

REGISTRAR OF COMPANIES

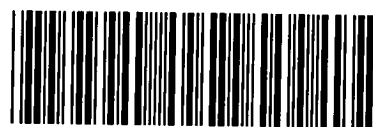
Greenshaw Learning Trust

Consolidated Report and Financial Statements

31 August 2019

Company Limited by Guarantee
Registration Number
07633694 (England and Wales)

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Contents

Reports

Reference and administrative information	1
Trustees' report	3
Governance statement	17
Statement of regularity, propriety and compliance	26
Statement of Trustees' responsibilities	27
Independent auditor's report on the financial statements	28
Independent reporting accountant's report	32

Financial statements

Consolidated statement of financial activities	34
Balance sheets	35
Consolidated statement of cash flows	36
Principal accounting policies	38
Notes to the financial statements	44

Reference and administrative information

At the date of the Trustees' Report:

Members

Emmanuel Botwe
Brian Lightman
Matthew Syed
Jeremy Turner
Sue Winspear

Trustees

Roger Mills (Chair)
Diana Coman
Gary Miles
Ingrid Percy
Karen Roche (Vice-Chair)
Darren Reynolds
William Smith (CEO)
Anne Spackman
Peter Thomson

Company Secretary

Julie Adams

Senior Leadership Team

Chief Executive Officer
Director of Resources
Director of Primary Education
Director of Secondary Education

William Smith
Steve Bradford
Simon Cooper-Hind
Ben Parnell

School Headteachers

Headteacher of Blaise High School
Headteacher of Brakenhale School
Headteacher of Five Acres High School
Headteacher of Greenshaw High School
Headteacher of Henley Bank High School
Headteacher of Holmleigh Park High School
Headteacher of Orchard Park High School
Headteacher of Yate Academy
Headteacher of Crown Wood Primary School
Headteacher of Green Wrythe Primary School
Headteacher of Tweeddale Primary School
Tyndale Primary School
Headteacher of Victor Seymour Infants School
Headteacher of Wildmoor Heath School
Headteacher of Woodlands Primary School

Katherine Browne
Jane Coley
Ian Frost
Nick House
Bradley Nash
Patrick Farmborough
Ciara Warnock
Isabel Ambrose
Grant Strudley
Karen Jones
Terrie Jerrom
Kirsty Borrill (Interim Headteacher)
Helen Matt
Leslie Semper
Rachel Dean (Acting Headteacher)

Reference and administrative information

Registered address	Greenshaw Learning Trust Grennell Road Sutton Surrey SM1 3DY
Company registration number	07633694 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Lloyds Bank Plc 49-53 High Street Sutton SM1 1DT
Solicitors	Stone King Boundary House 91 Charterhouse Street London EC1M 6HR

INTRODUCTION

The Trustees of the Greenshaw Learning Trust ('the Trust') present their statutory report together with the financial statements of the charitable company and group for the year ended 31 August 2019. The annual report serves the purposes of both a Trustees' report under charity law and a directors' report under company law.

The Trust operates with three regions to best support its schools by promoting effective school-to-school collaboration at the same time as realising the benefits of being part of a single trust. The South East region comprises two secondary, two primary and one infant and nursery school in South London; the South Central region comprises a secondary and two primary schools in Berkshire; and the South West region comprises three secondary schools in Gloucestershire and an all through primary/secondary school and a primary school in South Gloucestershire. On 1 September 2019 the all through school de-amalgamated into separate secondary and primary schools and a new secondary school, Blaise High School in Bristol, joined the South West region. In addition, the Trust has two approved free schools in pre-opening, a secondary school and a special school for secondary aged students with autism in Sutton in the South East region. The Trust has a wholly owned subsidiary company, Greenshaw Learning Services Limited.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and governance

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The Trustees of Greenshaw Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Greenshaw Learning Trust.

Details of the Trustees who served during the year and the governance arrangements of the Trust and delegations to senior executive officers and committees are set out in the Governance Statement on page 17.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the premium for the year ended 31 August 2019 was included within the overall insurance premium.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Method of recruitment and appointment or election of Trustees

The Members of the Trust are set out on page 17.

