement
	£'000	£'000	£'000
Unrestricted General Funds (revenue)	2,872	2,868	(4)
Restricted General Funds (revenue)	<u>2,974</u>	<u>4,645</u>	<u>1,671</u>
Uncommitted revenue reserves	5,846	7,513	1,667
Capital Reserves	8,359	8,151	(208)
Fixed Asset Fund	225,152	229,668	4,516
Pension Reserve	(38,011)	(52,718)	(14,707)
<b>Total reserves</b>	<b>201,346</b>	<b>192,614</b>	<b>(8,732)</b>

Uncommitted revenue reserves therefore amount to 10% (2020: 9%) of the ESFA General Annual Grant Statement. The excess over 3% reflects the good stewardship of our schools over recent years and has enabled us in the 2021/22 budget to run a £1m deficit that is in part starting to invest in GLF Schools and in part reflects the deferral of costs arising from COVID. It is the intention of the Trust to revisit the reserves policy during 2021/22 with the aim of implementing any changes in 2022/23. The Trust remains concerned as to whether increased costs already announced by the government will be fully funded over the coming years (2022/23 to 2024/25).

It should also be noted that the funding for capital programmes is received in the latter part of the year and the capital fund is largely allocated to projects over the next two years.

### Sustainability

The ESFA Academies Financial Handbook 2020 introduced the concept of financial sustainability, for which Trustees must take ownership (section 1.14). It is unclear over what timeframe this applies, nor exactly what it means. We have sought and will continue to seek clarity on this from the ESFA/DfE.

Trustees and management are confident (as stated above) that we are run on a Going Concern basis as this requires us only to look out one year from the date of these Financial Statements. We would draw attention to two particular areas which might cast doubt on the long term sustainability of this Trust, and probably many other MATs. Both areas are outside the control of the Trustees.

Firstly, as noted above, pensions liabilities continue to build faster than the pension fund assets. Excess current service cost of the members significantly exceed contributions and is not covered by the pay and pensions grant funding provided. The net result is further significant actuarial losses.

## **GLF Schools**

### **Trustees' Report (continued)**

---

The deficit on the Trust's relevant pension schemes is shown as a negative reserve in the sum of c£53m. Any requirement for the Trust to fund such a deficit could well render its operations unsustainable.

Secondly, the Trust operates its academies on land and in buildings held on its Balance Sheet. The upkeep and maintenance for these freehold & leasehold properties are funded from the School Condition Allowance (SCA) which is calibrated to be only maintenance funding and it is worth noting that this is substantially less than our depreciation cost.

Trustees therefore cannot be sure that the academies' buildings can be maintained in perpetuity and/or replaced at the end of their useful lives. Any failure to do so would render operations unsustainable. This is further supported by the existence and need of the Priority Schools Building Fund.

### **Investment Policy**

GLF Schools does not have any material investments. Its bank accounts are held with Lloyds Bank and HSBC. Interest from Bank Accounts is shown in the notes to the Financial Statements.

### **Principal Risks and Uncertainties**

The major risks to which the MAT is exposed are:

- lack of a long-term funding commitment for schools exposing the Trust to the risk of unpredicted shortfalls;
- insufficient support and funding in the system for vulnerable learners, especially those with special educational needs and disabilities. This impacts the Trust's ability to provide those children with the support they require, and also places an additional financial strain; teacher recruitment difficulties, which impact on pupil outcomes, quality of the education provision, staff costs and staff retention rates;
- changes and uncertainty in government policy regarding Academies, including the recently stated desire for all schools to belong to a strong MAT;
- falling/low rolls at member schools and/or lack of strategic place planning across maintained and academy sectors;
- low rolls at new schools due to inaccurate predictions by Local Authorities;
- the ongoing impact of the Covid-19 pandemic which may mean more short notice changes to operations and education provision in our schools
- poor condition of parts of our school estates, particularly those buildings inherited for our sponsored schools;
- adverse impact on the financial and educational capacity of the Trust from schools joining/opening;
- poor performance of schools within the MAT; and
- failures in Safeguarding or Health & Safety procedures at schools within the MAT.

## **GLF Schools**

### **Trustees' Report (continued)**

---

All risks are reflected in the Trust's Risk Register and reviewed regularly at the Audit & Risk committee. Each school maintains a school level Risk Register. The key risks above drive the Trust's strategic priorities for the next three years with proactive action being taken (where possible) to mitigate these, for example: thorough due diligence processes; investment in a model of a strong education team combined with school to school support to secure excellence at every school; a central recruitment team which is exploring alternative opportunities to attract high quality staff; marketing campaigns for schools with historically low numbers on roll. The additional risks presented by the current Covid-19 pandemic were kept under constant review, and over the financial year two extraordinary Board meetings were held. The Trust's Risk and Control framework ensures that these risks are adequately managed.

### **Fundraising**

Most schools have a Parent Staff Association, or similar, which fundraise for each individual school. These are separate legal entities, registered as separate entities with the Charity Commission.

Some schools invite donations to 'school fund' from parents. These are clearly advertised as voluntary and schools will provide clarity as to the purpose of this funding, for example to support the operation of a school minibus.

### **Streamlined Energy and Carbon**

#### **UK energy use and associated greenhouse gas emissions**

Annual energy usage and associated annual greenhouse gas ("GHG") emissions are reported pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

#### **Organisational boundary**

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those assets owned or operated within the UK only. This includes all 41 schools controlled during the reporting period along with minibuses and personal vehicles used for business mileage ("grey fleet").

#### **Reporting period**

The annual reporting period is 1 September to 31 August each year and the energy and carbon emissions are aligned to this period.

## Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2021 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The majority of electricity, gas, and minibus diesel consumption were compiled from invoice records. However some benchmarking has been completed on schools where the invoices have not been available, incorporating any reductions or increases seen from last year's usage. Mileage claims were used to calculate energy use and emissions associated with grey fleet. An assumption of no export has been made on the Solar PV units. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of Trust activities but occur from sources not owned or controlled by the organisation (scope 3).

## Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2019/20	2020/21
<b>Mandatory requirements:</b>		
Gas	13,933,667	14,659,393
Purchased electricity from the grid	5,490,940	5,349,613
Transport fuel	375,233	62,202
<b>Total energy (mandatory)</b>	<b>19,799,840</b>	<b>20,071,208</b>
<b>Voluntary requirements:</b>		
Gas Oil	413,610	305,678
Consumed electricity from on-site renewable sources	29,616	65,233
<b>Total energy (voluntary)</b>	<b>443,226</b>	<b>370,911</b>
<b>Total energy (mandatory &amp; voluntary)</b>	<b>20,243,066</b>	<b>20,442,119</b>

**GLF Schools**  
**Trustees' Report (continued)**

**Breakdown of emissions associated with the reported energy use (tCO<sub>2</sub>e):**

<b>Emission source</b>	<b>2019/20</b>	<b>2020/21</b>
<b>Mandatory requirements:</b>		
<u>Scope 1</u>		
Natural gas	2,562	2,685
Transport - Company owned vehicles (mini-buses)	73	8
<u>Scope 2</u>		
Purchased electricity (location-based)	1,280	1,136
<u>Scope 3</u>		
Transport - Business travel in employee-owned vehicles	23	8
<b>Total gross emissions (mandatory)</b>	<b>3,938</b>	<b>3,836</b>
<u>Intensity ratios (mandatory emissions only)</u>		
Tonnes of CO <sub>2</sub> e per pupil	0.259	0.236
<b>Voluntary requirements:</b>		
<u>Scope 1</u>		
Gas Oil	106	79
Consumed electricity from on-site renewable sources	0	0
<b>Total gross emissions (voluntary)</b>	<b>106</b>	<b>79</b>
<b>Total gross emissions (mandatory &amp; voluntary)</b>	<b>4,045</b>	<b>3,915</b>

**Intensity ratio**

The primary intensity ratio is total gross emissions in metric tonnes CO<sub>2</sub>e (mandatory emissions) per pupil, which is the recommended ratio for the sector for consistency and comparability. Pupil numbers are based on the Autumn 2020 Census.

# GLF Schools

## Trustees' Report (continued)

School / Site	2019-2020 Intensity Ratio	2020-2021 Intensity Ratio
Aureus Primary School	0.31	0.24
Aureus School	0.35	0.29
Banstead Infant School	0.11	0.12
Cherry Fields Primary School	N/A	1.88
Chestnut Park Primary School	0.14	0.16
Cordwalles Junior School	0.33	0.37
Cuddington Croft Primary School	0.18	0.18
Danetree Primary School	0.24	0.18
de Stafford School	0.51	0.51
Floreat Montague Park Primary School	0.30	0.20
Floreat Wandsworth Primary School	0.32	0.26
Forge Wood Primary School	0.28	0.26
Frogmore Junior School	0.20	0.20
Glyn School	0.18	0.21
Hammond School	0.19	0.21
Hardwick Primary School	0.26	0.23
Hillcroft Primary School	0.20	0.17
Kilnwood Vale Primary School	0.68	0.31
Lightwater Village School	0.21	0.22
Lime Tree Primary School	0.10	0.04
Longford Park Primary School	0.50	0.53
Lorraine Infant School	0.29	0.27
Manor Primary School	0.23	0.25
Marden Lodge Primary School and Nursery	0.34	0.38
Meridian High School	0.64	0.58
Merstham Park School	0.09	0.11
Merstham Primary School	0.28	0.12
Pine Ridge Infant School	0.18	0.31
Rosebery School	0.18	0.22
Salfords Primary School	0.25	0.25
Southgate Primary	0.22	0.25
Springfield Primary School	0.22	0.23
The Beacon School	0.25	0.16
The Vale Primary School	0.19	0.34
Warlingham Village Primary School	0.18	0.16
Warren Mead Infant School	0.21	0.20
Warren Mead Junior School	0.17	0.17
Wheatfield Primary School	0.17	0.13
Whyteleafe Primary School	0.33	0.23
William Morris Primary School	0.23	0.24
Windmill Primary School	0.14	0.18
<b>Total Overall</b>	<b>0.259</b>	<b>0.236</b>

## **GLF Schools**

### **Trustees' Report (continued)**

---

#### **Energy efficiency action during current financial year**

As expected, energy consumption was higher this year due to schools needing to have windows open for ventilation as part of their COVID-19 response.

