

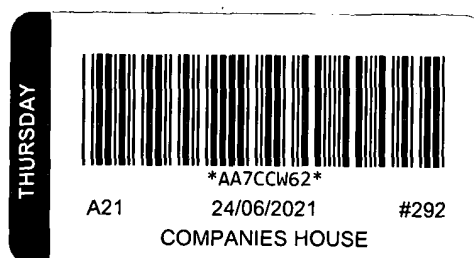


CHRYsalis MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

**TRUSTEES' REPORT &
FINANCIAL STATEMENTS**

**for the period
1 September 2019 to 31 August 2020**

**Company Registration Number:
07557868 (England and Wales)**



CHRYSLIS MULTI ACADEMY TRUST

FINANCIAL STATEMENTS

Period 1 September 2019 to 31 August 2020

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CHRYSLIS MULTI ACADEMY TRUST

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FINANCIAL STATEMENTS

Period 1 September 2019 to 31 August 2020

REFERENCE & ADMINISTRATIVE DETAILS

Members

Mr S.R. Brunswick (Chairman)
Ms F. Aldridge
Mr I. Philips
Mr F.T. Molloy
Dr. D.J.M. Wright

Trustees

Mr S.R. Brunswick (Chairman)
Ms N. Hyde-Boughey (Appointed 1st of September 2019)
Mr S. Kataria
Mr N.C. Molden
Mr N. Sanghrajka
Mr M. Vadgama

Senior Management Team

Ms N. Hyde-Boughey (Executive Headteacher and Claremont High School Headteacher)
Ms K. Mistry (Sudbury Primary School Headteacher)
Ms C. Thompson (Chrysalis Multi Academy Trust Chief Financial Officer)

Company Number

Chrysalis Multi Academy Trust
7557868 (England & Wales)

Principal and Registered Office

Claremont Avenue
Kenton
Harrow
Middlesex HA3 0UH

Independent Auditor

BDO LLP
55 Baker Street
London W1U 7EU

Bankers

Barclays Business Banking
P.O. Box 13555
Acorn House
36/38 Park Royal Road
London NW10 7WJ

Solicitors

Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham NG2 1BJ

CHRYSLIS MULTI ACADEMY TRUST

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TRUSTEES' REPORT

Period 1 September 2019 to 31 August 2020

The Trustees present their annual report together with the financial statements and auditor's report of the Charitable Company for the year ended 31 August 2020. The Trustees' report serves the purposes of both a Trustees' report and a Directors' report under company law. On the 1 June 2017 the name of the Company was changed from Claremont High School Academy Trust and the objects of the Company were also changed to allow the Company to become a Multi Academy Trust (MAT). Claremont High School is the lead academy within the academy trust and on the 1st of November 2017 Sudbury Primary School joined the academy trust.

During the year an academy trust, in the London Borough of Brent, was operated consisting of:

- Claremont High School for pupils aged 11 to 19 with a pupil capacity of 1,650 and a roll of 1,646 in the school census on the 31 January 2020;
- Sudbury Primary School for pupils aged 3 to 11 with a pupil capacity of 930 and a roll of 914 in the school census on the 31 January 2020.

Both academies admit pupils in accordance with the London Borough of Brent's coordinated admission scheme for primary and secondary schools. Where the number of applications exceed the number of places available an oversubscription criteria is followed.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee with no share capital (registration number 07557868) and is also an exempt charity. As an exempt charity, it is not required to be registered with the Charity Commission and instead is regulated by the Education and Skills Funding Agency (ESFA) on behalf of the Department of Education. Chrysalis Education Trading Limited (Number 097813800) is a separate trading subsidiary and is wholly owned by the academy trust.

The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of Chrysalis Multi Academy Trust are also directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the period are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the Chrysalis Multi Academy Trust 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

The academy trust has taken out cover with third party insurance providers relating to Trustees' indemnity at a total cost of £2,500. The limit of indemnity cover is £1 million.

TRUSTEES' REPORT**STRUCTURE, GOVERNANCE AND MANAGEMENT****Method of Recruitment and Appointment or Election of Trustees**

The number of Trustees shall not be less than 3 and a maximum of 8 Trustees can be appointed by ordinary resolution.

In the year there were 6 Trustees of which 1 Trustee served on the Local Governing Body of Claremont High School.

The academy trust uses the website 'Inspiring Governance' which provides free recruitment resources to small multi academy trusts, like Chrysalis Multi Academy Trust, looking to strengthen their board of Trustees. The website is used to connect skilled volunteers who are interested in serving as Trustees at Chrysalis Multi Academy Trust. Interested candidates are shortlisted and interviewed by the Executive Headteacher, the Chair of Trustees and other key management personnel. Those identified as having the necessary skillset from the interview process are then invited to attend Trustee meetings on a trial basis. If after this trial, the candidate(s) express the wish to be appointed, all Trustees vote on whether or not to appoint.

Policies and Procedures Adopted for the Induction and Training of Trustees

- On appointment or election, each new Trustee is issued with a Handbook giving detailed information relevant to being a Trustee at Chrysalis Multi Academy Trust;
- A meeting with the Chair of Trustees and Executive Headteacher is held and the structure and workings of the academy trust are explained including;
- An explanation of all current issues being dealt with by the academy trust;
- An explanation of the roles and responsibilities of senior leaders within the academy trust. Trustees are also;
- Taken on a tour of each academy in the academy trust;
- Introduced to key personnel within the academy trust;
- Trustees are made aware of what training courses are available and are encouraged to attend courses to enhance their contribution to their role as a Trustee of Chrysalis Multi Academy Trust.

Organisational Structure**The Trustees**

The Trustees are responsible for exercising oversight of the governance and management of the academy trust. In exercising their responsibilities, Trustees consider the advice given by the Executive Headteacher, other executive officers and the Chairs of the Local Governing Bodies as appropriate. The Trustees are responsible for setting general policy, adopting a 3 year plan and an annual budget, monitoring the academy trust by the use of results and budget and making major decisions about the direction of the academy trust, capital expenditure and senior staff appointments.

TRUSTEES' REPORT**STRUCTURE, GOVERNANCE AND MANAGEMENT****The Executive Headteacher**

The Executive Headteacher is responsible for providing professional advice to the Trustees and all other relevant committees (including the Local Governing Bodies) regarding all matters of professional interest and concern that contribute to the successful development and operation of the academy trust and its academies.

Each Academy Headteacher

The Headteacher of Claremont High School is the Executive Headteacher and Sudbury Primary School has its own Headteacher. Both the Headteachers of each academy are responsible for the direction and operation of their academy, while also retaining a substantial degree of autonomy and flexibility in carrying out their delegated responsibilities. Each academy Headteacher is responsible to the Local Governing Body on all matters of professional interest and concern that contribute to the successful development and operation of their academy.

Chief Financial Officer

The Chief Financial officer takes the lead in establishing a strong framework for implementing and maintaining good financial management across the trust.

Accounting Officer

The Executive Headteacher is the Accounting Officer.

Arrangements for Setting Pay and Remuneration for Senior Management

Trustees are not remunerated, the Executive Headteacher, Headteacher of Sudbury Primary School and the Chief Financial Officer's salary are determined by the Trustees via the Personnel Committee. Other senior management of the academy trust including Deputy Headteachers and Assistant Headteachers are determined by the Executive Headteacher and the Headteachers' of each academy. All decisions regarding the remuneration of key management personnel and senior management are ratified by the Local Governing Body via the Personnel Committee(s).

TRUSTEES' REPORT**STRUCTURE, GOVERNANCE AND MANAGEMENT****Trade Union Facility Time**

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, Section 2, the following summarises the academy trust's trade union activities in the year:

Relevant union officials

Number of employees who were relevant union officials during 2019-20	Full-time equivalent employee number
3	3

Percentage of time spent on facility time

Percentage of time	Number of employees
1-50%	3

Percentage of pay bill spent on facility time

Total cost of facility time	£1,095
Total pay bill	£12,827,000
% Pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a % of total paid facility time hours calculated as: (total hours spent on trade union activities by relevant union officials during the relevant period + total paid facility time hours) x 100	13 hours
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Related Parties and other Connected Charities and Organisations

Chrysalis Multi Academy Trust has no connected party transactions. All Trustees, Local Governing Body members, key management personnel and senior management complete a 'Register of Interest' form to enable the academy trust to identify where any related parties may arise. In the event that a related party was identified, all decisions would still be based on the tender process but with an understanding of any interests. Any identified related parties would not participate in the decision-making process.

TRUSTEES' REPORT**OBJECTIVES AND ACTIVITIES****Engagement with Employees (including Disabled Employees)**

The Companies (Miscellaneous Reporting) Regulations 2018 requires companies with more than 250 employees to summarise actions taken during the financial year that demonstrates how employers engaged with their employees (including disabled persons). The academy trust has met the requirements as follows:

How the academy trust provided information regarding matters of concern to all staff

Examples included:-

- Regular staff briefings by the Executive Headteacher and each academy's Headteacher were undertaken. Pre pandemic these briefings were conducted weekly via a whole school staff meeting and during the Covid-19 period weekly via Microsoft Teams. Further updates were provided in each academy's weekly staff bulletin and distributed via email to all staff. Updates included consultation on pay negotiations, cost of living pay increases, reminders regarding the importance of printing payslips for employee own records, supporting information on how to access the academy trust's counselling services etc.;
- The Executive Headteacher and academy Headteachers' operated throughout the year an open door policy to staff to discuss any employee issues across the academy trust;
- The Executive Headteacher met with key management personnel of the academy trust bi-monthly and the academy Headteachers' met weekly with their senior management teams to discuss any relevant employee concerns raised by employees via senior management;
- HR also met regularly with individual staff members to address concerns as they arose throughout the year e.g. Covid-19 related, performance related, well-being etc. to ensure where appropriate employee concerns were addressed in a timely and appropriate matter;
- The Executive Headteacher and academy Headteachers' also emailed all staff when Covid-19 cases were known to communicate clearly all arrangements made impacting staff especially in regards to site restrictions, school opening, staff isolation requirements and work expectations;
- Termly INSET staff training days with sessions held on staff wellbeing for all academy trust employees including external training on stress management.