The Members of the Trust appoint the majority of Trustees.

The Members of the Trust resolved to amend the Articles of Association of the Trust on the 5 July 2019 to increase the number of Trustees appointed by the Members to 'up to eleven Trustees'. The revised Articles were agreed with the DfE and lodged with Companies House.

When recruiting and appointing Trustees (and members of Trust committees and local governing bodies) regard is given to the skills mix and backgrounds of the existing members and potential new members so as to ensure that the Board of Trustees, its committees and local governing bodies have all the necessary skills required to carry out their roles and contribute fully to the Trust's development.

Policies and procedures adopted for the induction and training of Trustees

All new Trustees are recruited on their ability to play an active part in the governance of Greenshaw Learning Trust. On their appointment Trustees are taken through an induction process that includes an explanation of the role of a Trustee and Company Director. They are provided with all necessary documents needed to undertake their role as a Trustee, supported and advised by Trust executive staff, and invited to attend training sessions run by the Trust or external providers.

Organisational structure

The Chief Executive Officer (CEO) is directly responsible for the day to day running of the Trust. He is assisted by the Trust Senior Leadership Team consisting of the Director of Resources and two Directors of Education, and by the Trust Central Service.

The Trust Senior Leadership Team and central service implements the policies agreed by the Board of Trustees, supporting the schools in the Trust and providing evidence, reports and data analysis to Trustees to enable them to monitor effectively the performance of the Trust and its schools.

The CEO is the Accounting Officer.

The Board of Trustees delegates powers and functions to committees and to local governing bodies, and to the CEO and to the Headteachers of its schools, in accordance with its published Scheme of Delegation for Governance Functions.

Arrangements for setting pay and remuneration of key management personnel

Pay scales for all key management personnel, including the Chief Executive Officer, Directors and the Headteachers in each school, are determined by a committee of the Board of Trustees.

The rate of pay for the Chief Executive Officer and Directors has been set following a benchmarking exercise of comparable academy trusts. The School Teachers Pay and Conditions have been used to set the pay range for Headteachers.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Arrangements for setting pay and remuneration of key management personnel (continued)

The performance of all key management personnel is assessed under the performance management framework. The Performance Management and Pay Committee of the Board of Trustees completes an annual performance assessment of the Chief Executive Officer; the Chief Executive Officer reviews the performance of the Directors; and the Performance Management Review Committee of the local governing body of each school assesses their Headteacher's performance. All pay decisions relating to these senior staff are approved by the Board of Trustees or its pay committee.

Trade union facility time

During 2018-19 there were no employees who were relevant trade union officials for the purposes of facility time reporting.

Connected organisations, including related party relationships

The Trust works with the Department of Education and the ESFA, and with the local authorities where its schools are located. It has strong links with other secondary schools and primary schools in the areas in which it operates and participates in local school partnerships.

All of the schools within the Trust have a service level agreement with Cygnet for SIMS support and three of them for the provision of IT support. One of the Trustees, Roger Mills is a Trustee and non-executive Director of Cygnet, a community interest company. Most of the schools were using Cygnet services before joining the Trust; in order to ensure consistent data reporting all schools purchased the SIMS support service during 2018-19. ESFA approval has been received for the Cygnet related party contract following an application under the new requirements of the Academies Financial Handbook.

OBJECTIVES AND ACTIVITIES

Objects and aims

The objects of the Trust are:

- a) to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them or 16 to 19 Academies offering a curriculum appropriate to the needs of its students or schools specially organised to make special educational provision for pupils with Special Educational Needs; and
- b) to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

OBJECTIVES AND ACTIVITIES (continued)

Objects and aims (continued)

The Greenshaw Learning Trust vision is:

- ◆ We are ambitious for our schools and their students.
- ◆ We believe that there is no ceiling on what can be achieved by anyone, regardless of their circumstances or background.
- ◆ We are committed to providing a supportive and inclusive learning environment, giving every young person the opportunity to fulfil their potential now, and in the future.
- ◆ We seek to realise the power of individuals and organisations working together in collaboration whilst retaining their individuality, and we recognise that we can always improve.
- ◆ We have a belief in the principles of 'growth mindset' to develop resilience, character and critical thinking within our students.