Prior to the current financial year, several projects have been implemented to reduce energy use and carbon emissions, including:

#### **Danetree School**

- Diner building roof refurbishment including new insulation

#### **Merstham Primary School**

- Roof refurbishment including insulation upgrade
- Replacement of oil boilers with gas
- Replacement of lighting with LEDs

#### **Manor School**

- Replacement of single glazed windows with double glazed throughout

#### **Rosebery School**

- Replacement of windows in Modern Foreign Languages block

#### **Trust wide**

- Regular reviews of unit prices on energy contracts
- Introduction of video conferencing and facilitating home working for suitable staff and therefore reducing non-essential travel
- Switch off programmes - ensuring staff and pupils are made aware of energy consumption

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

As noted in the Objectives, Strategies and Activities section above, the Trust has developed a three-year strategy. This will continue to be pursued in the coming financial year with a particular focus on the following:

- To provide additional, wider support for all pupils, but especially more vulnerable learners, to safeguard wellbeing and mental health, and enable all pupils to be successful in their next step in education, training or employment;
- Building a Children's services team which will add capacity to the Trust and support the schools by:
  - providing access to a wider range of support services;
  - improving the consistency of the support we provide to our pupils;
  - increasing opportunities for training and CPD;
  - enabling successful EHCP applications for the most vulnerable learners; and
  - strengthening the foundations for good mental health and family engagement.



- Through the newly established West Sussex Teaching School Hub, support schools and Trusts to invest in and develop their workforce, and establish a network to spread excellent practice:
  - delivery of the Early Career Framework (ECF) to schools and trusts in the area;
  - delivery of the new suite of National Professional Qualifications (NPQs);
  - delivery of Initial Teacher Training (ITT);
  - providing Appropriate Body (AB) services for Early Career Teachers (ECTs); and
  - providing other high quality Continuous Professional Development (CPD).
- Strengthening our culture in relation to Diversity and Inclusion:
  - promote Diversity and Inclusion by establishing a strategy group, focus groups across the organisation, and reviewing our values and policies;
  - support Diversity and Inclusion by carrying out an audit against the ENEI toolkit, analysing data to support next steps and regular communication and updates with links to relevant events; and
  - enable Diversity and Inclusion by developing a manager toolkit, and delivering training, CPD and coaching across the organisation.

#### **Funds Held as Custodian Trustee on Behalf of Others**

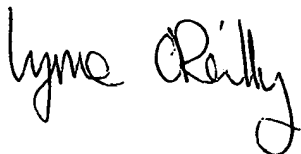
The trust holds no Assets and Funds as Custodian Trustee on behalf of others.

#### **Auditor**

Insofar as the trustees are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the Board of trustees, as the company directors, on 10 December 2021 and signed on the Board's behalf by:



Lynne O'Reilly  
Chair of Trustees

## **GLF Schools**

### **Governance Statement**

---

#### **Scope of Responsibility**

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

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

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

#### **Governance**

The Covid-19 pandemic continued to have a significant impact on schools during financial year 2021/21. It was therefore agreed that governance, both at trust Board level and by SSBs, should continue to be conducted via virtual meetings only. All committees resumed a full programme of meetings, and two extraordinary Board meetings were held to accommodate the COVID impact.

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

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Jackie Adams	8	8
Adam Braithwaite	3	8
Martin Burke	7	8
Colin Charles	8	8
Kieran Cooke	8	8
Bruce Ely-Johnston	7	8
Daria Kuznetsova	7	8
Helen Mannion	6	8
Teresa Mellor	8	8
Lynne O'Reilly	8	8

**Governance Reviews**

Trustees conducted a self-evaluation including a skills audit in preparation for identifying new trustees to join the Board to replace those that had stepped down. The major area identified to strengthen was knowledge and experience of internal scrutiny and risk management. Following a rigorous recruitment campaign two new trustees have been appointed by the members who have the necessary skills and experience to strengthen the Board in this area.

The self-evaluation exercise highlighted key strengths:

- meetings are conducted in a way that encourages constructive and open input and debate by all parties in an atmosphere of trust and respect and with a good mix of support and challenge;
- meetings are purposeful, actions are seen through to completion and there are clear terms of reference for all roles; and
- relationships between trustees, the exec team and SSB members on committees is good, with mutual respect and a feeling of each valuing the other's contribution.

Areas identified for development were:

- widening the knowledge of the educational aspects of the Trust to all trustees. Actions agreed include more educational items/briefings on Board agendas, trustees to attend education committee meetings periodically and to make full use of education opportunities like the NGA Learning Link;
- the Board papers could be improved to ensure all of the information/elements that trustees need are provided in order to ensure good quality decision making; and
- Trustees need to increase their visibility across the Trust. Now that meeting/visit restrictions are easing, plans for a programme of visits to schools can be put into place, together with attendance by trustees at SSB and other events.

School Standards Boards (SSBs) also carried out a self-evaluation exercise. The main areas for development arising were:

- SSBs would welcome further training and guidance on their role in the oversight of education. A new SSB Handbook has been developed to help with this together with targeted training (external and internal);
- stakeholder engagement is limited in some areas. We will enable SSBs who do this well to share practice with other SSBs to drive improvement in this area;
- there are gaps in the knowledge and understanding of the headteachers of the role and purpose of governance. We will improve the communication and training on governance that our headteachers receive; and
- SSBs agreed that Trustees need to increase visibility.

The Chair of Trustees continues to work with the chairs of a group of large MATs to support the sharing of best practice and peer review, and attends events organised by the Regional Schools Commissioner's office, the Confederation of Schools Trusts and the Academy Ambassadors' programme. GLF is leading the newly established subgroup of the large MATs sharing good practice on audit and risk.

**Committees**

The Audit & Risk committee is a sub-committee of the main Board of Trustees which meets at least once per term. The Board of Trustees has defined its terms of reference, prescribed the extent of its delegated authority and ensures that it receives minutes of the committee's meetings. The committee is accountable for:

- Strategic oversight of financial compliance and statutory reporting.
- Strategic oversight of risk management.
- Strategic oversight of internal scrutiny across the Trust.

The Board of Trustees reviews the Audit & Risk Committee's remit and membership annually.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Adam Braithwaite	3	6
Colin Charles	6	6
Bruce Ely-Johnston	6	6

The Operations and Growth committee is a sub-committee of the main Board of Trustees which meets at least once per term. The Board of Trustees has defined its terms of reference, prescribed the extent of its delegated authority and ensures that it receives minutes of the committee's meetings. The committee is accountable for:

- Strategic oversight of the Trust's physical estate.
- Strategic oversight of employment policies and practices.
- Strategic oversight of Information Technology and Information Management within the Trust.
- Strategic oversight of growth plans and opportunities.

The Board of Trustees reviews the Operations and Growth's Committee's remit and membership annually.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Martin Burke	3	3
Jackie Adams	3	3
Daria Kuznetsova	2	2
Lynne O'Reilly	3	3

## GLF Schools

### Governance Statement (continued)

---

The Education committee is a sub-committee of the main Board of Trustees which meets at least once per term. The Board of Trustees has defined its terms of reference, prescribed the extent of its delegated authority and ensures that it receives minutes of the committee's meetings. The committee is accountable for:

- Strategic oversight of the education provision of the Trust.
- Strategic oversight of safeguarding within the Trust.
- Strategic oversight of pupil outcomes.

The Board of Trustees reviews the Education Committee's remit and membership annually.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Lynne O'Reilly	4	4
Helen Mannion	2	4
Kieran Cooke	2	2
Teresa Mellor	3	4

The Finance committee is a sub-committee of the main Board of Trustees which meets at least three times per year. The Board of Trustees has defined its terms of reference, prescribed the extent of its delegated authority and ensures that it receives minutes of the committee's meetings. The committee is accountable for:

- Strategic oversight of the Trust's annual and three year budget setting process with a focus on financial sustainability.
- Strategic oversight of the Trust's performance against the approved budget with a focus on the efficient and effective use of financial resources.
- Strategic oversight of income generation and approved investment projects.