Consulting employees or their representatives regularly so that the view of employees can be considered in making decisions that were likely to affect their interests

- A termly meeting of the Joint Consultative Committee (JCC) was held by both schools where elected staff members met with the Executive Headteacher and academy Headteachers' to discuss all relevant employee concerns. Agenda items included staff well-being, Covid staffing rotas, PPE arrangements, staff survey results, school improvement plan, health and safety, cost of living increases, an update on academy trust's finances etc. Staff representatives were all elected by a staff vote;
- As outlined in the Trade Union Facility Time the academy trust has three union representatives representing the NEU union (two at Claremont High School and one at Sudbury Primary School). These representatives participated in the JCC meetings and also had access to the Executive Headteacher, academy Headteachers' and HR throughout the year to consult regarding Covid-19 opening plans and employee risk assessments. This access was key in reassuring staff during this extremely difficult time.

TRUSTEES' REPORT**OBJECTIVES AND ACTIVITIES**Encouraging the involvement of employees in the academy trust's performance

- All academy trust employees are encouraged to set and work toward academy trust targets as outlined in the academy trust's and individual academy improvement plans through an appraisal system Bluesky at Claremont High School and SchooliPat at Sudbury Primary School. These appraisal systems operate as a standards tracker for performance management so that performance management standards are clear and standardised across the academy trust. Staff who conduct appraisals receive training and have access to support that ensures that performance related pay decisions are fair and known to all staff.

The academy trust's policy in respect of employment from disabled persons and the treatment of becoming disabled

The academy trust's recruitment policy ensures that all applicants with a disability are fairly treated and are not discriminated against either directly or indirectly. HR ensures that any disability declaration made by a candidate is not included in the selection and recruitment process. HR ensures that reasonable adjustments are in place during the selection process so that candidates are not disadvantaged at any time.

HR records enable the collection of workforce profile and performance data including the percentage of employees with a disability. During Covid-19 the academy trust ensured that staff, with a disability and those designated as extremely critically vulnerable had access to HR to request additional support. At all times the academy trust supports any staff member with a disability by making reasonable workplace adjustments, undertakes risk assessments, treats absence for these staff with confidentiality and supports absence with supportive referrals. The academy trust conducts an accessibility audit every three years and recent improvements have included the installation of ramps, the creation of disability parking spaces, signage and a disabled lift. Finally, the academy trust has a robust equal opportunities policy.

Engagement with Suppliers, Customers, any Others in a Business Relationship with the Academy Trust

The academy trust ensures that value for money is prioritised and at the centre of all engagements with suppliers, customers and other business relationships. The academy trust strives to achieve good value in a manner which treats all suppliers, customers and others in a business relationship with the academy trust fairly and equally and above all else via a system of process and procedures that is transparent so that decisions can be held to account at any time.

Examples included:-

- The academy trust's finance department ensures that suppliers are paid on time and in accordance with supplier payment terms and finance procedures;
- The Executive Headteacher and Chief Financial Officer ensure that all goods and services are procured in accordance with finance procedures and where the value of a purchase is such, that a full tendering process is required, that the tender is conducted in a way that is transparent, fair and anyone with a business interest is excluded from the tender;

TRUSTEES' REPORT**OBJECTIVES AND ACTIVITIES**

- The Chief Financial Officer ensures that all goods and services are procured via the use of purchase orders and that purchases are made from suppliers that have been vetted and are approved suppliers of the academy trust;
- Trustees periodically review the academy trust's expenditure by supplier to ensure that the academy trust is not overly reliant on a supplier for a good or service or that combined purchases made in the year are not excessive and are checked further for any relevant business interest;
- All relationships with suppliers, customers or any other business relationship are conducted in a professional and efficient manner with strict adherence to academy trust's vision and values as well as policies and procedures.

Objects and Aims

As defined in the articles of association, the principal object of the academy trust is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing an academy trust offering a broad and balanced curriculum.

This principal objective incorporates the provision and maintenance of the highest attainable education standards for its students.

Achievement and Outcomes Objective

The six key principles of the academy trust are:

- **Equity:** Commitment to working together across the academy trust to improve the life chances of all learners through high performance expectations;
- **Learning:** High quality teaching and learning for all key stages;
- **Leadership:** Rigorous leadership that has an impact at all levels;
- **Curriculum:** Establishing a positive growth mind set so that the academy trust is consistently developing and achieving strength through both challenge and creating opportunities for all;
- **Professional Development:** High quality training and professional development for staff, Trustees and Governors;
- **Communication:** Positive professional relationships between all staff and all stakeholders.

Equal Opportunities Policy

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The academy trust aims to establish equal opportunities in all areas of its activities including creating a workplace environment in which the contribution and need of all people are fully valued.

Disabled Persons

The Trustees recognise their responsibility under disability legislation in relation to disabled students and employees and accessibility, in order to ensure that disabled students and employees do not receive less favourable treatment. The policy of the academy trust is to support the recruitment and retention of students and employees with disabilities by making resources available and through training and career development; and supports this by adapting the physical environment where practicable and reasonable.

Public Benefit

In setting the academy trust's objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

TRUSTEES' REPORT**OBJECTIVES AND ACTIVITIES****Covid-19**

The Covid-19 pandemic caused significant disruption across the academy trust. From March 2020 the academy trust was closed to all but key worker and vulnerable children. This was an incredibly challenging time for all academy trust stakeholders. The academy trust was proactive in its response with business continuity plans implemented immediately resulting in a rapid switch to remote working including teaching and learning with the delivery of a significant number of online lessons. Furthermore, all support functions operated from home including finance. The academy trust ensured that it adhered to the ever-changing Government guidelines and policies. It successfully managed the cancellation of all examinations for Years 11 and 13 at Claremont High School and SATs at Sudbury Primary School.

Students faced many difficult challenges over this period, and the academy trust's pastoral teams juggled the demands of students in particular disadvantaged students effectively by maintaining regular contact with all students, providing counselling and ensuring that those most vulnerable received additional support including IT equipment, printed teaching and learning packs and Edenred free school meal vouchers.

The academy trust's HR department ensured that staff were supported when working from home and additional support was provided for staff who had circumstances including childcare to work around. The IT department assisted with the provision of laptops and remote IT support especially in relation to online classes through Microsoft Teams and Google Classrooms. Staff wellbeing was supported via access to mental health groups and counselling services. The academy trust used its financial resources to ensure that all PPE equipment was purchased to protect staff and training was given to staff on how to correctly use the equipment provided. All academy trust staff members were risk assessed.

The impact on exam results was difficult to judge given the changes to the exams system, and the issues around the calculation of results for students for A Levels and GCSE and then Centre Assessed Grades for Claremont High School and the use of teacher assessments at Sudbury Primary School but in the main results were either above or in line with expectations.

The Covid-19 measures and risk assessment processes developed will continue to be used going forward with measures in place and amended for as long as is necessary. This will allow the academy trust to continue delivering the curriculum to students, and minimise the impact of any future restrictions.

TRUSTEES' REPORT**OBJECTIVES AND ACTIVITIES****Promoting the Success of the Academy Trust**

Despite the challenges that Covid-19 presented, Trustees promoted the success of the academy trust throughout the 2019-20 year by:

- Considering the interests of employees. Trustees requested that the Executive Headteacher conduct a staff survey across the academy trust bringing forward employee issues, ideas and concerns both prior and during the Covid-19 pandemic. This was accompanied by Trustee visits to both academies before March 2020's lockdown to meet with staff to ascertain their views;
- Fostering relations between staff and pupils. Trustees actively participated at Claremont High School in the mock interviews for Year 13 students applying to university and in the development of the academy trust's Behaviour for Learning policies including key areas such as exclusions and C3 and C4;
- Considering the wider community. Trustees organised and funded via self-generated unrestricted income from lettings the delivery of food parcels for vulnerable community members during the Covid-19 pandemic as well as organising a Christmas party pre-pandemic for the local community's old age pensioners;
- Acting with the highest standards of business conduct. Trustees throughout the year adhered to all statutory policy requirements and declared their business interests in accordance with the Academies Financial Handbook requirements;
- Acting fairly. Trustees participated in the development of the academy trust's anti-racism policy.

STRATEGIC REPORT**Achievements and Performance**

Outcomes for the academic year 2019-20 are not being reported this year as they were in the past for the academy trust.

Claremont High School

The Covid-19 pandemic forced the Department for Education and Ofqual to cancel the 2020 summer examinations at both GCSE and A Level. The academy trust submitted Centre Assessed Grades for each student as required. All Centre Assessed Grades were moderated at school level and then underwent a national standardisation process before they were issued. As a result of the controversy, post the publication of the A Level results, the Department of Education and Ofqual opted to issue the non-standardised Centre Assessed Grades (CAG). The same approach was adopted at GCSE. Both GCSE and A Level grades were therefore not published nationally for 2019-20 and school performance tables were suspended. As a result, grades are not comparable across centres or with previous years.

However, Claremont High School students continued to perform exceptionally well and significantly above local and national averages, both for GCSE/A Level and BTEC outcomes. Summer 2020 results were in line with expectations and the CAG demonstrated an increase in many of the key headline measures, including the Progress 8 score on previous years. There were no

TRUSTEES' REPORT**STRATEGIC REPORT**

NEET pupils at the end of Year 11 and a significant majority of the Year 13 pupils secured their first choice university place, including places at Oxford and other Russell Group Universities.

The school has been notified, as of January 2021, that exams again for the 2020-21 year will be cancelled. Initial announcements from the Secretary of State of Education, Gavin Williamson, on the 13th of January 2021 indicate that exam assessments will again be replaced by Centre Assessed Grades. However, the announcement did state that the Secretary of State for Education would like 'to explore the possibility of providing externally set tasks or papers'. This indication from the Secretary of State for Education that some form of exams may yet still take place in 2020-21 causes considerable uncertainty to staff, and students as well as challenging the academy trust in terms of its plans to manage the 2020-21 exam requirement without clear guidance.

Sudbury Primary School

Likewise, the Covid-19 pandemic forced the cancellation of summer exams across primary schools. As a result, there were no national, regional, local or constituency statistics for any primary school assessments for the 2019-2020 year.

Achievements and Performance

This included all of the following areas:

- Early Years Foundation Stage
- Phonics
- End of Key Stage 1
- Multiplication Tables Check
- End of Key Stage 2

Sudbury Primary School, where possible, submitted teacher assessments for pupils in Reception (EYFS), Year 2 (KS1) and Year 6 (KS2) using FFT to provide a full analysis of data. The teacher assessed grades were based on the teachers' best judgements of where pupils would have got to if they had completed national assessments.