Principal activities

The primary activity of the charitable company during the academic year 2018-19 was the operation of:

Brakenhale School, an academy school in Bracknell, Berkshire providing education for pupils aged 11-18.

Five Acres High School, an academy school in Coleford, Gloucestershire, providing education for pupils aged 11-16.

Greenshaw High School in Sutton, Surrey an academy school providing education for pupils aged 11 to 18, including a resource base for pupils with speech and language needs.

Henley Bank High School, an academy school in Brockworth, Gloucestershire, providing education for pupils aged 11-18.

Holmleigh Park High School, an academy school in Tuffley, Gloucestershire, providing education for pupils aged 11-18 (joined 1 June 2019).

Orchard Park High School in Croydon, an academy school providing education for pupils aged 11 to 18, including a resource base for pupils with speech and language needs.

Yate Academy, an all through academy school in Yate, South Gloucestershire, providing education for pupils aged 4-19, including a resource base for pupils with hearing impairment.

Crown Wood Primary School, an academy school in Bracknell, Berkshire, providing education for pupils aged 4-11.

Green Wrythe Primary School in Carshalton, Surrey, an academy school providing education for pupils aged 4-11, including a resource base for pupils with autism.

OBJECTIVES AND ACTIVITIES (continued)

Principal activities (continued)

Tweeddale Primary School, an academy school in Carshalton, Surrey, providing education for pupils aged 4-11.

Tyndale Primary School, an academy school in Yate, South Gloucestershire, providing education for pupils aged 4-11 (joined 1 June 2019).

Victor Seymour Infants School, an academy school in Carshalton, Surrey, providing education for pupils aged 3-7.

Wildmoor Heath School, an academy school in Crowthorne, Berkshire providing education for pupils aged 5-11.

The trading company, Greenshaw Learning Services Limited, is a wholly owned subsidiary of the Trust and its main activities include the provision of hot meals to local primary schools, management of lettings of the premises and facilities of schools in the Trust and staff consultancy services.

Public benefit

In setting the Trust's objectives and planning its activities, the Board of Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's objectives and aims and in planning future activities. The Trustees consider that the Trust's aims are demonstrably to the public benefit.

STRATEGIC REPORT

Achievements and performance

The following tables provide details of the pupil outcomes, highlights and development areas for all our schools:

Primary Data – Summer 2019							
	Crown Wood	Green Wrythe	Tweeddale	Tyndale	Wildmoor Heath	Woodlands	Victor Seymour (Y2 data)
Attainment Y6							
Reading	71%	61%	80%	65%	87%	79%	92%
Writing	64%	86%	73%	61%	80%	83%	86%
Maths	71%	82%	78%	70%	83%	81%	92%
Progress Y6							
Reading	+0.2	+0.7	+2.2	-1.9	+1.0	+4.1	+2.8
Writing	-2.0	+2.0	-0.8	-4.0	0	+1.6	NA
Maths	-0.5	+2.6	+1.2	-3.2	-1.1	+2.6	+3.0

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Crown Wood Primary School - Joined June 2017 Ofsted rating on joining: Requires Improvement Current: Awaiting inspection
Highlights: • EYFS rose by 3% and is now above national average • Phonics rose by 7% to 80%. • KS1 results all improved this year • KS2 results improved in all areas except writing
Green Wrythe Primary School - Joined April 2015 Ofsted rating on joining: Requires Improvement Current: Good (January 2018)
Highlights: • All children made good progress and progress scores improved further on 2018 figures • Disadvantaged children in EYFS performed above national average • KS2 results were above national average in Writing and Maths.
Tweeddale Primary School – Joined September 2016 Ofsted rating on joining: Requires Improvement Current: Good (January 2019)
Highlights: • KS1 results improved across all areas • KS2 results improved in all subjects, with reading now well above national average • Children make excellent progress in reading
Tyndale Primary School - Joined June 2019 Ofsted rating on joining: Inadequate Current: Awaiting Inspection
Highlights: • New school for the Trust