The Board of Trustees reviews the Finance Committee's remit and membership annually.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Martin Burke	3	3
Colin Charles	3	3
Lynne O'Reilly	3	3

## GLF Schools

### Governance Statement (continued)

---

The Remuneration committee is a sub-committee of the main Board of Trustees which meets as required. The Board of Trustees has defined its terms of reference, prescribed the extent of its delegated authority and ensures that it receives minutes of the committee's meetings. The committee is accountable for:

- Monitoring of CEO performance against agreed objectives and determination of any applicable bonus payment/change to remuneration
- Strategic oversight of the remuneration of executive leaders of the Trust to ensure transparency, fairness and value for money.
- Strategic oversight of the Trust's approach to pay and conditions of executive leaders to ensure the Trust remains in line with good practice in the sector.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Jackie Adams	1	1
Adam Braithwaite	1	1
Lynne O'Reilly	1	1

### Review of Value for Money

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

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

- ensuring that all schools received strong support and guidance throughout the Covid pandemic. Experts within the Trust team have supported schools with aspects such as insurance claims, negotiations with suppliers and accessing the furlough scheme;
- recruitment of specialist resource to the central team provides schools with access to expertise which they would not be able to achieve individually; in response to the impact of the pandemic the Trust is currently developing a multi-disciplinary team to support our school teams to work with our most vulnerable families;
- recruitment of a Procurement and Contracts Manager, who is delivering effective procurement of services across the Trust and realising cost savings and improved quality for our schools;
- recruitment of a Marketing expert to support our schools in maximising numbers on roll, thus supporting the financial sustainability of the Trust and ensuring that teaching resource is benefitting the maximum number of children;
- ensuring that our SCITT programme provides a stream of new teachers for our schools, and schools elsewhere; and
- launching our Teaching School Hub, which will expand our high quality professional development offer beyond our own schools to benefit all schools within West Sussex.

### **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 GLF Schools for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The Board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of trustees.

**The Risk and Control Framework**

The 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, all of which is guided and reviewed through the Audit & Risk Committee. In particular, it includes:

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

The Board of Trustees considered the need for a specific internal scrutiny function and agreed a revised programme of internal audit.

Our internal scrutiny programme for 2020-21 has been led by JD Education Financial Services (JDEFS). The programme included financial & a non financial element. The non-financial area covered was safeguarding undertaken by a specialist safeguarding consultant. The financial areas covered included:

- correct financial procedures have been followed, for example bank reconciliations have been carried out, financial monitoring has taken place and income has been banked correctly;
- sample payroll entries;
- sample orders and payment;
- sample of expense claims;
- tendering procedures have been followed.

The academy trust can confirm that there have been no material control issues arising requiring remedial action.



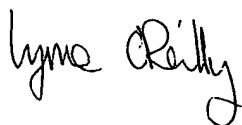
**Review of Effectiveness**

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

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of trustees on 10 December 2021 and signed on its behalf by:



Lynne O'Reilly  
Chair of Trustees



Jon Chaloner  
Accounting Officer

## GLF Schools

### **Statement on Regularity, Propriety and Compliance**

---

As accounting officer of GLF Schools I have considered my responsibility to notify the academy trust's Board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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



Jon Chaloner  
Accounting Officer

10 December 2021

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of trustees on 10 December 2021 and signed on its behalf by:



Lynne O'Reilly  
Chair of Trustees

## **Opinion**

We have audited the financial statements of GLF Schools (the 'Academy Trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 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 Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

**Responsibilities of trustees**

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

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

**Auditors' responsibilities for the audit of the financial statements**

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

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

- Enquiry of management around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

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

**Use of our report**

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



**BIANCA SILVA BA ACA DChA (Senior Statutory Auditor)**

for and on behalf of

**MHA MacIntyre Hudson (Statutory Auditor)**

Maidenhead, United Kingdom

Date: 22 December 2021

## **GLF Schools**

### **Independent Reporting Accountant's Assurance Report on Regularity to GLF Schools and the Education and Skills Funding Agency**

---

In accordance with the terms of our engagement letter dated 02 June 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by GLF Schools during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

#### **Respective responsibilities of GLF Schools' accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of GLF Schools' funding agreement with the Secretary of State for Education dated 26 January 2016 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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



## **Approach**

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

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

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

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

The work undertaken to draw our conclusion includes:

- reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams;
- consideration of governance issues;
- evaluating the internal control procedures and reporting lines, and testing as appropriate; and
- making appropriate enquires of the Accounting Officer.

## **Conclusion**

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



Reporting Accountant

**MHA MacIntyre Hudson (Statutory Auditor)**  
Maidenhead, United Kingdom

Date: 22 December 2021

GLF Schools  
Statement of Financial Activities  
For the year ended 31 August 2021  
(including Income and Expenditure Account)

	Note	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2021 £'000	Total 2020 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	2	-	215	11,264	11,479	12,368
Transfer from existing academy trusts		-	-	-	-	31,151
Charitable activities						
Funding for the academy trust's educational operations	3	-	90,397	-	90,397	82,056
Teaching school	4,34	-	660	-	660	509
Other income for educational operations	5	2,851	-	-	2,851	3,091
Other trading activities	6	719	1,327	-	2,046	649
Investments	7	2	-	-	2	11
<b>Total</b>		<b>3,572</b>	<b>92,599</b>	<b>11,264</b>	<b>107,435</b>	<b>129,835</b>
<b>Expenditure on:</b>						
Raising funds	8	6	-	-	6	1
Charitable activities						
Academy's educational operations	8,9	3,570	95,161	8,058	106,789	96,342
Teaching school	8,34	-	558	-	558	317
<b>Total</b>		<b>3,576</b>	<b>95,719</b>	<b>8,058</b>	<b>107,353</b>	<b>96,660</b>
<b>Net income / (expenditure) before transfers</b>		<b>(4)</b>	<b>(3,120)</b>	<b>3,206</b>	<b>82</b>	<b>33,175</b>
<b>Transfers between funds</b>	19	-	(1,102)	1,102	-	-
<b>Net income / (expenditure) for the period</b>		<b>(4)</b>	<b>(4,222)</b>	<b>4,308</b>	<b>82</b>	<b>33,175</b>
<b>Other recognised gains / (losses):</b>						
Actuarial (losses) / gains on defined benefit pension schemes	19,30	-	(8,814)	-	(8,814)	(2,999)
<b>Net movement in funds</b>		<b>(4)</b>	<b>(13,036)</b>	<b>4,308</b>	<b>(8,732)</b>	<b>30,176</b>
<b>Reconciliation of Funds</b>						
Funds brought forward at 1 September 2020		2,872	(35,037)	233,511	201,346	171,170
<b>Funds carried forward at 31 August 2021</b>		<b>2,868</b>	<b>(48,073)</b>	<b>237,819</b>	<b>192,614</b>	<b>201,346</b>

All of the academy trust's activities derive from continuing operations.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

**GLF Schools**  
**Statement of Financial Activities**  
**For the year ended 31 August 2020**  
**(including Income and Expenditure Account)**

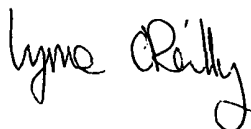
	Note	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2020 £'000
<b>Income and endowments from:</b>					
Donations and capital grants	2	-	254	12,114	12,368
Transfer from existing academy trusts		414	(2,277)	33,014	31,151
Charitable activities					
Funding for the academy trust's educational operations	3	-	82,056	-	82,056
Teaching school	4,34	-	509	-	509
Other income for educational operations	5	3,091	-	-	3,091
Other trading activities	6	649	-	-	649
Investments	7	11	-	-	11
<b>Total</b>		<b>4,165</b>	<b>80,542</b>	<b>45,128</b>	<b>129,835</b>
<b>Expenditure on:</b>					
Raising funds	8	1	-	-	1
Charitable activities					
Academy's educational operations	8,9	3,740	84,801	7,801	96,342
Teaching school	8,34	-	317	-	317
<b>Total</b>		<b>3,741</b>	<b>85,118</b>	<b>7,801</b>	<b>96,660</b>
<b>Net income / (expenditure) before transfers</b>		<b>424</b>	<b>(4,576)</b>	<b>37,327</b>	<b>33,175</b>
<b>Transfers between funds</b>	19	-	(555)	555	-
<b>Net income / (expenditure) for the period</b>		<b>424</b>	<b>(5,131)</b>	<b>37,882</b>	<b>33,175</b>
<b>Other recognised gains / (losses):</b>					
Actuarial (losses) / gains on defined benefit pension schemes	19,30	-	(2,999)	-	(2,999)
<b>Net movement in funds</b>		<b>424</b>	<b>(8,130)</b>	<b>37,882</b>	<b>30,176</b>
<b>Reconciliation of Funds</b>					
Funds brought forward at 1 September 2019		2,448	(26,907)	195,629	171,170
<b>Funds carried forward at 31 August 2020</b>		<b>2,872</b>	<b>(35,037)</b>	<b>233,511</b>	<b>201,346</b>