TRUSTEES' REPORT
STRATEGIC REPORT
EYFS

In Reception, teacher assessments of pupils achieving Good Level of Development and at least 'Expected' in all 17 Early Learning Goals was 79%.

Early Years Foundation Stage	% Achieving Good Level of Development	% Achieving Good Level of Development	% Achieving at least expected in all 17 early learning goals	% Achieving at least expected in all 17 early learning goals	Average Point Score	Average Point Score
	2019	2020	2019	2020	2019	2020
Sudbury Primary School	78%	79%	77%	79%	34.4	38.8
National	72%		72%		34.6	

Key Stage 1

Cancellation of the phonics screening check in June 2020 meant that the Year 2 cohort did not take the check in Year 1.

In the 2020/21 academic year only, it is statutory for schools to administer a past version of the phonics screening check to Year 2 pupils during the second half of the 2020 Autumn Term.

The school submitted teacher assessments for the end of Key Stage 1, higher than the FFT national comparison for pupils meeting the expected standard. In all three areas, the percentage of children meeting the expected standard and achieving greater depth was higher than in the previous academic year.

Key Stage 1 (Continued)

Key Stage 1 SATS	Pupils meeting the expected standard	Pupils achieving greater depth
	2020	2020
Reading – FFT National Average	71%	21%
Reading - Sudbury Primary School	79%	19%
Writing – FFT National Average	66%	13%
Writing - Sudbury Primary School	78%	17%
Maths – FFT National Average	72%	19%
Maths - Sudbury Primary School	80%	17%
Combined – FFT National Average	62%	10%
Combined – Sudbury Primary School	73%	15%

TRUSTEES' REPORT**STRATEGIC REPORT****Key Stage 2**

The school submitted teacher assessments for the end of Key Stage 2, higher than the FFT national comparison for pupils meeting the expected standard and achieving greater depth in most areas. There was a healthy increase in pupils achieving greater depth in 2020 in comparison to the previous academic year.

Key Stage 2 SATS	Pupils meeting the expected standard	Pupils achieving greater depth
	2020	2020
Reading – FFT National Average	79%	32%
Reading - Sudbury Primary School	84%	42%
Writing – FFT National Average	76%	20%
Writing - Sudbury Primary School	75%	9%
Maths – FFT National Average	78%	27%
Maths - Sudbury Primary School	94%	43%
Combined – FFT National Average	70%	15%
Combined – Sudbury Primary School	71%	9%

The school has been informed that in 2020-21 there will be no KS1 & KS2 SATs taking place. All primaries nationally await confirmation from the Government regarding plans for the Year 1 Phonics Check.

The academy trust's key improvement priorities in 2019-20 were:

- In response to Covid 19, enhancing the academy trust's remote blended learning provision whilst maintaining the 'normality' of school life as far as possible, ensuring stakeholders are safe and adhering to all national and local guidance in relation to Covid-19 procedures;
- Enhancing financial reporting to ensure that the finances of the academy trust are managed in a prudent manner that delivers the best outcomes for its students and value for money as well as plans for all future financial challenges e.g. funding changes and rising staff costs;
- Improving pupil outcomes and exceeding national averages.

In light of the recent lockdown, these will remain the academy trust's priorities in 2021, along with ensuring that the academy trust operates safely and students return to learning in a structured and purposeful manner. Staff and students continue to work extremely hard. These efforts, coupled with a better, more evidence-based approach to teaching, should lead to further improvements in teaching and learning and student outcomes across the academy trust.

TRUSTEES' REPORT**STRATEGIC REPORT****Key Performance Indicators**

To ensure the academy trust remains a going concern and is focused on continuous improvement, key performance indicators were used throughout the year in regular reporting through key management personnel, Local Governing Bodies and at Trustee meetings through a well structured meeting schedule. Bespoke academy trust management accounts were reported in the year, though frequency was impacted due to the Covid-19 pandemic. However, the financial reporting frequency did ensure that the financial health of the academy trust was at all times understood by Trustees. The management accounts presented to all Trustees included a range of KPI's including:

- a breakdown of income from all income streams by %
- a breakdown of expenditure by %
- a breakdown of employee costs from all areas of staffing related expenditure, by %

The academy trust in December 2018 also set further KPI's that have been monitored throughout the 2019-20 year including:

Financial KPIs

- Total income per pupil and average funding per pupil
- Staffing costs as % of total income
- Target pupil teacher ratio

Non-Financial KPIs

- Retention of Ofsted 'Outstanding' status for Claremont High School and aiming to move Sudbury Primary School from 'Good' to 'Outstanding'.
- Pupil attainment increases including:

Sudbury Primary School

The attainment of both expected and working at greater depth pupils to be higher than national standards in reading, maths and GPAs across all key stages and including early years including:

	Expected Progress		Greater Depth	
Key Stage One	National	Sudbury Primary	National	Sudbury Primary
Combined		76%		15%
Reading	75%	83%	25%	30%
Writing	69%	80%	15%	20%
Maths	76%	83%	22%	25%
Key Stage Two				
Combined	74%	81%	11%	15%
Reading	73%	85%	27%	40%
Writing	79%	85%	20%	15%

- 85% of Year 1 pupils to pass the Year 1 Phonics Check.
- 95% of Year 2 pupils to pass the Year 1 Phonics Check
- Pupils to make progress in line with FFT 20 targets and FFT 5 targets for most able

TRUSTEES' REPORT**STRATEGIC REPORT**Claremont High School**Key Stage 3**

- SEND progress
- Progress of boys in English

Key Stage 4

- Grade 4+ English Literature exceed 95%, English Language exceed 85%,
- Grade 5+ English Literature exceed 80%, English Language exceed 75%
- Grade 7+ English exceed 40%
- Grade 4+ Maths exceed 85%
- Grade 5+ Maths exceed 73%
- Grade 7+ Maths exceed 40%
- Progress 8 to increase on 2019 outcome of 0.77 with target 0.80
- Narrow attainment rate of disadvantage pupils
- Improve progress and attainment of BCRB pupil across all subjects
- Increase Ebacc attainment from 34% (2019) to at least 37%

Key Stage 5

- Improve (individual) attainment and progress at A2 and BTEC
- A2 - 99% pass rate (2020) A* to E to be maintained/improved to 100%
- A2 results to reach 50% A*B for 2021 (national figure of 51% 2019)
- Improve on the 3 year average L3VA value of +.13
- Level 3 Value added to show significant positive. No subject to be significantly negative.

Financial reporting was enhanced by the utilisation of the Department of Education's benchmarking tool. Work was also undertaken by the Chief Financial Officer and the Executive Headteacher in benchmarking key budget areas, including salaries with similar sized academy trusts. This aided better financial decisions. It also identified areas where the academy trust can go forward cut cost and deliver best value. Key management personnel and Trustees also reviewed teacher salaries against performance and progress against expectations, and made recommendations for progressions via the Personnel Committee.

The academy trust operated a bespoke curriculum financial planning model to plan future budgets and curriculum structures as developed by the Executive Headteacher (Accounting Officer) and Chief Financial Officer. The model was discussed in detail with the Finance and Premises Committee and Trustees. The current budget identifies strengths, weakness, opportunities and threats and aids Trustees in the financial decisions.

Chrysalis Education Trading Limited

Chrysalis Education Trading Limited (Number 097813800) is a separate trading subsidiary and is wholly owned by the academy trust to generate income through consulting work, loaning of employees and the running of Assessment Centres on behalf of the Local Authority of Brent.

The Assessment Centres were ran by the academy trust up until the Covid-19 national lockdown in March 2020 and placed out of school secondary age students in schools across the Borough of Brent on behalf of the Local Authority. In total 142 out of school secondary age students were placed in schools across the Borough to March 2020.

TRUSTEES' REPORT**STRATEGIC REPORT****Going Concern**

After making appropriate enquiries, the Trustees have 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.

Trustees have carefully considered Covid-19 and its impact on resources with particular emphasis placed on financial resources. The Trustees as part of the 2020-21 budget setting process looked at net reserve projections to August 2022 with projections indicating that the academy trust will hold reserves of approximately £3 million in two years' time.

Stress testing work undertaken by the Chief Financial Officer looked at projections regarding the impact of Covid-19 on lettings income and additional Covid-19 related operational costs (e.g. staffing, cleaning and PPE equipment). This work also looked at the impact on future per pupil funding, student number projections and was heavily focused on staffing given that staffing represents the largest cost of the academy trust at over 80% of its overall annual budget and the area most likely to be targeted to cut cost in future years. The staffing model was aligned to the curriculum model to ensure that both staffing levels and the academy trust's curriculum remains fit for purpose and affordable going forward. The staffing model work also looked closely at the implications of progression, future employer pension contribution rises, progression costs and projected cost of living awards on the total staffing overhead.

The Trustees believes that the projected £3 million in reserves means that the academy trust is well placed to manage the financial and operational risks faced in these times of Covid-19 and worldwide economic uncertainty. Trustees have assessed whether the use of going concern is appropriate in the preparation of the financial statements and believes that it is appropriate as the academy trust has sufficient reserves to overcome the uncertainties it has identified.

TRUSTEES' REPORT**STRATEGIC REPORT****OPERATING & FINANCIAL REVIEW**

The academy trust's main source of income is derived from the Education and Skills Funding Agency and the academy trust ensures that all of the terms and conditions of all funding agreements are complied with. The grants received during the year ended 31 August 2020 and the associated expenditure are shown in the Statement of Financial Activities - Page 34.

Unrestricted Fund

Net incoming resources for the year amounted to £654K before transfers (2019: £1,162K). The carry-forward surplus for the year is £3,134K (2019: £2,627K).

Restricted General Funds

Restricted incoming resources for the year which amounts to £15,215K (2019: £14,724K) is mainly comprised of grants receivable from Education and Skills Funding Agency. Restricted expenditure for the year amounted to £15,586K (2019: £15,340K) giving a deficit of £371K (2019: deficit £616K) before the LGPS actuarial gain.