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Wildmoor Heath Primary School - Joined January 2018 Ofsted rating on joining: Good Current: Awaiting Inspection
Highlights: • The school delivered a strong set of results, which were all improved from previous years • KS2 scores were all well above national average
Woodlands Primary School - Joined September 2017 Ofsted rating on joining: Requires Improvement Current: Awaiting Inspection
Highlights: • EYFS and KS1 phonics were both above national average • KS2 results well above national average • Progress for children was exceptional, especially in reading
Victor Seymour Infant School - Joined June 2016 Ofsted rating on joining: Good Current: Outstanding (October 2019)
Highlights: • Ofsted graded outstanding in all areas (Sept 19) • All results improved on 2018 figures and exceeded national averages • All children make excellent progress, especially in reading

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Secondary Data Summer 2019								
	Greenshaw High School	Orchard Park High School	Brakenhale School	Yate Academy	Five Acres High School	Henley Bank High School	Blaise High School	Holmeigh Park High School
P8	0.05	0.17	0.02	1.01	0.66	0.67	-0.56	-1.04
P8 PP	-0.23	0.04	0.40	0.61	0.52	0.20	-0.86	-1.20
A8	49.86	43.67	42.02	52.03	49.18	49.91	36.30	35.08
5+ Eng/Maths	49.15%	36.42%	30.06%	44.17%	40.74%	40.74%	27.05%	18.89%
4+ Eng / Maths	66.00%	59.00%	55.00%	72.00%	69.00%	69.00%	45.00%	37.00%
Post 16 Average Grade A Level / Average Grade Academic / Average Grade Vocational	C+ / C+ / NA	D / D / Merit+	C+ / C+ / Merit-	C- / C- / Distinction		NA / NA / Distinction+		

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Greenshaw High School – Joined October 2014

Ofsted rating on joining: Good

Current: Good (June 2017)

Highlights:

- Separate Sciences had strong progress figures
- Good outcomes in Geography, Dance and Drama
- School is heavily oversubscribed in Y7
- Gap between disadvantaged and advantaged students is decreasing

Orchard Park High School – Joined September 2015

Ofsted rating on joining: Good

Current: Good (October 2018)

Highlights:

- Headline measures have once again increased with P8 now above national average
- Strong performances in History, French and English Literature are backed up with good outcomes across a range of vocational subjects
- The number on roll is increasing
- Student Leadership Kitemark (SSAT accreditation) applied for

Brakenhale School – Joined April 2016

Ofsted rating on joining: Requires Improvement

Current: Good (January 2019)

Highlights:

- The school achieved very strong KS5 outcomes (ALPS 2)
- Vocational subjects performed very well
- Student Leadership Kitemark (SSAT accreditation) applied for

Yate Academy – Joined September 2017

Ofsted rating on joining: Requires Improvement

Current: Awaiting Inspection

Highlights:

- Outstanding results this Summer puts the school in the top 1% of schools nationally
- Vulnerable groups performed well above the national average
- Schools of Character kitemark applied for in recognition of the Character Education / Wider Offer programme

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Five Acres High School – Joined September 2017

Ofsted rating on joining: Inadequate

Current: Awaiting Inspection

Highlights:

- P8 puts the school in the top 5% nationally
- The school increased its PAN to accommodate more students, and is becoming the school of choice in the local area
- Schools of Character kitemark applied for in recognition of the Character Education / Wider Offer programme

Henley Bank High School – Joined January 2018

Ofsted rating on joining: Inadequate

Current: Awaiting Inspection

Highlights:

- P8 places the school in the top 5% nationally
- 148 student applications to join in Y7 currently (Oct 19) compared to 51 in 2018

Blaise High School – Joined September 2019

Ofsted rating on joining: Inadequate

Current: Awaiting Inspection

Highlights:

- New Senior Leadership team appointed
- Progress moved from -1.19 to -0.56
Teaching staff are engaged with the DDI programme