**GLF Schools  
Balance Sheet  
As at 31 August 2021**

**Company number:  
07551959**

	Note	2021 £'000	2021 £'000	2020 £'000	2020 £'000
<b>Fixed assets</b>					
Tangible assets	14		229,668		225,152
<b>Current assets</b>					
Stock	15	-		21	
Debtors	16	3,583		3,778	
Cash at bank and in hand		<u>23,120</u>		<u>18,576</u>	
		26,703		22,375	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	17	<u>(11,007)</u>		<u>(8,109)</u>	
<b>Net current assets</b>			<u>15,696</u>		<u>14,266</u>
<b>Total assets less current liabilities</b>			245,364		239,418
Creditors: Amounts falling due after more than one year	18		(32)		(61)
<b>Net assets excluding pension liability</b>			<u>245,332</u>		<u>239,357</u>
Defined benefit pension scheme liability	30		<u>(52,718)</u>		<u>(38,011)</u>
<b>Total net assets</b>			<u>192,614</u>		<u>201,346</u>
<b>Funds of the academy trust:</b>					
Restricted fixed asset funds	19		237,819		233,511
Restricted funds					
Restricted funds excluding pension liability	19	4,645		2,974	
Pension reserve	19	<u>(52,718)</u>		<u>(38,011)</u>	
			(48,073)		(35,037)
<b>Total restricted funds</b>			<u>189,746</u>		<u>198,474</u>
<b>Unrestricted funds</b>	19		2,868		2,872
<b>Total funds</b>			<u>192,614</u>		<u>201,346</u>

The financial statements on pages 40 to 72 were approved by the trustees and authorised for issue on 10 December 2021 and are signed on their behalf by



**Lynne O'Reilly**  
Chair of Trustees

GLF Schools  
Statement of Cash Flows  
For the year ended 31 August 2021

	Note	2021 £'000	2020 £'000
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	23	5,653	3,403
<b>Cash flows from investing activities</b>	25	(1,080)	1,309
<b>Cash flows from financing activities</b>	24	(29)	(29)
<b>Change in cash and cash equivalents in the reporting period</b>		<u>4,544</u>	<u>4,683</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Cash transferred from existing academy trusts		-	951
<b>Cash and cash equivalents at 1 September 2020</b>		18,576	12,942
<b>Cash and cash equivalents at 31 August 2021</b>	26	<u><u>23,120</u></u>	<u><u>18,576</u></u>

All of the cash flows are derived from continuing operations.

## **1 Statement of Accounting Policies**

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

### **Basis of Preparation**

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

GLF Schools meets the definition of a public benefit entity under FRS 102.

### **Going Concern**

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

### **Income**

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

#### **Grants**

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

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

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

#### **Donations**

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

#### **Other income**

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

## 1 Statement of Accounting Policies (continued)

### Income (continued)

#### Donated goods, facilities and services

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

#### Transfer of existing academies into the academy trust

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

#### Donated fixed assets (excluding Transfers on conversion/into trust)

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

### Expenditure

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

#### Expenditure on Raising Funds

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

#### Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

## 1 Statement of Accounting Policies (continued)

### Intangible Fixed Assets

Intangible assets costing £5,000 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.

### Tangible Fixed Assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

The property transferred on conversion has been valued on a depreciated replacement cost basis which is not representative of market value (see note 14 for further details).

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

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

Freehold buildings	Between 5 and 50 years
Leasehold land	125 years
Leasehold buildings	Between 5 and 60 years
Furniture and Equipment	5 years
Computer Equipment	3 years
Motor Vehicles	5 years

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

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

### Liabilities

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

### Provisions

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

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

### Leased Assets

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



## **1 Statement of Accounting Policies (continued)**

### **Financial Instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised costs as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

### **Stock**

Unsold uniforms are valued at the lower of cost or net realisable value.

### **Taxation**

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

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

### **Pensions Benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. As stated in note 30, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

## 1 Statement of Accounting Policies (continued)

### Fund Accounting

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

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

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

### Agency Arrangements

The academy trust acts as an agent in distributing Initial Teacher Training funding from DfE. Payments received from DfE and subsequent payments are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 33.

The academy trust acts as an agent in distributing Schools Direct grant funding from DfE for schools which are outside of GLF Schools. Payments received from DfE and subsequent payments are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 33.

Previously, the academy trust acted as an agent in distributing 16-19 bursary funds from ESFA. The academy trust is now acting as an intermediary agent but nonetheless has a beneficial interest in the funds and controls their use (for example where an academy trust passes the funds to a supplier to pay for student-related items) as there is a contract between the academy trust and the supplier. The income and expenditure are recognised in the SOFA.

### Critical accounting estimates and areas of judgement

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

#### *Critical accounting estimates and assumptions*

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 30, 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 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### *Critical areas of judgement*

The academy trust participates in the Teacher's Pension Scheme (TPS) for qualifying employees. Under the definitions set out in FRS 102, this is a multi-employer pension scheme. There is insufficient information about the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets in the financial statements and therefore the plan is accounted for as a defined contribution scheme (see note 30).

## 2 Donations and capital grants

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
<b>DfE/ESFA capital grants</b>				
Devolved formula capital grant	-	376	376	350
Other ESFA capital grants	-	2,703	2,703	3,958
<b>Other Government grants</b>				
Other LA capital grants	-	580	580	34
	<u>-</u>	<u>3,659</u>	<u>3,659</u>	<u>4,342</u>
Donated fixed assets	-	7,605	7,605	7,700
Donations - capital	-	-	-	72
Other donations	-	215	215	254
	<u>-</u>	<u>11,479</u>	<u>11,479</u>	<u>12,368</u>

Donated fixed assets in 2019-20 represent a building delivered via the DfE Free Schools Programme and a housing developer (with a Section 106 commitment).

Donated fixed assets in 2020-21 represent land and a building delivered via Oxfordshire County Council under the academy presumption process.

### Transfer from Existing Academy Trusts

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
Transfer from Existing Academy Trusts	-	-	-	31,151
	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,151</u>

### 3 Funding for Academy Trust's educational operations

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
<b>DfE/ESFA revenue grants</b>				
General Annual Grant (GAG)	-	72,946	72,946	67,143
Other DfE / ESFA grants				
Pupil Premium	-	3,298	3,298	3,022
UIFSM	-	1,357	1,357	1,340
Teachers Pay and Pension grants	-	3,673	3,673	3,584
Other	-	1,495	1,495	1,302
Other DfE Group grants	-	-	-	-
	<u>-</u>	<u>82,769</u>	<u>82,769</u>	<u>76,391</u>
<b>Other Government grants</b>				
LA revenue grants	-	6,124	6,124	5,448
Other grants	-	15	15	7
	<u>-</u>	<u>6,139</u>	<u>6,139</u>	<u>5,455</u>
<b>Covid-19 additional funding (DfE/ESFA)</b>				
Coronavirus Catch Up Funding	-	1,179	1,179	-
Coronavirus Exceptional support	-	-	-	54
Other Coronavirus funding	-	37	37	-
	<u>-</u>	<u>1,216</u>	<u>1,216</u>	<u>54</u>
<b>Covid-19 additional funding (non-DfE/ESFA)</b>				
Coronavirus Job Retention Scheme grant	-	57	57	156
Other COVID-19 funding	-	216	216	-
	<u>-</u>	<u>273</u>	<u>273</u>	<u>156</u>
	<u>-</u>	<u>90,397</u>	<u>90,397</u>	<u>82,056</u>

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Pupil Premium, Universal Infant Free School Meals and Teachers Pay and Pension grants is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak.

The academy trust received £1,179k of funding for catch-up premium. Costs incurred in respect of this funding during the year ended 31 August 2021 totalled £914k. The remaining £265k is to be spent during 2021/22.

The academy trust furloughed some of its Nursery and Before & After School Club staff under the governments Coronavirus Job Retention Scheme. The funding received of £57k (2020: £156k) relates to staff costs in respect of 59 staff (2020: 68 staff) which are included within note 10.

During 2019/20, the academy trust received funding for coronavirus exceptional support of £54k for Free School meal vouchers and expenditure on keeping schools open during Easter and Summer half-term. These costs are included in notes 8 and 9.

**GLF Schools**  
**Notes to the financial statements**  
**For the year ended 31 August 2021**

**4 Teaching Schools Income**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
DfE/ESFA Teaching School Grants	-	120	120	47
Other activities	-	540	540	462
	<u>-</u>	<u>660</u>	<u>660</u>	<u>509</u>

**5 Other income for educational operations**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
Other income	1,917	-	1,917	1,813
Trip and activity income	721	-	721	1,010
Catering income	213	-	213	268
	<u>2,851</u>	<u>-</u>	<u>2,851</u>	<u>3,091</u>

**6 Other trading activities**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
Hire of facilities / other lettings	719	-	719	649
Insurance claims	-	1,327	1,327	-
	<u>719</u>	<u>1,327</u>	<u>2,046</u>	<u>649</u>

**7 Investment Income**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
Short term deposits	2	-	2	11
	<u>2</u>	<u>-</u>	<u>2</u>	<u>11</u>

## 8 Expenditure

	Staff Costs £'000	Non Pay Expenditure Premises Costs £'000	Other Costs £'000	Total 2021 £'000	Total 2020 £'000
<b>Expenditure on raising funds</b>					
Allocated support costs	-	-	6	6	1
	-	-	6	6	1
<b>Academy's educational operations</b>					
Direct costs (note 9)	64,769	-	6,592	71,361	64,552
Allocated support costs (note 9)	16,109	6,999	12,320	35,428	31,790
	80,878	6,999	18,912	106,789	96,342
<b>Teaching School</b>	368	-	190	558	317
	81,246	6,999	19,108	107,353	96,660

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

	2021 £'000	2020 £'000
Operating lease rentals	350	318
Depreciation	7,830	7,763
Fees payable to auditor for:		
Audit	48	49
Audit-related assurance services	7	28
Taxation services	-	1
Other services	3	1

## 9 Charitable activities

	Total 2021 £'000	Total 2020 £'000
Direct costs - educational operations	71,361	64,552
Support costs - educational operations	35,428	31,790
	106,789	96,342

### Analysis of support costs

	Total 2021 £'000	Total 2020 £'000
Support staff costs	10,216	9,279
Depreciation	7,830	7,763
Technology costs	278	393
Premises costs	6,999	5,063
Other support costs	4,032	3,906
Legal costs	114	57
Governance costs	66	92
Other pension costs	4,854	4,671
Other finance costs (FRS102 pension)	1,039	566
	35,428	31,790

## 10 Staff Costs

	2021 £'000	2020 £'000
<b>Staff costs during the period were:</b>		
Wages and salaries	56,616	50,624
Social security costs	5,262	4,690
Operating costs of defined benefit pension schemes		
Employer contributions to pension schemes	12,111	10,816
FRS102 Other pension and finance costs	5,893	5,237
Apprenticeship levy	273	239
	<u>80,155</u>	<u>71,606</u>
Agency supply teacher costs	1,058	1,050
Staff restructuring costs	33	189
	<u>81,246</u>	<u>72,845</u>

The trust uses agency staff where appropriate on normal commercial terms.