Income of £122K (2019: expenditure of £1,110K) has been charged to satisfy the requirements of FRS102, Retirement Benefits, in relation to the academy's pension scheme liabilities - see Note 31 to the Financial Statements. The total Local Government Pension scheme (LGPS) liability stands at £4,007K (2019: £3,806K) and in the event of the academy trust closing the local government pension scheme liabilities will be met by the Department for Education.

The restricted fund carry forward amount (including LGPS pension but excluding the fixed asset fund) carried forward at 31 August 2010 is £3,285K (2019: £3,036K).

Restricted Fixed Assets Fund

The balance on the Fund at 31 August 2020 is stated at net book value to £51,911K (2019: £52,860K). The movements are highlighted in Note 18 to the Financial Statements.

Reserves and their Application (including Reserves Policy)

Despite the turbulence due to Covid-19 the reserves (including transfers) were well managed and 31 August 2020 comprised of:

£000	2020	2019
Restricted Fixed Assets	51,911	52,860
Restricted General Fund	722	770
Restricted Pension Fund	(4,007)	(3,806)
Unrestricted Fund	3,134	2,627

The academy trust has an established reserves policy which is reviewed by Trustees annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that total of unrestricted reserves of a minimum of one month's payroll (approximately £1 million) should be held by the academy trust at any one time. The aims are (i) to provide sufficient working capital to cover delays between spending and receipt of grants, (ii) to provide contingency funding for unexpected emergencies, (iii) to remain appropriately funded over the medium term, (iv) to provide funding for future estate maintenance and planned capital investment.

TRUSTEES' REPORT**STRATEGIC REPORT****Principal Risks and Uncertainties**

The principal risks and uncertainties of the academy trust shifted in 2019-20 to include the significant impact of Covid-19. The academy trust's principle risks are uncertainty regarding the level of funding from the Department of Education/ESFA going forward as well as uncertainties regarding the sustainability of paying future cost of living increases to staff. In addition, the academy trust is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the academy balance sheet. The Trustees have assessed the major risks, to which the academy trust is exposed, in particular those relating specifically to teaching, provision of facilities and other operational areas of the academy trust and its finances. The Trustees have implemented a number of systems to assess risks that the academy trust faces, especially in the operational areas (e.g. safeguarding) and in relation to the control of finance. A separate comprehensive risk assessment is in place in relation to Covid-19. Where significant financial risks remain the academy trust has ensured that adequate risk protection arrangements (e.g. RPA and Zurich insurance cover). The academy trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement. The academy trust has fully implemented the requirements of the Safer Recruitment procedures and all key staff have received training in this area. In addition, all staff have received training on Child Protection, Prevent Strategy, safer working practices, Keeping Children Safe in Education and GDPR.

Investment Policy

The Trustees invest only in low risk bank deposit accounts with the flexibility to invest across a range of account terms in order to balance liquidity and return.

Fundraising Policy

The academy trust has not undertaken any fundraising activities in the year.

Plans For Future Periods

In the next academic year the academy trust will focus on:

- Mitigating the impact on teaching and learning and attainment resulting from Covid-19;
- Enhancing the working relationship between the current members of the Multi Academy Trust (Claremont High School and Sudbury Primary School) to ensure that best practice can be shared across both academies and ensure that all pupils are given the same opportunities provided by outstanding teaching and learning;
- Carefully considering further opportunities for growth where it is line with the academy trust's stated aims and objectives and where it can be demonstrated that the academy trust has sufficient capacity to support other academies;
- Ensuring that all pupils of the academy trust are being challenged across a broad and balanced curriculum despite Covid-19;
- Maximising opportunities for learning and personal development across the academy trust including opportunities beyond lessons;
- Working towards all academies within the academy trust achieving outstanding status under the current OFSTED framework.

TRUSTEES' REPORT**STRATEGIC REPORT****Streamlined Energy and Carbon Reporting****UK Energy Use and Associated Greenhouse Gas Emissions**

The academy trust is pleased to report its current UK based annual energy usage and associated annual greenhouse gas ("GHG") emissions 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 within the UK only for all assets that come under an operational control boundary. This includes two schools controlled during the reporting period.

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

This report was compiled independently by energy consultants Briar (Briar Consulting Engineers Limited). The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed to ensure the Streamlined Energy and Carbon Reporting ("SECR") requirements were met and exceeded where possible.

The energy data was collated using existing reporting mechanisms. These methodologies provided a near continuous record of natural gas and electricity use. Transport data related to minibuses has been estimated.

The energy data was converted to carbon emissions using the 2020 UK Government GHG Conversion Factors for Company Reporting. The associated emissions are divided into the combustion of fuels and the operation of facilities (scope 1), purchased electricity, heating and cooling (scope 2) and in-direct emissions that occur as a consequence of company activities (scope 3).

Estimations

The electricity and natural gas energy use was compiled from invoices, with some pro-rating to match the reporting period. Solar energy generation and consumption on site is also based on invoices and the minimal usage of the school's minibuses is estimated based on fuel expenditure.

TRUSTEES' REPORT**STRATEGIC REPORT**

Breakdown of energy consumption used to calculate emissions (kWh):	Year ended 31 August 2020
Natural gas	1,389,297
Electricity (grid)	1,307,283
Electricity (solar PV)	5,547
School minibuses	1,200
Total gross energy consumed	2,703,327

Note: Figures may not sum to total due to rounding.

Breakdown of emissions associated with the reported energy use (tCO₂e)	Year ended 31 August 2020
Scope 1	
Natural gas	255.5
School minibuses	0.3
Electricity (solar PV)	0.0
Total Scope 1	255.8
Scope 2	
Electricity (grid)	304.8
Total Scope 2	304.8
Total Scope 3	0
Total gross emissions	560.5

Note: Figures may not sum to total due to rounding.

Intensity Ratio

The chosen primary intensity ratio is total gross emissions in metric tonnes CO₂e (mandatory emissions) per pupil (based on the Autumn census), which is the recommended ratio for the sector.

Tonnes of CO₂e per pupil	Year ended 31 August 2020
Claremont High School	0.260
Sudbury Primary School	0.147
All schools and transport	0.219

Note: Figures may not sum to total due to rounding.

TRUSTEES' REPORT**STRATEGIC REPORT****Energy Efficiency Action During Current Financial Year**

The management of resources and the need to embed sustainability is an important issue for the Trust and the following actions related to reducing energy use were implemented within the current reporting period.

Energy consumption is expected to be below typical this year due to the reduced occupancy across all sites following COVID-19 restrictions from 23rd March 2020. From this date, the schools were open to key worker children only, with a phased and partial reopening for certain year groups occurring in June 2020.

A further result of health precautions has been the greater implementation of video conferencing for staff and board meetings, reducing the need for travel to and between sites. The emission saving resulting from these activities has not been quantified, but this practice has resulted in behaviour changes that are expected to continue for the foreseeable future.

Outside of the COVID-19 response, actions this year have been limited to the upgrade of heating systems in Claremont High School with the installation of 3 new energy efficient boilers and running an energy efficiency initiative ("Eco Warriors") amongst the students in Sudbury Primary School, which was designed to cut down unnecessary energy costs.

CHRYSLIS MULTI ACADEMY TRUST
TRUSTEES' REPORT

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STRATEGIC REPORT

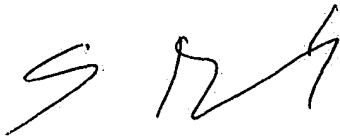
Auditor

In so far as the Trustees are aware;

- There is no relevant audit information of which the Charitable Company's Auditor is unaware;
- The Trustees have taken all steps they ought to have taken to make themselves aware of any relevant external audit information and to establish the external auditor is aware of that information.

The trustees appointed BDO LLP as external auditors for the 2019-20 year. BDO LLP has indicated their willingness to stand for reappointment for the 2020-21 financial year.

The Trustees' Report, incorporating a strategic report, was approved by orders of the Members of the Trustees, being company directors, on 26th of January 2020 and signed on its behalf by:



Mr S.R. Brunswick
Chairman

GOVERNANCE STATEMENT**Period 1 September 2019 to 31 August 2020****Scope of Responsibility**

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

The Trustees has delegated the day-to-day responsibility to the Executive Headteacher as Accounting Officer and the Chief Financial 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 Chrysalis Multi Academy Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Trustees on any material weaknesses or breakdowns in internal control.

Governance

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

Trustee— Meetings attended out of a possible number

6/6	Mr S.R. Brunswick	(Chairman)
5/6	Mr S. Kataria	
6/6	Mr N.C. Molden	
5/5	Ms N. Hyde-Boughey	
5/6	Mr N. Sanghrajka	
4/6	Mr M. Vadgama	

The Trustees carry out an annual review of their effectiveness as a board in maintaining strong governance and in its support of key staff and committees.

The annual review considers the Nolan principles and self-evaluation against the following:

- Setting strategy;
- Providing scrutiny;
- Administering stewardship;
- Providing support and guidance to key management personnel including the Executive Headteacher, Headteacher at Claremont High School and the Chief Financial Officer.

The Trustees were responsible in the year for the general control and management of the administration of the academy trust. The work of the Trustees in the year included:

- Setting the academy trust's vision, ethos and strategy for the next three years;
- Setting the level of authority and accountability each Local Governing Body has through the scheme of delegation;
- Scrutinising the education performance data of all academies within the academy trust;
- Scrutinising the impact of Covid-19 both financially and operationally.

GOVERNANCE STATEMENT

- Scrutinising the academy trust's financial results to ensure that the academy trust remained a going concern, complied with the Academies Financial Handbook and delivered best value for money;
- Ensuring that the academy trust's senior management was continuously challenged to ensure the educational results of all pupils improved.

The senior management of the academy trust ensured that the quality of information provided to Trustees was of the highest quality. The Trustees are satisfied that the information provided by senior management was accurate because year-on-year the predicted educational and financial results within the information provided equates to the actual educational and financial results achieved.

Finance and Premises Committee

The Finance and Premises Committee is a sub-committee of the main board of Trustees. Its purpose is to ensure that the academy trust is following the Education and Skills Funding Agency's financial regulations. No significant issues were dealt with during the year.