	2021 £'000	2020 £'000
<b>Staff restructuring costs comprise:</b>		
Redundancy payments	24	15
Severance payments	9	174
	<u>33</u>	<u>189</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £9k (2020: £36k). Individually, the payments were: £6k and £3k (2020: £16k, £12k, £6k, £1k and £1k).

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

	2021 No.	2020 No.
Teachers	941	873
Administration and support	1,262	1,175
Management	57	45
	<u>2,260</u>	<u>2,093</u>

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

	2021 No.	2020 No.
£60,001 - £70,000	39	27
£70,001 - £80,000	21	22
£80,001 - £90,000	12	7
£90,001 - £100,000	3	6
£100,001 - £110,000	3	1
£110,001 - £120,000	2	2
£190,001 - £200,000	-	1
£200,001 - £210,000	1	-

The key management personnel of the academy trust comprise the Trustees and Senior Leadership Team as listed on pages 1 and 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £982k (2020: £900k).

## 11 Central services

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

Support on governance, policy and safeguarding issues, Education and behaviour management support, HR, Estates Management, Finance and IT.

During 2020-21, the trust charged a fee for these services based primarily on a charge to each school of £400 per pupil. This was varied with some schools paying extra to enable schools with particular challenges to be assisted.

During 2019-20, the trust charged a fee for these services based on a percentage of GAG income.

The actual amounts charged during the period were as follows:

	2021 £'000	2020 £'000
Aureus Primary School	78	68
Aureus School	266	129
Banstead Infant School	106	74
The Beacon School	554	272
Cherry Fields Primary School	-	-
Chestnut Primary School	209	162
Cordwalles Junior School	83	103
Cuddington Croft Primary School	180	152
Danetree Primary School	260	211
de Stafford School	316	224
Floreat Montague Park School	104	64
Floreat Wandsworth School	134	97
Forge Wood Primary School	90	72
Frogmore Junior School	72	47
Glyn School	703	364
Hammond School	134	102
Hardwick Primary School	82	60
Hillcroft Primary School	171	144
Kilnwood Vale Primary School	22	55
Lightwater Village School	67	78
Lime Tree Primary School	178	151
Longford Park Primary School	49	77
Manor Primary School	93	121
Marden Lodge Primary School	56	83
Meridian High School	252	181
Merstham Park School	122	123
Merstham Primary School	79	95
Pine Ridge Infant and Lorraine School	55	108
Rosebery School	593	329
Salfords Primary School	80	137
Southgate Primary School	93	126
Springfield Primary School	148	142
The Vale Primary School	44	60
Warlingham Village Primary School	84	87
Warren Mead Infant School	82	60
Warren Mead Junior School	120	82
Wheatfield Primary School	78	70
Whyteleafe Primary School	172	140
William Morris Primary School	-	77
Windmill Primary School	79	75
	<b>6,088</b>	<b>4,802</b>



## 12 Related Party Transactions - Trustees' remuneration and expenses

No trustees have been paid remuneration or have received other benefits from employment with the academy trust during the year ended 31 August 2021. The Chief Executive Officer resigned as a trustee on 14 February 2020.

During the period ended 31 August 2021, no expenses were reimbursed to trustees for travel and subsistence expenditure incurred in their roles as trustees (2020: £Nil).

Other related party transactions involving the trustees are set out in note 31.

## 13 Trustees and officers insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme membership.

The cost of this insurance is included in the total insurance cost.

## 14 Tangible fixed assets

	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Furniture and Equipment £'000	Computer Equipment £'000	Motor Vehicle £'000	Assets under Construction £'000	Total £'000
<b>Cost</b>							
As at 1 September	78,901	182,970	3,641	3,287	59	-	268,858
Additions	640	8,348	91	683	11	2,573	12,346
As at 31 August	79,541	191,318	3,732	3,970	70	2,573	281,204
<b>Depreciation</b>							
As at 1 September	16,817	21,031	2,870	2,932	56	-	43,706
Charged in year	2,190	4,997	372	269	2	-	7,830
As at 31 August	19,007	26,028	3,242	3,201	58	-	51,536
<b>Net book values</b>							
As at 31 August	60,534	165,290	490	769	12	2,573	229,668
As at 1 September	62,084	161,939	771	355	3	-	225,152

### Leasehold land and buildings

The freehold of these land and buildings is owned by the respective Local Authorities. These are recognised in the accounts as the academy trust has the right to use the property.

### Additions to land and buildings

Additions in the year include capital works to existing buildings together with a building delivered via Oxfordshire County Council under the academy presumption process which was valued at £6,472k. The valuation of the land (£1,133k) has been included based on estimates of the land values of our other geographically proximate schools. The formal valuation is being conducted by the ESFA and when that is complete we will update our valuation accordingly.

**GLF Schools**  
**Notes to the financial statements**  
**For the year ended 31 August 2021**

**15 Stock**

	2021 £'000	2020 £'000
Clothing	-	21
	<u>-</u>	<u>21</u>

**16 Debtors**

	2021 £'000	2020 £'000
Trade debtors	385	486
VAT recoverable	444	326
Prepayments and accrued income	2,727	2,851
Other debtors	27	115
	<u>3,583</u>	<u>3,778</u>

**17 Creditors: amounts falling due within one year**

	2021 £'000	2020 £'000
Trade creditors	1,200	1,332
Other taxation and social security	1,356	1,131
Other creditors	1,819	1,446
Amounts owed to ESFA	915	680
Loans	29	29
Accruals and deferred income	5,688	3,491
	<u>11,007</u>	<u>8,109</u>

**Deferred income**

	2021 £'000	2020 £'000
Deferred income at 1 September	2,282	1,548
Released from previous years	(2,282)	(1,548)
Resources deferred in the year	2,016	2,282
Deferred income at 31 August	<u>2,016</u>	<u>2,282</u>

Deferred income represents funding received specifically for next financial year, together with trips and activities income received in advance.

Included within Loans in both Creditors: amounts falling due within one year and Creditors: amounts falling due in greater than one year are three loans of £4k, £16k, and £40k from Salix Finance Ltd. The £4k loan is due to be paid back in 2 years, the £16k loan is due to be paid back in a year and the £40k loan is due to be paid back in 4 years. All three loans are interest free.

**18 Creditors: amounts falling due in greater than one year**

	2021 £'000	2020 £'000
Loans	32	61
Other creditors	-	-
	<u>32</u>	<u>61</u>

## 19 Funds

	Balance at 1 Sept 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfer £'000	Balance at 31 August 2021 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	2,865	72,946	(70,746)	(1,102)	3,963
DfE/ESFA Pupil Premium	-	3,298	(3,208)	-	90
UIFSM	-	1,357	(1,357)	-	-
Teachers Pay and Pension grants	-	3,673	(3,673)	-	-
Other DfE/ESFA grants	-	1,495	(1,389)	-	106
Coronavirus Catch Up Funding	-	1,179	(914)	-	265
Other Covid-19 additional funding (DfE/ESFA)	-	37	(37)	-	-
LA revenue grants	-	6,124	(6,124)	-	-
Other government grants	-	15	(15)	-	-
Covid-19 additional funding (non-DfE/ESFA)	-	273	(273)	-	-
Other restricted funds	-	1,542	(1,532)	-	10
Teaching School	109	660	(558)	-	211
	<u>2,974</u>	<u>92,599</u>	<u>(89,826)</u>	<u>(1,102)</u>	<u>4,645</u>
Pension reserve (note 30)	(38,011)	-	(5,893)	(8,814)	(52,718)
	<u>(35,037)</u>	<u>92,599</u>	<u>(95,719)</u>	<u>(9,916)</u>	<u>(48,073)</u>
<b>Restricted fixed asset funds</b>					
Devolved Formula Capital	702	376	-	(245)	833
Other ESFA capital funding	6,118	2,703	(144)	(2,822)	5,855
LA capital grants	140	580	-	(552)	168
Capital funds on transfer of existing academies	78	-	-	-	78
Capital funds transferred on conversion	94	-	-	(53)	41
Donated fixed assets	-	7,605	-	(7,605)	-
Other capital funds	1,227	-	(84)	33	1,176
Fixed asset fund (note 14)	225,152	-	(7,830)	12,346	229,668
	<u>233,511</u>	<u>11,264</u>	<u>(8,058)</u>	<u>1,102</u>	<u>237,819</u>
<b>Total restricted funds</b>	<u>198,474</u>	<u>103,863</u>	<u>(103,777)</u>	<u>(8,814)</u>	<u>189,746</u>
<b>Unrestricted funds</b>					
Unrestricted funds	2,872	3,572	(3,576)	-	2,868
<b>Total unrestricted funds</b>	<u>2,872</u>	<u>3,572</u>	<u>(3,576)</u>	<u>-</u>	<u>2,868</u>
<b>Total funds</b>	<u>201,346</u>	<u>107,435</u>	<u>(107,353)</u>	<u>(8,814)</u>	<u>192,614</u>

**19 Funds (continued)**

The General Annual Grant represents funding received from the Education and Skills Funding Agency during the period in order to fund the continuing activities of the school. Under the funding agreement with the Secretary of State, the academy trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2021.

DfE/ESFA Pupil Premium, UIFSM (Universal Infant Free School Meals), Teachers Pay and Pension Grants and Other DfE/ESFA grants represent other forms of funding received from the Department for Education and Education and Skills Funding Agency.

LA Revenue grants represents various grant funding provided by Local Authorities.

Other Government grants represents various grant funding provided by government which are not included in Other DfE/ESFA funding.

Other restricted funds represent amounts given to the academy trust for specific revenue purposes.

The Teaching School shows the income, expenditure and fund balance related to the Teaching School and SCITT run by GLF Schools. Further details can be seen in note 34.

The pension reserve fund separately identifies the pension deficit on the Local Government Pension Scheme, and through which all the movements on the pension scheme are recognised.

Devolved Formula Capital represents funding provided by the Department for Education to be used for capital projects. This funding may be used for specific capital projects which are not considered to be fixed asset additions.

Other ESFA capital funding represents funding provided by the Department for Education to be used for capital projects, specifically School Condition Allowance (SCA) funding.

LA capital funding represents funding provided by Local Authorities to be used for capital projects.

Capital funds on transfer of existing academies represents capital funds which were held by existing academy schools on the date they transferred to join GLF Schools and the subsequent movement on these funds.

Capital funds on transfer on conversion represents capital funds which were held by existing local authority schools on the date they converted to academy status and joined GLF Schools and the subsequent movement on these funds.

Donated Fixed Assets represents the value of fixed assets donated to the academy trust by a Local Authority when a new build school is built and provided to the academy trust at no cost to GLF Schools.

Other capital funds are capital funds held at 31 August 2021 to be used for capital purposes in the future.

The Fixed Asset fund recognises the net book value of tangible and fixed assets transferred to the trust on conversion and additions since conversion.

Unrestricted funds represent other income to the academy trust which is not received as funding or with a specific purpose.

**GLF Schools**  
**Notes to the financial statements**  
**For the year ended 31 August 2021**

**19 Funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2021 were allocated as follows:

	2021 £'000	2020 £'000
<b>Revenue reserves</b>		
Aureus Primary School	81	(22)
Aureus School	(263)	(191)
Banstead Infant School	166	187
The Beacon School	709	661
Cherry Fields Primary School	(56)	-
Chestnut Park Primary School	822	621
Cordwalles Junior School	406	305
Cuddington Croft Primary School	572	563
Danetree Primary School	558	504
de Stafford School	1,174	678
Floreat Montague Park School	188	226
Floreat Wandsworth School	184	258
Forge Wood Primary School	(100)	(62)
Frogmore Junior School	28	(2)
Glyn School	880	873
Hammond School	(195)	(209)
Hardwick Primary School	78	75
Hillcroft Primary School	688	570
Kilnwood Vale Primary School	34	4
Lightwater Village School	(145)	(83)
Lime Tree Primary School	387	340
Longford Park Primary School	(385)	(350)
Manor Primary School	129	165
Marden Lodge Primary School	41	(10)
Meridian High School	357	(258)
Merstham Park School	220	13
Merstham Primary School	103	115
Pine Ridge Infant and Lorraine School	287	297
Rosebery School	895	883
Salfords Primary School	149	111
Southgate Primary School	(201)	(178)
Springfield Primary School	272	299
The Vale Primary School	82	40
Warlingham Village Primary School	173	144
Warren Mead Infant School	11	30
Warren Mead Junior School	214	226
Wheatfield Primary School	306	314
Whyteleafe Primary School	396	379
William Morris Primary School	(695)	(606)
Windmill Primary School	465	482
GLF Schools Central	(1,502)	(1,546)
Total before capital reserves, fixed assets and pension reserve	7,513	5,846
Capital reserves	8,151	8,359
Fixed asset fund (representing net book value of fixed assets - note 14)	229,668	225,152
Pension reserve	(52,718)	(38,011)
<b>Total funds</b>	<b>192,614</b>	<b>201,346</b>

**19 Funds (continued)**

Aureus School is carrying a net deficit of £263k on these funds. Oversupply of pupil places in the local area has resulted in lower than expected numbers on roll. Extremely high levels of SEND are impacting the financial position.

Cherry Fields Primary School is carrying a net deficit of £56k on these funds. Oversupply of pupil places in the local area has resulted in lower than expected numbers on roll. Extremely high levels of SEND are impacting the financial position.

Forge Wood Primary School is carrying a net deficit of £100k on these funds. Lower than expected pupil numbers in the early years of this growing school have impacted the financial position.

Hammond School is carrying a net deficit of £195k on these funds and Lightwater Village School is carrying a net deficit of £145k on these funds. Ongoing shortage of pupils due to over-supply of school places in the local area has driven an unbalanced financial model across these two federated schools.

Longford Park Primary School is carrying a net deficit of £385k on these funds, which is a result of lower than expected pupil numbers in the first years of opening, and over supply of pupil places in the local area.

Southgate Primary School is carrying a net deficit of £201k on these funds. The school joined the Trust in July 2017 as a sponsored school; low pupil numbers and staff turnover have impacted on the financial position.

William Morris Primary School is carrying a net deficit of £695k on these funds. The school joined the Trust in February 2016 as a sponsored school and was operating in a deficit position. With a legacy of underachievement, a significant level of investment was required to achieve the 'Outstanding' Ofsted judgement in September 2018. Historic low pupil numbers against a PAN of 25 underpin the financial picture, but the greatest challenge impacting the school's financial position remains the extreme levels of SEND supported within the school community.

GLF Central is carrying a net deficit of £1,502k on these funds. This is a legacy of the investment in capacity in previous years to deliver a structure which provides strong support for member schools.

## 19 Funds (continued)

### Total cost analysis by academy

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

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies (including all non staff direct costs) £'000	Other costs (excluding depreciation) £'000	Total 2021 £'000	Total 2020 £'000
Aureus Primary School	917	84	79	199	1,279	921
Aureus School	2,282	251	257	372	3,162	2,588
Banstead Infant School	891	114	114	159	1,278	1,179
The Beacon School	5,687	578	638	585	7,488	6,830
Cherry Fields Primary School	247	57	141	65	510	-
Chestnut Park Primary School	2,039	187	114	364	2,704	2,297
Cordwalles Junior School	816	125	66	109	1,116	1,039
Cuddington Croft Primary School	1,503	146	169	309	2,127	1,839
Danetree Primary School	2,337	241	141	431	3,150	3,013
de Stafford School	3,193	573	278	495	4,539	4,125
Floreat Montague Park School	1,046	113	164	258	1,581	1,145
Floreat Wandsworth School	1,270	185	152	296	1,903	1,513
Forge Wood Primary School	906	111	88	164	1,269	892
Frogmore Junior School	599	75	71	113	858	757
Glyn School	6,950	790	671	824	9,235	9,354
Hammond School	970	127	63	122	1,282	1,196
Hardwick Primary School	778	106	66	124	1,074	1,125
Hillcroft Primary School	1,623	113	96	221	2,053	2,022
Kilnwood Vale Primary School	393	48	64	105	610	382
Lightwater Village School	596	105	27	135	863	771
Lime Tree Primary School	1,692	146	151	222	2,211	2,221
Longford Park Primary School	603	108	62	102	875	950
Manor Primary School	1,245	165	82	176	1,668	1,809
Marden Lodge Primary School	917	104	75	167	1,263	1,314
Meridian High School	2,961	496	276	501	4,234	4,196
Merstham Park School	1,427	146	141	132	1,846	1,200
Merstham Primary School	817	93	56	125	1,091	1,004
Pine Ridge Infant and Lorraine	908	181	67	130	1,286	1,254
Rosebery School	5,732	611	461	787	7,591	7,125
Salfords Primary School	1,421	165	109	162	1,857	1,772
Southgate Primary School	1,338	117	105	216	1,776	1,709
Springfield Primary School	1,418	204	129	223	1,974	1,902
The Vale Primary School	678	99	49	101	927	931
Warlingham Village Primary School	746	98	61	109	1,014	933
Warren Mead Infant School	833	106	50	131	1,120	1,091
Warren Mead Junior School	985	81	126	155	1,347	1,249
Wheatfield Primary School	627	56	80	164	927	735
Whyteleafe Primary School	1,594	99	113	341	2,147	1,739
William Morris Primary School	698	108	64	84	954	894
Windmill Primary School	669	60	76	165	970	774
GLF Schools Central	2,665	2,964	959	1,883	8,471	5,870
	<b>65,017</b>	<b>10,336</b>	<b>6,751</b>	<b>11,526</b>	<b>93,630</b>	<b>83,660</b>
				Depreciation	<b>7,830</b>	<b>7,763</b>
				Other finance costs and pension costs	<b>5,893</b>	<b>5,237</b>
				<b>Note 8</b>	<b>107,353</b>	<b>96,660</b>