The Finance and Premises Committee formally met twice in the year due to Covid-19 restrictions. Attendance during the year was as follows;

2/2	Mr S. Kataria
2/2	Dr N.C. Molden
2/2	Ms N. Hyde-Boughey
1/2	Mr N. Sanghrajka
1/2	Mr M. Vadgama

Audit Committee

The Audit Committee is also a sub-committee of the main board of Trustees. Its purpose is to (i) monitor the integrity of the financial statements (ii) review internal financial controls and review the academy trust's internal control and risk management systems (iii) make recommendations to Trustees in relation to the appointment, re-appointment and removal of the external auditor and approve the remuneration and terms of engagement of the auditor and (iv) review the auditor's independence and objectivity.

The Audit Committee formally met once in the year due to Covid-19 restrictions. Attendance during the year was as follows;

1/1	Mr S. Kataria
1/1	Dr N.C. Molden
1/1	Mr N. Sanghrajka
1/1	Mr M. Vadgama

Although there was only one Audit Committee meeting the Trustees in their June meeting undertook a review of the risk register to assess the Covid-19 impact and overall risk.

In addition to the above meetings, there have been two emergency Covid-19 planning meetings with Trustees and the Local Governing Board. These were to scrutinise the risk assessments for the partial and full reopening of school.

GOVERNANCE STATEMENT**Review of Value for Money**

As accounting officer, the Executive Headteacher 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 Trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Exercising tight financial governance and oversight via the senior management, Finance and Premises Committee and Trustees;
- Ensuring all buying decisions were made in accordance with the principles of 'best value' probity and accountability and that all contracts were awarded on a competitive basis and suppliers were selected on their capacity to provide quality, quantity, service, timely delivery and price competitiveness;
- During 2019-20 the academy trust received a pupil premium allocation of circa £330k. This funding was utilised to target a number of interventions to support pupils who had triggered the grant funding, including a particular focus on attainment. Some improvements were made through the year, and this remains a key priority moving forward in the academy trust's improvement plan;
- Benchmarking, using the DFE toolkit, to ensure each school in the academy trust delivers good value in the use of its resources.

During the Covid-19 lockdown, the finance team were mainly able to function from home, the impact on achieving value for money was negligible. Additional expenditure was incurred and some product costs were higher than normal due to issues in the market and supply chain. These were unavoidable (e.g. hand sanitiser, cleaning products etc.)

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 Chrysalis Multi Academy Trust's 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 Chrysalis Multi Academy Trust for the year ended 31 August 2020 and up to the date of approval of the Trustees' Report & Financial Statements.

Capacity to Handle Risk

The Trustees have reviewed the key risks (via the biannual update of the risk register) to which Chrysalis Multi Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there was a formal on-going process for identifying, evaluating and managing the significant risks (including Covid-19) of Chrysalis Multi Academy Trust in the year ended 31 August 2020 (and up to the date of approval of the Trustees' Report & Financial Statements). This process is regularly reviewed by Trustees.

GOVERNANCE STATEMENT**The Risk and Control Framework**

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

- Comprehensive budgeting and monitoring systems with an annual budget, 3-year plan and periodic financial reports, which are reviewed and agreed by the Trustees;
- Regular reviews by the Finance and Premises Committee of reports which indicate financial performance against the annual budget/ forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks via the biannual update of the risk register and approval by the Audit Committee.

The Trustees considered the need for a specific internal audit function and appointed Landau Baker, as Internal Auditor ("IA") during the year. The IA's role normally includes giving advice on financial matters and performing a range of checks on Chrysalis Multi Academy Trust financial systems.

However, due to Covid-19 lockdown the internal audit could not go ahead as planned due to the site restrictions across the academy trust, crucially the finance team comprised of clinically vulnerable individuals that were required to shield, it was not feasible to undertake the work remotely, the internal auditor had staffing issues due to the Covid-19 infections and no alternative internal audit provision could be procured under the circumstances or at such short notice, once shielders were allowed to return to the workplace just before the end of the financial year. The Trustees recognise this weakness but highlight that it was due to Covid-19 circumstances far beyond their control and will undertake extensive Internal Audit work in the 2020-21 to compensate and highlight the exemplary internal audit reports received in previous years'.

Review of Effectiveness

As Accounting Officer, the Executive Headteacher 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 External Auditor,
- The financial management and governance self-assessment process
- The work of senior management within Chrysalis Multi 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 reviews of the system of internal control by the Finance and Premises 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 26th January 2020 and signed on its behalf by:

Mr S.R. Brunswick
Chairman

Ms N. Hyde-Boughey
Accounting Officer

**STATEMENT ON REGULARITY, PROPRIETY
AND COMPLIANCE****Period 1 September 2019 to 31 August 2020**

As Accounting Officer of Chrysalis Multi Academy Trust I have considered my responsibility to notify the Trustees and the Education and Skills Funding Agency of any material irregularity, impropriety and non-compliance with the terms and conditions of all funding received by the academy trust, under the Funding Agreement in place between Chrysalis Multi Academy Trust and the Secretary of State for Education.

As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Chrysalis Multi Academy Trust Trustees are not able to identify any material irregular or improper use of funds or any instances of material irregularity, impropriety or funding non-compliance have been discovered to date as set out in the Chrysalis Multi Academy Trust Funding Agreement and the Academies Financial Handbook 2019.

As stated in the Governance Statement I confirm that the academy trust's Trustees are aware of their non-compliance with the Academies Handbook 2019 in respect of the academy trust's inability in the 2019-20 year to conduct any internal audit work due to the extenuating circumstances pertaining to Covid-19. I confirm the academy trust Trustees understand that academy trust consolidated management accounts were not fully compliant with the Academies Handbook 2019. I highlight the exceptional Covid-19 circumstances pertaining to the finance department of the academy trust being staffed by critically vulnerable members and the unprecedented challenges of working remotely for these staff. I emphasise that the academy trust's finance staff worked tirelessly in a remote capacity, as best they could, to ensure that the academy trust remained a going concern and continued to operate throughout closure. I state that although exceptional circumstances were present, the financial reporting frequency was such that Trustees had sufficient management account information to discharge their financial responsibilities and manage the academy trust's finances effectively. In the 2020-21 year I confirm the academy trust will ensure it returns to full compliance with the internal audit and financial reporting requirements for academy trusts.

I confirm the academy trust's Trustees have notified the Education and Skills Funding Agency of the issues pertaining to compliance and the challenges faced in submitting the financial statements for the year ending the 31st of August 2020.



Ms N.Hyde-Boughey
Accounting Officer
26 January 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES**Period 1 September 2019 to 31 August 2020**

The Trustees are also the Directors of the Charitable Company for the purposes of company law are responsible for preparing the Trustees' Report and Financial Statements in accordance with the Annual Accounts Requirements issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare Financial Statements for each financial year. Under company law the Trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including the 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 method and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards (e.g. FRS 102) have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Chrysalis Multi Academy Trust transactions and disclose with reasonable accuracy at any time the financial position of Chrysalis Multi Academy Trust and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Chrysalis Multi Academy Trust 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 Chrysalis Multi Academy Trust applies financial and other controls, which conform with the requirements of both proprietary and good financial management. They are also responsible for ensuring all grants received, including those from the Education and Skills Funding Agency, 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 Chrysalis Multi Academy Trust 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 26 January 2020 and signed on its behalf by:



Mr S.R. Brunswick
Chairman

Independent Auditor's Report to the Members of Chrysalis Multi Academy Trust

We have audited the financial statements of Chrysalis Multi Academy Trust ("the Academy trust") for the year ended 31 August 2020 which comprise the consolidated statement of financial activities (incorporating income and expenditure account), the group and charitable company balance sheet, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency (ESFA).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information

Independent Auditor's Report to the Members of Chrysalis Multi Academy Trust

and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report or 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 Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair

Independent Auditor's Report to the Members of Chrysalis Multi Academy Trust

view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Use of our report

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

BDO LLP

Heather Wheelhouse, Senior Statutory Auditor
For and on behalf of BDO LLP, statutory auditor
55 Baker Street
London
W1U 7EU

Date 28 January 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

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

In accordance with the terms of our engagement letter dated 9 May 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Chrysalis Multi Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF CHRYSLIS MULTI ACADEMY TRUST'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Chrysalis Multi Academy Trust's funding agreement with the Secretary of State for Education dated 28 March 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 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's income and expenditure.

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

The work undertaken to draw our conclusion includes an assessment of the level of risk associated with the specific categories of income and expenditure and the potential for irregularities to be identified.

Our procedures included, but not limited to, the following:

- Reviewing minutes of meetings, management accounts and made enquiries of management;
- Performing sample testing of expenditure ensuring items are for the Trust's purposes and are appropriately authorised;
- Reviewing the procedures for identifying and declaring related parties and other business interests;
- Scrutinising journals, and other adjustments posted during the year for evidence of unusual entries and made further enquiries into any such items where relevant;
- Taking a selection of nominal ledger accounts for evidence of unusual entries and made further enquiries into any such items where relevant;
- Performing an evaluation of the general control environment of the Trust;
- Reviewing nominal ledger accounts for any large or unusual entries and obtaining supporting documentation;
- Reviewing any family members of directors or senior leadership team appointed in the period, checking that the Trust's processes have been followed and the remuneration appears reasonable;
- Performing a review of the tendering policy, enquiring of any tenders completed in the period and completing a review of tenders completed for the appropriate documentation and authorisation;
- Enquiries of management of new leases in the period, ensuring they are entered into in line with the financial handbook policies;
- Review of the Academy's website for the correct disclosure of governance information in line with ESFA guidelines;
- Performing a review of the Business Continuity Plan in place by the Trust.

CONCLUSION

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

Matter 1: Internal audit work

No internal audit work was undertaken during the period 1 September 2019 to 31 August 2020. Internal audit work is normally completed in the spring and summer terms as a result of the COVID-19 pandemic this did not take place.

Matter 2: Monthly management accounts

The academy trust was unable to show evidence that the management accounts were shared with the chair of Trustees on a monthly basis. Management accounts were prepared and were made available to trustees at four meetings rather than the six required by the financial handbook.

BDO LLP

BDO LLP

Reporting Accountant
55 Baker Street, London, W1U 7EU

Date: 28 January 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CHRYSALIS MULTI ACADEMY TRUST
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STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 August 2020
(including Income & Expenditure Account)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	2020 Total £000	2019 Total £000
Income and endowments from:						
Donations and capital grants	3	179	-	81	260	442
Charitable activities:						
Funding for the academy's educational operations	4	-	14,983	-	14,983	14,281
Other trading activities	6	704	232	-	936	1,319
Investment income	6	10	-	-	10	19
Total		893	15,215	81	16,189	16,061
Expenditure on:						
Raising funds	7	239	277	-	516	698
Charitable activities:						
Academy's educational operations	8	-	15,309	1,177	16,486	16,066
Other		-	-	-	-	-
Total		239	15,586	1,177	17,002	16,764
Net income (deficit)		654	(371)	(1,096)	(813)	(703)
Transfers between funds		(147)	-	147	-	-
Other recognised gains and losses						
Actuarial gains(losses) on defined benefit pension scheme	31	-	122	-	122	(1,110)
Net movement in funds		507	(249)	(949)	(691)	(1,813)
Reconciliation of funds:						
Total funds brought forward		2,627	(3,036)	52,850	52,451	64,264
Total funds carried forward	18	3,134	(3,285)	51,911	51,760	52,451

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

The attached Notes to Financial Statements on pages 30 to 60 form an integral part of the Financial Statements.

CHRYSLIS MULTI ACADEMY TRUST**35****CONSOLIDATED BALANCE SHEET****as at 31 August 2020**

	Note	2020 £000	2019 £000
Fixed Assets			
Tangible assets	13	51,427	52,447
Current Assets			
Stock		1	1
Debtors	15	452	420
Cash at bank and in hand		5,020	4,536
		<u>5,473</u>	<u>4,957</u>
Liabilities			
Creditors: Amounts falling due within one year	16	<u>(1,074)</u>	<u>(1,024)</u>
Net Current Assets		4,399	3,933
Creditors: Amounts falling due after one year	17	<u>(59)</u>	<u>(123)</u>
Net Assets excluding pension scheme liability		55,767	56,267
Defined benefit pension scheme liability	31	<u>(4,007)</u>	<u>(3,806)</u>
Total net assets		<u>51,760</u>	<u>52,461</u>
Funds of the Academy Trust:	18		
Restricted Funds			
Fixed Assets Fund		51,911	52,860
Restricted Income Fund		722	770
Pension Reserve		<u>(4,007)</u>	<u>(3,806)</u>
Total Restricted Funds		<u>48,626</u>	<u>49,824</u>
Unrestricted Funds			
Unrestricted Income Fund		<u>3,134</u>	<u>2,627</u>
Total Unrestricted Funds		<u>3,134</u>	<u>2,627</u>
Total Funds		<u>51,760</u>	<u>52,451</u>

The financial statements on pages 30 to 60 were approved by the Trustees and authorised for issue on 26th of January 2020 and are signed on their behalf by:

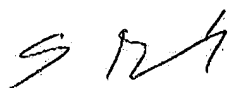


Mr S.R. Brunswick
Chairman
Company number: 07557868

CHRYSLIS MULTI ACADEMY TRUST**36****ACADEMY BALANCE SHEET****as at 31 August 2020**

	Note	2020 £000	2019 £000
Fixed Assets			
Tangible assets	13	51,427	52,447
Current Assets			
Stock		1	1
Debtors	15	423	387
Cash at bank and in hand		4,950	4,469
		<u>5,373</u>	<u>4,857</u>
Creditors:			
Amounts falling due within one year	16	<u>(1,073)</u>	<u>(1,016)</u>
Net Current Assets		4,301	3,841
Creditors:			
Amounts falling due after one year	17	<u>(59)</u>	<u>(123)</u>
Net Assets excluding pension scheme liability		55,669	56,165
Pension scheme liability	31	<u>(4,007)</u>	<u>(3,808)</u>
Net Assets including pension scheme liability		<u>51,662</u>	<u>52,359</u>
Funds of the Academy	18		
Restricted Funds			
Fixed Assets Fund		51,911	52,860
Restricted Income Fund		722	768
Pension Reserve		<u>(4,007)</u>	<u>(3,808)</u>
Total Restricted Funds		<u>48,626</u>	<u>49,822</u>
Unrestricted Funds			
Unrestricted Income Fund		<u>3,036</u>	<u>2,537</u>
Total Unrestricted Funds		<u>3,036</u>	<u>2,537</u>
Total Funds		<u>51,662</u>	<u>52,359</u>

The financial statements on pages 30 to 60 were approved by the Trustees and authorised for issue on the 26th of January 2020 and are signed on their behalf by:



Mr S.R. Brunswick
Trustee

Company number: 07557868

CHRYSLIS MULTI ACADEMY TRUST**37****CONSOLIDATED CASHFLOW STATEMENT****For the year ended 31 August 2020**

	Note	2020 £000	2019 £000
Cashflows from operating activities			
Net cash provided by (used in) operating activities	24	614	450
Cashflows from financing activities	25	(74)	(96)
Cashflows from investing activities	26	(56)	(114)
Change in cash in the reporting period		<u>484</u>	<u>240</u>
Cash and cash equivalents at 1 September 2019		4,536	4,297
Cash and cash equivalents at 31 August 2020		<u>5,020</u>	<u>4,536</u>

CHRYSLIS MULTI ACADEMY TRUST

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NOTES TO THE FINANCIAL STATEMENTS

Period 1 September 2019 to 31 August 2020

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NOTES TO THE FINANCIAL STATEMENTS**Period 1 September 2019 to 31 August 2020****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 estimate uncertainty are set out below.

1.1 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 Standards applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Account Direction 2019 to 2020 issued by the ESFA, the Charities Act 2011 and Companies Act 2006.

Chrysalis Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

These financial statements are prepared in sterling which is the functional currency of the academy trust and rounded to the nearest thousand pounds.

Chrysalis Multi Academy Trust (Company Number: 07557868) is a company limited by guarantee and incorporated in England and Wales. The address of the registered office and principal place of operation are detailed on Page 1. The nature of the academy trust's operation and principal activity are detailed in the Trustee report.

1.2 Basis of Consolidation

The financial statements consolidate the results of the academy trust and its subsidiary undertaking Chrysalis Education Trading Limited on a line by line basis.

As permitted under S408 of the Companies Act 2006 the academy trust has not presented its own SOFA. The academy trust's deficit for the year was £813K (2019: £703K).

1.3 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 which may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make the assessment in respect of a period of at least one year from the date of authorisation for issues 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. Additional consideration was given to the impact of Covid-19 as outlined on page 15 with stress testing supporting the academy trust's view that it remains a going concern due to estimated minimum reserves balance in two years' time of £3million.

1.4 Income

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

NOTES TO THE FINANCIAL STATEMENTS**Period 1 September 2019 to 31 August 2020****STATEMENT OF ACCOUNTING POLICIES**

- **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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance of the fixed asset fund.

- **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 service.

- **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 their 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 the existing academy into the academy trust within donations and capital grant income to the net assets acquired.

1.5 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 direct costs and shared costs, including supports costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute 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 and non-charitable trading.

NOTES TO THE FINANCIAL STATEMENTS**Period 1 September 2019 to 31 August 2020****1. STATEMENT OF ACCOUNTING POLICIES****• Charitable Activities**

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

All resourced expended are inclusive of irrecoverable VAT.

1.6 Tangible Fixed Assets

Assets £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets are acquired with the aid of specific grants, either from the Government or 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 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 funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation Policy

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

• Freehold Buildings	2 - 6%
• Fixtures, Fittings & Equipment	20%
• Computer Equipment & Software	33 1/3%
• Motor Vehicles	33 1/3%

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

A review for impairment of fixed assets 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.

1.7 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.

1.8 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.

NOTES TO THE FINANCIAL STATEMENTS**Period 1 September 2019 to 31 August 2020****1. STATEMENT OF ACCOUNTING POLICIES**

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.

1.9 Leased Assets

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

1.10 Investments

The academy trust's shareholding in the wholly owned subsidiary, Chrysalis Education Trading Limited is included at the cost of share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

1.11 Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

1.12 Stock

The stock of goods held is valued at the lower of cost or net realisable value.

1.13 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a Charitable Company for UK Corporation Tax purposes.

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

1.14 Pension Benefits

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

NOTES TO THE FINANCIAL STATEMENTS**Period 1 September 2019 to 31 August 2020****1. STATEMENT OF ACCOUNTING POLICIES**

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of a quadrennial valuations using a prospective unit credit method. As stated in the pension note the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and contributions recognised in the period to which they relate.

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

1.15 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 and include grants from the Education and Skills Funding Agency.

1.16 Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the Education and Skills Funding Agency. Payments received from Education and Skills Funding Agency and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust does not use any of the allocation towards its own administration costs but if it did it would be recognised in the statement of financial activities. The funds received, paid and any balances are disclosed in note 31.

NOTES TO THE FINANCIAL STATEMENTS**Period 1 September 2019 to 31 August 2020****1. STATEMENT OF ACCOUNTING POLICIES****1.17 Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates 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 as follows:

- 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 31, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation has been used by the actuary in valuing the pension liability as at the 31st of August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact the carrying amount of the pension liability.
- Any changes in the valuation of freehold property. (See Note 13).

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 August 2020

2 GENERAL ANNUAL GRANT

Under the funding agreement with the Secretary of State the academy trust was subject to limits at the 31st of August 2020 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward of which up to 2% could be used for recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceed these limits during the year ended the 31st of August 2020.