19 Funds (continued)

Comparative Funds

	Balance at 1 Sept 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfer £'000	Balance at 31 August 2020 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	209	67,608	(64,397)	(555)	2,865
Other DfE/ESFA grants	-	9,248	(9,248)	-	-
LA revenue grants	-	5,448	(5,448)	-	-
Other government grants	-	217	(217)	-	-
Other restricted funds	-	254	(254)	-	-
Teaching School	(83)	509	(317)	-	109
	<u>126</u>	<u>83,284</u>	<u>(79,881)</u>	<u>(555)</u>	<u>2,974</u>
Pension reserve (note 30)	(27,033)	(2,742)	(5,237)	(2,999)	(38,011)
	<u>(26,907)</u>	<u>80,542</u>	<u>(85,118)</u>	<u>(3,554)</u>	<u>(35,037)</u>
<b>Restricted fixed asset funds</b>					
Devolved Formula Capital	612	350	-	(260)	702
Other ESFA capital funding	4,530	3,958	(38)	(2,332)	6,118
LA capital grants	418	34	-	(312)	140
Capital funds on transfer of existing academies	17	72	-	(11)	78
Capital funds transferred on conversion	94	-	-	-	94
Capital donations	-	72	-	(72)	-
Donated fixed assets	-	7,700	-	(7,700)	-
Other capital funds	729	-	-	498	1,227
Fixed asset fund	189,229	32,942	(7,763)	10,744	225,152
	<u>195,629</u>	<u>45,128</u>	<u>(7,801)</u>	<u>555</u>	<u>233,511</u>
<b>Total restricted funds</b>	<u>168,722</u>	<u>125,670</u>	<u>(92,919)</u>	<u>(2,999)</u>	<u>198,474</u>
<b>Unrestricted funds</b>					
Unrestricted funds	2,448	4,165	(3,741)	-	2,872
<b>Total unrestricted funds</b>	<u>2,448</u>	<u>4,165</u>	<u>(3,741)</u>	<u>-</u>	<u>2,872</u>
<b>Total funds</b>	<u>171,170</u>	<u>129,835</u>	<u>(96,660)</u>	<u>(2,999)</u>	<u>201,346</u>



## 20 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total Funds £'000
Tangible fixed assets	-	-	229,668	229,668
Current assets	2,868	15,684	8,151	26,703
Current liabilities	-	(11,007)	-	(11,007)
Non-current liabilities	-	(32)	-	(32)
<b>Total net assets excluding Pension Scheme liability</b>	<b>2,868</b>	<b>4,645</b>	<b>237,819</b>	<b>245,332</b>
Pension Scheme liability	-	(52,718)	-	(52,718)
<b>Total net assets</b>	<b>2,868</b>	<b>(48,073)</b>	<b>237,819</b>	<b>192,614</b>

## Comparative analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total Funds £'000
Tangible fixed assets	-	-	225,152	225,152
Current assets	2,872	11,144	8,359	22,375
Current liabilities	-	(8,109)	-	(8,109)
Non-current liabilities	-	(61)	-	(61)
<b>Total net assets excluding Pension Scheme liability</b>	<b>2,872</b>	<b>2,974</b>	<b>233,511</b>	<b>239,357</b>
Pension Scheme liability	-	(38,011)	-	(38,011)
<b>Total net assets</b>	<b>2,872</b>	<b>(35,037)</b>	<b>233,511</b>	<b>201,346</b>

## 21 Capital commitments

	2021 £'000	2020 £'000
Contracted for, but not provided in the financial statements	1,823	513

## 22 Commitments under operating leases

### Operating leases

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

	2021 £'000	2020 £'000
Amounts due within one year	284	241
Amounts due between one and five years	262	213
Amounts due after five years	-	-
	<b>546</b>	<b>454</b>

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

	2021 £'000	2020 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	82	33,175
Adjusted for:		
Cash transferred from existing academies	-	(951)
Depreciation (note 14)	7,830	7,763
Capital income re fixed assets transferred from existing academy trusts	-	(32,942)
Capital grants from DfE and other capital income	(11,264)	(12,042)
Interest receivable (note 7)	(2)	(11)
Defined benefit pension scheme obligation inherited from existing academies	-	2,742
Defined benefit pension scheme cost less contributions payable (note 30)	4,854	4,671
Defined benefit pension scheme finance cost (note 30)	1,039	566
(Increase)/decrease in stocks	21	-
(Increase)/decrease in debtors	195	(1,096)
Increase/(decrease) in creditors	2,898	1,528
<b>Net cash provided by operating activities</b>	<b>5,653</b>	<b>3,403</b>

**24 Cash flows from financing activities**

	2021 £'000	2020 £'000
Repayments of borrowing	(29)	(29)
Cash inflows from new borrowing	-	-
<b>Net cash used in financing activities</b>	<b>(29)</b>	<b>(29)</b>

**25 Cash flows from investing activities**

	2021 £'000	2020 £'000
Dividends, interest and rents from investments	2	11
Purchase of tangible fixed assets	(4,741)	(3,044)
Capital grants from DfE Group	3,079	4,308
Capital grants received from Local Authorities	580	34
<b>Net cash (used in)/provided by investing activities</b>	<b>(1,080)</b>	<b>1,309</b>

**26 Analysis of cash and cash equivalents**

	At 1 September 2020	Transferred from existing academies	Transferred on conversion	Cash flows	At 31 August 2021
	£'000	£'000	£'000	£'000	£'000
Cash at bank and in hand	18,576	-	-	4,544	23,120
	18,576	-	-	4,544	23,120

**27 Analysis of changes in net debt**

	At 1 September 2020	Cash flows	New finance leases	Other non-cash changes	At 31 August 2021
	£'000	£'000	£'000	£'000	£'000
Cash	18,576	4,544	-	-	23,120
	18,576	4,544	-	-	23,120
Loans falling due within one year	(29)	-	-	-	(29)
Loans falling due after more than one year	(61)	29	-	-	(32)
	18,486	4,573	-	-	23,059

## **28 Contingent liabilities**

There are no contingent liabilities that require disclosure.

## **29 Members' liability**

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

## **30 Pension and similar obligations**

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Surrey County Council (Banstead Infant School, The Beacon School, Cordwalles Junior, Cuddington Croft Primary, Danetree Primary, de Stafford School, GLF Central, Glyn School, Hammond Junior, Hillcroft Primary, Lime Tree Primary, Lightwater Village, Marden Lodge Primary, Merstham Park School, Merstham Primary School, Pine Ridge Infant and Nursery School and Lorraine Schools, Rosebery, Salfords Primary, Springfield Primary, The Vale Primary, Warlingham Village Primary, Warren Mead Infant, Warren Mead Junior and Whyteleafe Primary), Croydon Council (Chestnut Park Primary and Meridian High), Hampshire County Council (Frogmore Junior School), Oxfordshire County Council (Aureus Primary School, Aureus School, Cherry Fields Primary School, Hardwick Primary, Longford Park Primary, Manor Primary and William Morris), West Sussex County Council (Forge Wood Primary, Kilnwood Vale Primary and Southgate Primary), Wandsworth Council (Floreat Wandsworth) and Royal County of Berkshire (Floreat Montague Park, Wheatfield Primary and Windmill Primary). Both schemes 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 £1,430k were payable to the schemes at 31 August 2021 (2020: £1,305k) and are included within creditors.

### **Teachers' Pension Scheme**

#### **Introduction**

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

#### **The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in the regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

### 30 Pension and similar obligations (continued)

#### Teachers' Pension Scheme (continued)

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

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

The next valuation is expected to take effect in 2023.

The pension costs paid to TPS in the period amounted to £8,562k (2020: £7,894k).

A copy of the latest valuation report is on the Teachers' Pension Scheme website at the following location:

<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>

##### Scheme Changes

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, rejected the Government's application for permission to appeal the Court of Appeal's ruling and subsequently referred the case to an Employment Tribunal to determine a remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.

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

### 30 Pension and similar obligations (continued)

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £4,619k (2020: £3,849k), of which employer's contributions totalled £3,549k (2020: £2,922k) and employees' contributions totalled £1,070k (2020: £927k).