3 DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £000	Restricted Income Funds £000	Restricted Fixed Asset Funds £000	Total 2020 £000	Total 2019 £000
Capital grants	-	-	81	81	175
Other donations	179	-	-	179	267
	179	-	81	260	442
2019	267	-	175	442	

4 FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £000	Restricted Income Funds £000	Restricted Fixed Assets Funds £000	2020 Total £000	2019 Total £000
DfE/ESFA grants					
General Annual Grant (GAG)	-	12,790	-	12,790	12,595
Other DfE/ESFA Grants	-	1,439	-	1,439	1,087
Other Government Grants					
Local Authority Grants	-	754	-	754	599
	-	14,983	-	14,983	14,281
2019	-	14,281	-	14,281	

5 OTHER TRADING ACTIVITIES

	Unrestricted Funds £000	Restricted Income Funds £000	Restricted Fixed Assets Funds £000	2020 Total £000	2019 Total £000
Hire of facilities	258	-	-	258	315
Catering income	326	-	-	326	446
Trips and other related activities	22	204	-	226	385
Other income generated by Chrysalis Education Trading Ltd	98	-	-	98	95
Other	-	28	-	28	78
	704	232	-	936	1,319
2019	876	443	-	1,319	

CHRYSLIS MULTI ACADEMY TRUST
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NOTES TO FINANCIAL STATEMENTS
For the year ended 31 August 2020
6 INVESTMENT INCOME

	Unrestricted Funds £000	Restricted Income Funds £000	Restricted Fixed Assets Funds £000	2020 Total £000	2019 Total £000
Bank interest	10	-	-	10	19
	10	-	-	10	19
2019	19	-	-	19	

7 EXPENDITURE

	Staff Costs £000	Non-Pay Premises £000	Expenditure Other £000	2020 Total £000	2019 Total £000
Expenditure on raising funds					
- Direct costs	-	-	495	495	698
- Allocated support costs	-	-	21	21	-
Academy trust's educational operations:					
- Direct costs	10,756	-	1,112	11,868	11,324
- Allocated support costs	2,294	275	2,049	4,618	4,742
	13,050	275	3,677	17,002	16,764
2019	12,614	269	3,990	16,764	

Net expenditure for the period includes:

	2020 Total £000	2019 Total £000
Depreciation	1,177	1,186
Operating lease	33	33
Fees payable to the auditor for		
- audit	16	15
- other services	14	12

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 August 2020

8 CHARITABLE ACTIVITIES

	Unrestricted Funds £000	Restricted Income Funds £000	Restricted Fixed Asset Funds £000	2020 Total £000	2019 Total £000
Direct costs - educational operations	-	11,765	103	11,868	11,324
Support costs - educational operations	-	3,545	1,074	4,618	4,742
	-	15,309	1,177	16,486	16,066
2019	-	14,878	1,188	16,066	

Analysis of support costs	Educational Operations £000	2020 Total £000	2019 Total £000
Support staff costs	2,294	2,294	2,225
Depreciation	1,074	1,074	1,082
Recruitment & support	36	36	51
Maintenance of premises & equipment	168	168	138
Cleaning	44	44	49
Rent & rates	63	63	72
Insurances	58	58	81
Security & transport	19	19	23
Bank interest & charges	20	20	47
Governance Costs	10	10	10
Other support costs	832	832	964
	4,618	4,618	4,742

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 August 2020

9 STAFF

a. Staff Costs

	2020 £000	2019 £000
Staff costs during the year were:		
Wages & salaries	9,561	9,630
Social security costs	969	949
Pension costs	2,297	1,753
	12,827	12,332
Supply staff costs	185	186
Staff restructuring costs	38	-
	13,050	12,518

b. Non statutory/non contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £38,429 for one individual (2019 £0).

c. Staff numbers

The average number of persons (including senior management team) employed by the academy trust during the period expressed as full time equivalents was as follow:

	2020 Number	2019 Number
Teachers	128	133
Administration & support	109	116
Management	19	23
	256	272

d. Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	4	9
£70,001 - £80,000	8	4
£80,001 - £90,000	1	1
£90,000 - £100,000	-	-
£100,000 - £110,000	1	1
£110,001 - £120,000	-	1

All of the above employees participated in the Teachers' Pension Scheme.

e. Key management personnel

The key management personnel of the academy trust comprised of the Trustees and senior management as listed on page 1. The total amount of employee benefits (including pension contributions) received by key management personnel for their services to the academy was £356,886 (2019: £485,594).

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 August 2020

10 CENTRAL SERVICES

In the year no central services were provided by the academy trust to its academies.

11 RELATED PARTY TRANSACTIONS - TRUSTEE'S REMUNERATION AND EXPENSES

One Trustee has been paid remuneration or has received other benefits from employment with the academy trust. The Executive Headteacher only received remuneration in respect of services she provided in undertaking the role of Executive Headteacher under her employment contract.

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

N.Hyde-Boughey

Remuneration £100,000 - £105,000 (2019: £nil)
Employer's pension contributions £20,000 - £25,000 (2019: £nil)

12 TRUSTEES AND OFFICERS INSURANCE

In accordance with normal commercial practice the academy trust has purchased insurance to protect Trustees and Members from claims arising from negligent acts, errors or omissions whilst on academy trust business. The insurance provides up to £1,000,000 on any one claim and the cost for the period ended 31st of August 2020 was £2,500 (2019: £2,500). The total cost of this insurance is included in the total insurance cost.

13 TANGIBLE FIXED ASSETS

GROUP/ACADEMY	Freehold Land & Buildings £000	Plant & Machinery £000	Furniture & Equipment £000	Computer Equipment £000	Motor Vehicle £000	Total £000
Cost or Valuation						
At 1 September 2019	54,447	3,170	553	508	32	58,710
Additions	-	63	8	76	-	147
Disposals	-	-	-	-	-	-
At 31 August 2020	54,447	3,233	561	584	32	58,857
Depreciation						
At 1 September 2019	5,338	326	196	363	30	6,253
Charged in the year	996	78	19	84	-	1,177
At 31 August 2020	6,334	403	216	447	30	7,429
Net Book Value						
At 31 August 2019	49,109	2,844	357	145	2	52,457
At 31 August 2020	48,113	2,830	345	137	2	51,427

The values for Freehold Land & Buildings are based on for Claremont High School a professional valuation at 1 April 2011 carried out by DVS, a business regulated by the Royal Institution of Chartered Surveyors and for Sudbury Primary School a professional valuation at 1 November 2017 carried out also by the DVS.

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 August 2020

14 INVESTMENTS

On the 3rd of August 2015 the academy trust's subsidiary Chrysalis Education School Trading Limited was incorporated and commenced trading. The principal activity of the subsidiary is to generate income through the running of Assessment Centre on behalf of the Local Authority of Brent. The Assessment Centres place out of school in schools across the Brent Borough. The academy trust owns the entire share capital of Chrysalis Education Trading Limited, a company registered in England and Wales with the same registered office.

The following is a summary of the financial statements of Chrysalis Education Trading Limited (Company Number: 097813800), for the year ended 31 August 2020, which have been included in the consolidated financial statements:

	Year to 31 August 2020	Year to 31 August 2019
	£000	£000
Turnover	98	95
Cost of sales	(1)	(2)
Gross profit	97	93
Administration expenses	-	-
Profit on ordinary activities before taxation	97	93
Gift aid payable to Chrysalis Multi Academy Trust	(97)	(93)
Retained Profit	-	-

	Year to 31 August 2020	Year to 31 August 2019
Current assets	98	100
Current liabilities	(1)	(7)
Net Assets	97	93

	<u>Group</u>		<u>Academy</u>	
15 DEBTORS	2020	2019	2020	2019
	£000	£000	£000	£000
Trade debtors	57	53	58	53
Value added tax	47	70	47	70
Prepayments and accrued income	348	263	319	263
Intercompany balance	-	-	-	(34)
Other debtors	-	34	-	35
	<u>452</u>	<u>420</u>	<u>423</u>	<u>387</u>

16 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>Group</u>		<u>Academy</u>	
	2020	2019	2020	2019
	£000	£000	£000	£000
Trade creditors	255	199	255	188
Other taxation and social security	232	324	232	324
Pension liabilities	253	138	253	138
Loan (Note 17)	50	96	50	96
Accruals & deferred income	281	265	280	265
Intercompany balance	-	-	-	(8)
Other	3	2	3	2
	<u>1,074</u>	<u>1,024</u>	<u>1,073</u>	<u>1,016</u>

CHRYSALIS MULTI ACADEMY TRUST**51****NOTES TO FINANCIAL STATEMENTS****For the year ended 31 August 2020**

Deferred Income	2020	2019
	£000	£000
Deferred income at 1 September 2019	204	118
Resources deferred in the year	132	204
Amounts released from prior years	(204)	(118)
	132	204

The deferred income in the year related to income received in advance in respect of lettings, UIFSM and rates relief.

17 LOANS

A Loan Agreement between LB Brent and Chrysalis Multi Academy Trust was executed on 31 March 2011. The loan which is for a 10 year period at an interest rate of 5% per annum is repayable in equal instalments on a calendar quarterly basis subsequent to a lump sum repayment of £200,000 on 1 May 2011.

Also included within other creditors is a Salix loan of £50,000 in respect the 2015-16 Condition Improvement Fund for roof and drainage repairs. The loan which is for an 8 year period at an interest rate of 0% per annum is repayable in half yearly instalments.

Group/Academy	2020	2019
	£000	£000
Amounts due within one year (Brent)	50	96
Amount due after one year (Brent and Salix)	59	123
	109	219

18 FUNDS - GROUP

	Balance 01-Sep 2019 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Transfers Between Funds £000	Balance 31-Aug 2020 £000
RESTRICTED GENERAL FUNDS						
Pension reserve	(3,806)		(323)	122	-	(4,007)
All funds	770	15,215	(15,263)	-	-	722
	(3,036)	15,215	(15,686)	122	-	(3,285)
RESTRICTED FIXED ASSET FUND						
Restricted fixed asset fund	52,860	81	(1,177)	-	147	51,911
	52,860	81	(1,177)	-	147	51,911
UNRESTRICTED FUNDS						
Unrestricted funds	2,627	893	(239)	-	(147)	3,134
	2,627	893	(239)	-	(147)	3,134
TOTAL GROUP FUNDS	52,451	16,189	(17,002)	122	-	51,760

The academy trust is not subject to GAG carry forward limits.

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

Unrestricted funds of £3,134k have been generated via the activities of Chrysalis Education Trading Limited and letting activities. The funds are held to offset future reductions in funding and rising staff costs (e.g. progression costs, cost of living increases, future employer pension contribution increases). Restricted funds (excluding the pension reserve) of £722K are unspent GAG funds ringfenced for future capital investment projects.

CHRYSALIS MULTI ACADEMY TRUST**52****NOTES TO FINANCIAL STATEMENTS****For the year ended 31 August 2020**

Total funds analysis by academy	2020	2019
Claremont High School	4,239	3,666
Sudbury Primary School	(480)	(361)
Chrysalis Education Trading Limited	97	93
Total before fixed assets and pension reserve	3,856	3,397
Restricted fixed asset fund	51,911	52,860
Pension reserve	(4,007)	(3,806)
Total	51,760	52,451

Sudbury deficit is by driven staffing costs increases and flat funding.