The agreed contribution rates for future years are different for the different Local Authorities and the schools within those Local Authorities. The table below gives a summary of this information:

	Employees %	Contribution Rates	
		Employers % from 1 April 2021	Employers % from 1 April 2022
<b>Berkshire</b>			
Floreat Montague Park	5.5 - 12.5	20.6	21.6
Wheatfield Primary School	5.5 - 12.5	20.6	21.6
Windmill Primary School	5.5 - 12.5	20.6	21.6
<b>Croydon</b>			
Chestnut Park Primary School	5.5 - 12.5	16.4	16.4
Meridian High School	5.5 - 12.5	17.0	17.0
<b>Hampshire</b>			
Frogmore Junior School	5.5 - 12.5	18.9	18.9
<b>Oxfordshire</b>			
Aureus Primary School	5.5 - 12.5	18.1	18.1
Aureus School	5.5 - 12.5	18.1	18.1
Cherry Fields Primary School	5.5 - 12.5	18.1	18.1
Hardwick Primary School	5.5 - 12.5	18.1	18.1
Longford Park Primary School	5.5 - 12.5	18.1	18.1
Manor Primary School	5.5 - 12.5	18.1	18.1
William Morris Primary School	5.5 - 12.5	18.1	18.1
<b>Wandsworth</b>			
Floreat Wandsworth	5.5 - 12.5	19.0	19.0
<b>West Sussex</b>			
Forge Wood Primary School	5.5 - 12.5	22.7	21.7
Kilnwood Vale Primary School	5.5 - 12.5	22.7	21.7
Southgate Primary School	5.5 - 12.5	22.7	21.7

### 30 Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

	Employees %	Contribution Rates	
		Employers % from 1 Sept 2021	Employers % from 1 Sept 2022
<b>Surrey</b>			
Banstead Infant School	5.5 - 12.5	20.0	20.0
The Beacon School	5.5 - 12.5	20.0	20.0
Cordwalles Junior School	5.5 - 12.5	20.0	20.0
Cuddington Croft Primary School	5.5 - 12.5	20.0	20.0
Danetree Junior School	5.5 - 12.5	20.0	20.0
de Stafford School	5.5 - 12.5	20.0	20.0
Glyn School	5.5 - 12.5	20.0	20.0
Hammond Junior School	5.5 - 12.5	20.0	20.0
Hillcroft Primary School	5.5 - 12.5	20.0	20.0
Lightwater Village School	5.5 - 12.5	20.0	20.0
Lime Tree Primary School	5.5 - 12.5	20.0	20.0
Lorraine School	5.5 - 12.5	20.0	20.0
Marden Lodge Primary School	5.5 - 12.5	20.0	20.0
Merstham Park School	5.5 - 12.5	20.0	20.0
Merstham Primary School	5.5 - 12.5	20.0	20.0
Pine Ridge Infant and Nursery	5.5 - 12.5	20.0	20.0
Rosebery School	5.5 - 12.5	20.0	20.0
Salfords Primary School	5.5 - 12.5	20.0	20.0
Springfield Primary School	5.5 - 12.5	20.0	20.0
The Vale Primary School	5.5 - 12.5	20.0	20.0
Warlingham Village Primary School	5.5 - 12.5	20.0	20.0
Whyteleafe Primary School	5.5 - 12.5	20.0	20.0
Warren Mead Infant School	5.5 - 12.5	20.0	20.0
Warren Mead Junior School	5.5 - 12.5	20.0	20.0
GLF Schools	5.5 - 12.5	20.0	20.0

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

#### Principal actuarial assumptions

	At 31 August 2021		At 31 August 2020	
	Top of Range	Bottom of Range	Top of Range	Bottom of Range
Rate of increase in salaries	3.85%	2.90%	3.20%	2.20%
Rate of increase for pensions in payment / inflation	2.90%	2.60%	2.20%	2.20%
Discount rate for scheme liabilities	1.70%	1.65%	1.70%	1.65%
Inflation assumption (CPI)	2.90%	2.60%	2.20%	2.20%

### 30 Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

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

	At 31 August 2021		At 31 August 2020	
	Top of Range	Bottom of Range	Top of Range	Bottom of Range
<i>Retiring today</i>				
Males	23.1	21.3	23.0	21.5
Females	25.5	24.0	25.5	23.9
<i>Retiring in 20 years</i>				
Males	24.8	22.6	24.7	22.5
Females	27.3	25.4	27.2	25.3

The academy trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2021 £'000	Fair value at 31 August 2020 £'000
Equities	36,713	26,661
Gilts	8,430	6,838
Other bonds	200	113
Property	3,804	3,172
Cash	1,048	1,171
Target Return Portfolio	36	18
Commodities	-	2
Infrastructure	71	42
Longevity Insurance	(46)	(34)
Multi-asset Fund	37	24
Other	74	52
<b>Total market value of assets</b>	<b>50,367</b>	<b>38,059</b>
Present value of scheme liabilities		
- Funded	(103,085)	(76,070)
<b>Surplus/(deficit) in the scheme</b>	<b>(52,718)</b>	<b>(38,011)</b>

The actual return on scheme assets was £10,822k (2020: £-714k).

#### Amounts recognised in the statement of financial activities

	2021 £'000	2020 £'000
Current service cost (net of employee contributions)	8,403	7,723
Net interest cost	678	535
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	360	33
Administration expenses	1	-
<b>Total operating charge</b>	<b>9,442</b>	<b>8,291</b>

### 30 Pension and similar obligations (continued)

#### Local Government Pension Scheme (continued)

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

	2021 £'000	2020 £'000
<b>At 1 September</b>	<b>76,070</b>	<b>58,477</b>
Transferred in on existing academies joining the trust	-	5,635
Current service cost	8,403	7,593
Interest cost	1,353	1,139
Employee contributions	1,070	927
Actuarial (gain)/loss	16,379	2,791
Estimated benefits paid net of transfers in	(550)	(525)
Past service cost	360	33
<b>At 31 August</b>	<b>103,085</b>	<b>76,070</b>

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

	2021 £'000	2020 £'000
<b>At 1 September</b>	<b>38,059</b>	<b>31,444</b>
Transferred in on existing academies joining the trust	-	2,893
Interest income	675	606
Return on plan assets (excluding net interest on the net defined pension liability)	7,565	(205)
Actuarial gain/(loss)	-	(3)
Administration expenses	(1)	-
Employer contributions	3,549	2,922
Employee contributions	1,070	927
Estimated benefits paid plus unfunded net of transfers in	(550)	(525)
<b>At 31 August</b>	<b>50,367</b>	<b>38,059</b>

#### Reconciliation of opening and closing deficit

	2021		2020	
	£'000	£'000	£'000	£'000
<b>Pension deficit at 1 September</b>		<b>(38,011)</b>		<b>(27,033)</b>
Current service cost	(8,403)		(7,593)	
Employer contributions	<u>3,549</u>		<u>2,922</u>	
Additional pension cost		(4,854)		(4,671)
Other finance costs		(1,039)		(566)
Deficits transferred from existing academy trusts		-		(2,742)
Actuarial gains/(losses)		<u>(8,814)</u>		<u>(2,999)</u>
<b>Pension deficit at 31 August</b>		<b>(52,718)</b>		<b>(38,011)</b>



### **31 Related party transactions**

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval when required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the financial period.

#### Expenditure Related Party Transactions

Ms J Lott (spouse of Jon Chaloner, Chief Executive Officer and Accounting Officer) is employed by the Trust as a teacher at Glyn School. Ms Lott's remuneration during the year was £19k (2020: £23k) and employer pension contributions amounted to £4k (2020: £5k).

### **32 Events after the balance sheet date**

There are no events after the balance sheet date which result in adjustment to the Financial Statements.

### **33 Agency arrangements**

The academy trust administers the disbursement of Initial Teacher Training bursaries, on behalf of the DfE. In the year ended 31 August 2021 the trust received £530k (2020: £284k) and disbursed £530k (2020: £304k) from the fund. An amount of £0k (2020: £0k) (including brought forward from prior years) is included in creditors relating to undistributed funds that are repayable to DfE at 31 August 2021.

The academy trust administers the disbursement of School Direct grant funding, on behalf of the DfE, to schools outside of GLF Schools. In the year ended 31 August 2021 the trust received £181k (2020: £155k) and disbursed £89k (2020: £135k) from the fund. An amount of £92k (2020: £20k) (including brought forward from prior years) is included in creditors relating to undistributed funds which are due to schools outside of GLF Schools at 31 August 2021 (2020: £20k included in creditors relating to undistributed funds that were repayable to DfE at 31 August 2020).

The academy trust administers the disbursement of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. In the year ended 31 August 2021 the trust received £0k (2020: £43k) and disbursed £0k (2020: £32k) from the fund. An amount of £0k (2020: £52k) (including brought forward from prior years) is included in creditors relating to undistributed funds that are repayable to ESFA at the 31 August 2021.

**34 Teaching School Trading Account**

		2021		2020	
		£'000	£'000	£'000	£'000
<b>Income</b>					
	<b>Direct Income</b>				
	DfE/ESFA Teaching School Grants	120		47	
	<b>Other Income</b>				
	Other activities	540		462	
<b>Total Income</b>			660		509
<b>Expenditure</b>					
	<b>Direct costs</b>				
	Direct staff costs	248		189	
	Staff development	111		31	
	Other direct costs	49		16	
	<b>Total direct costs</b>		408		236
	<b>Other costs</b>				
	Support staff costs	120		70	
	Other support costs	30		11	
	<b>Total indirect costs</b>		150		81
<b>Total Expenditure</b>			558		317
Transfers between funds excluding depreciation			-		-
<b>Surplus/(Deficit) from all sources</b>			102		192
<b>Teaching school balances at 1 September</b>			109		(83)
<b>Teaching school balances at 31 August</b>			211		109