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

	Balance 01-Sep 2019 £000	Incoming Resources £000	Resources Expended £000	Gain, Losses and Transfers £000	Transfers Between Funds £000	Balance 31-Aug 2019 £000
RESTRICTED GENERAL FUNDS						
Pension reserve	(2,551)		(145)	(1,110)	-	(3,806)
All funds	1,241	14,724	(15,195)	-	-	770
	(1,310)	14,724	(15,340)	(1,110)	-	(3,036)
RESTRICTED FIXED ASSET FUND						
Restricted fixed asset fund	53,565	175	(1,188)	-	308	52,860
	53,565	175	(1,188)	-	308	52,860
UNRESTRICTED FUNDS						
Unrestricted funds	2,009	1,162	(236)	-	(308)	2,627
	2,009	1,162	(236)	-	(308)	2,627
TOTAL GROUP FUNDS	54,264	16,061	(16,764)	(1,110)	-	52,451

CHRYSALIS MULTI ACADEMY TRUST
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NOTES TO FINANCIAL STATEMENTS
For the year ended 31 August 2020
Total Group cost analysis by academy

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

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding Depreciation) £000	2020 Total £000	2019 Total £000
Chrysalis Education Trading	-	-	-	1	1	3
Claremont High School	8,562	185	105	2,011	10,863	10,431
Sudbury Primary School	4,265	38	85	573	4,961	5,144
Total Group Cost	12,827	223	190	2,584	16,825	16,678

19 FUNDS - ACADEMY

	Balance 01-Sep 2019 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Transfers Between Funds £000	Balance 31-Aug 2020 £000
RESTRICTED GENERAL FUNDS						
Pension reserve	(3,806)	-	(323)	122	-	(4,007)
All funds	768	15,215	(15,261)	-	-	722
	(3,038)	15,215	(15,584)	122	-	(3,285)
RESTRICTED FIXED ASSET FUND						
Restricted fixed asset fund	52,860	81	(1,177)	-	147	51,911
	52,860	81	(1,177)	-	147	51,911
UNRESTRICTED FUNDS						
Unrestricted funds	2,537	885	(239)	-	(147)	3,036
	2,537	885	(239)	-	(147)	3,036
TOTAL ACADEMY FUNDS	52,359	16,181	(17,000)	122	-	51,662

The academy trust is not subject to GAG carry forward limits.

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

Unrestricted funds of £3,036k have been generated via academy trust letting activities. The funds are held to offset future reductions in funding and rising staff costs (e.g. progression costs, cost of living increases, future employer pension contribution increases). Restricted funds (excluding the pension reserve) of £722K are unspent GAG funds and are held for future capital investment projects.

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 August 2020

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

	Balance 01-Sep 2018 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Transfers Between Funds £000	Balance 31-Aug 2019 £000
RESTRICTED GENERAL FUNDS						
Pension reserve	(2,551)	-	(145)	(1,110)	-	(3,806)
All funds	1,239	14,724	(15,195)	-	-	768
	(1,312)	14,724	(15,340)	(1,110)	-	(3,038)
RESTRICTED FIXED ASSET FUND						
Restricted fixed asset fund	53,565	175	(1,188)	-	308	52,860
	53,565	175	(1,188)	-	308	52,860
UNRESTRICTED FUNDS						
Unrestricted funds	1,886	1,193	(234)	-	(308)	2,537
	1,886	1,193	(234)	-	(308)	2,537
TOTAL ACADEMY FUNDS	54,139	16,092	(16,772)	(1,100)	-	52,359

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 August 2020

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total £000
	£000	£000	£000	£000
Tangible fixed assets	-	-	51,427	51,427
Current assets	3,134	1,746	593	5,473
Creditors due within 1 year	-	(1,024)	(50)	(1,074)
Creditors due after 1 year	-	-	(59)	(59)
Pension Scheme Liability	-	(4,007)	-	(4,007)
				-
GROUP	3,134	(3,285)	51,911	51,760

Fund balances at 31 August 2019 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total £000
Tangible fixed assets	-	-	52,447	52,447
Current assets	2,627	1,698	632	4,957
Creditors due within 1 year	-	(928)	(96)	(1,024)
Creditors due after 1 year	-	-	(123)	(123)
Pension Scheme Liability	-	(3,806)	-	(3,806)
				-
GROUP	2,627	(3,036)	52,860	52,451

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS - ACADEMY

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total £000
Tangible fixed assets	-	-	51,427	51,427
Current assets	3,036	1,745	593	5,373
Creditors due within 1 year	-	(1,023)	(50)	(1,073)
Creditors due after 1 year	-	-	(59)	(59)
Pension Scheme Liability	-	(4,007)	-	(4,007)
				-
ACADEMY	3,036	(3,285)	51,911	51,661

Fund balances at 31 August 2019 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total £000
Tangible fixed assets	-	-	52,447	52,447
Current assets	2,533	1,692	632	4,857
Creditors due within 1 year	-	(920)	(96)	(1,016)
Creditors due after 1 year	-	-	(123)	(123)
Pension Scheme Liability	-	(3,806)	-	(3,806)
				-
ACADEMY	2,533	(3,034)	52,860	52,359

CHRYSLIS MULTI ACADEMY TRUST**56****NOTES TO FINANCIAL STATEMENTS****For the year ended 31 August 2020****22 CAPITAL COMMITMENTS**

	2020	2019
	£000	£000
Contracted for, but not provided for in the financial statements,	-	-

23 OPERATING LEASES

At the 31st of August 2020 the total of the academy trust's future minimum Lease payments under a non cancellable operating lease were:

	2020	2019
	£000	£000
Amounts due within one year	23	44
Amounts due between one and five years	21	76
	<u>44</u>	<u>120</u>

24 RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2020	2019
	£000	£000
Net loss	(813)	(703)
ADJUSTED FOR:		
Capital grant	(81)	(175)
Donated fixed assets on conversion	-	-
Depreciation	1,177	1,188
Defined benefit pension scheme obligation inherited	-	-
FRS102 pension cost less contributions payable	251	14
FRS102 pension finance costs	72	160
Interest paid	-	-
Interest received	(10)	(19)
Increase in stock	-	-
Decrease in debtors	(32)	249
Decrease in creditors	50	(264)
Net Cash inflow from operating activities	<u>614</u>	<u>450</u>

25 CASHFLOWS FROM FINANCING ACTIVITIES

	2018	2018
	£000	£000
Capital and interest repayment of loan	(74)	(96)
Net Cash Outflow from Financing	<u>(74)</u>	<u>(96)</u>

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 August 2020

26 CASHFLOWS FROM INVESTMENT ACTIVITIES

	2020	2019
	£000	£000
Interest received	10	19
Salix Loan	-	-
Purchase of tangible fixed assets	(147)	(308)
Capital Grants from the ESFA	81	175
Net Cash Outflow from Returns on Investments	(66)	(114)

27 ANALYSIS CHANGES IN NET DEBT

	At 01-Sep 2019	Cashflows	At 31-Aug 2020
Cash	4,536	484	5,020
Loans falling due after more than one year	219	(110)	109
Total	4,755	374	5,129

28 MEMBER'S 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.

29 RELATED PARTIES

Owing to the nature of the academy trust's operations 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 a Governor has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

There were no related party transactions in the year.

30 POST BALANCE SHEET EVENTS

There are no known post balance sheet events.

NOTES TO FINANCIAL STATEMENTS**For the year ended 31 August 2020****31 PENSION & SIMILAR OBLIGATIONS**

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2016.

Contributions amounting to £252,851 (2019 £137,889) were payable to the schemes at 31 August 2020 and are included within creditors.

TEACHERS' PENSION SCHEME**Introduction**

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amount to £1,548,113 (2019: £1,064,157).

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

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £891,000 (2019: £849,000) of which employer's contributions totalled £759,000 and employees' contributions totalled £132,000. The agreed contribution rates for future years are 32.5% for employers and 5.5% - 9.9% for employees.

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 August 2020

31 PENSION & SIMILAR OBLIGATIONS (CONTINUED)

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. The undernoted assumptions have been applied for the assessment of the initial asset allocation;

Principal actuarial assumptions

	As at 31 August 2020	As at 31 August 2019
Rate of increase in salaries	2.6	2.6
Rate of increase for pensions in payment / inflation	2.3	2.3
Discount Rate for scheme liabilities	1.7	1.9
Inflation assumption (CPI)	2.3	2.3
Commutation to pensions to lump sums	50%	50%

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

<i>Retiring today</i>	22.1 years
Males	24.3 years
Females	
<i>Retiring in 20 years</i>	
Males	23.0 years
Females	25.5 years

Local Government Pension Scheme

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

	Fair Value at 31 August 2020 £000	Fair Value at 31 August 2019 £000
Equity Instruments	3,631	2,903
Debt Instruments	605	521
Property	186	149
Cash	233	149
	<hr/>	<hr/>
	4,655	3,722
	<hr/>	<hr/>
Total Market Value of Assets		

Amount recognised in the statement of financial activities

Current service cost	1,010	792
Interest cost	147	160
Expected return	(75)	(88)
	<hr/>	<hr/>
Total	1,082	864
	<hr/>	<hr/>

CHRYSALIS MULTI ACADEMY TRUST**60****NOTES TO FINANCIAL STATEMENTS****For the year ended 31 August 2020****31 PENSION & SIMILAR OBLIGATIONS (CONTINUED)**

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

	31 August 2020	31 August 2019
	£000	£000
Opening Defined Benefit Obligation	7,528	5,287
Transfer in of existing academies joining the academy trust	-	-
Current Service Cost	1,010	792
Interest Cost	147	160
Employee Contributions	-	130
Actuarial Losses / (Gains)	162	1,208
Estimated Benefits Paid	(185)	(49)
Total	8,662	7,528

Changes in the fair value of the academy trust's share of

	31 August 2020	31 August 2019
	£000	£000
Opening Fair Value of Employer Assets	3,722	2,736
Transfer in of existing academies joining the academy trust	-	-
Interest Income	75	1
Expected Return on Assets	211	88
Contributions by Members	-	130
Contributions by Employers	759	719
Actuarial Gains / (Losses)	-	98
Other Experience	73	-
Benefits Paid	(185)	(49)
Total	4,855	3,722

32 AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for the Education and Skills Funding Agency. In the accounting period 31 August 2020 the academy trust received £29,035 and disbursed £25,569 from the fund. Taking into consideration the brought forward values nothing was outstanding at the year end.