Holmleigh Park High School – Joined June 2019

Ofsted rating on joining: Inadequate

Current: Awaiting Inspection

Highlights:

- New Headteacher and two new members of Senior Team appointed
- The vast majority of classrooms are 100% disruption free
Tutor Time Reading Programme embedded and students are exposed to a wide variety of quality literature

STRATEGIC REPORT (continued)

Going concern (continued)

The Board of Trustees has considered carefully the Trust's level of reserves at 31 August 2019 and its results for the period then ended. They have also considered the likely impact of the National Funding Formula and numbers on roll and the known cost pressures arising from increases in the rates of pension contributions, unfunded cost of living rises and living wage and inflationary increases for most goods and services, especially energy. The Trustees are also mindful of the increased risk attaching to the growing number of schools and the geographical areas operated by the Trust.

The Trust has implemented measures to further reduce ongoing expenditure, principally staff costs which are the majority of schools' expenditure. They have also initiated clear protocols and risk management strategies to limit the risks arising from bringing new or existing schools into the Trust's control.

On the basis of budgets and forecasts prepared by the Trust's management, their assessment of the principal risks described elsewhere in this report and the capacity of the Trust to make further adjustments to its cost base in the event of adverse changes, the Trustees are satisfied that the Trust has sufficient resources to continue successfully for the foreseeable future. Accordingly, the attached financial statements have been prepared on the going concern basis. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

The majority of the Group's income is obtained from the ESFA in the form of recurrent grant, the use of which is restricted to particular purposes. The grants received during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Group's total income was £68,179,000 (2018 - £81,703,000) and the total expenditure was £55,186,000 (2018 - £50,628,000) for the year.

Income for the year included a one off transfer of £17,088,000 for Tyndale Primary and Holmleigh Park High schools (2018 - £34,871,000 for Five Acres, Yate, Wildmoor Heath and Henley Bank schools).

At the 31 August 2019, the net book value of fixed assets was £103,958,000 (2018 - £84,758,000) and movements in tangible assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to students of the schools.

STRATEGIC REPORT (continued)

Financial review (continued)

Financial position and reserves policy

On 31 August 2019, the Trust held total funds of £75,160,000 (2018 - £69,028,000) comprising of £73,785,000 (2018 - £68,711,000) of restricted funds (including the pension deficit of £32,287,000 (2018 - £18,549,000)) and unrestricted funds of £1,375,000 (2018 - £317,000). The total funds excluding the pension deficit are £107,447,000 (2018 - £87,577,000).

The Board of Trustees reviews the reserves of the Trust annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The Board of Trustees has determined that the level of reserves held is adequate for the Trust's needs.

The Board of Trustees has set a reserves target for each of its schools of 3% of total income. As at 31 August 2019 nine schools have reserves at or above 3% and four have reserves below 3%; schools with reserves below 3% have a plan agreed with the Trust Central Service to build their reserves to at least 3% within the next 2 years.

Investment policy

The Trust's liquid assets are held in the form of cash balances. The Trust does not invest these cash balances in longer-term deposits or other investment vehicles. Should it wish to do so in the future, the Board of Trustees will consider a recommendation by the Trust's Senior Leadership Team.

Principal risks and uncertainties

Greenshaw Learning Trust has a formal risk management process in place to assess all risks and implements risk management strategies. The process which is overseen and reviewed by the Audit Committee identifies the types of risk the Trust faces. These risks are then assessed and prioritised in terms of their potential operational and financial impact and the likelihood of occurrence. Where necessary, actions to mitigate the risks identified are put in place.

The principal risk relates to control of staff costs. Employer contribution rates for both the Teacher's Pension Fund and Local Government Pension Fund have increased significantly, and most of the annual cost of living rises are unfunded. In addition, the current triennial valuation for Local Government Pension Schemes is expected to mean greater increases to the employer contribution rate from 1 April 2020 for all of our schools. The impact of the Apprenticeship Levy and removal of the 1% cost of living cap and proposed increases to the National Living Wage places further pressure on payroll costs and each school's payroll ratio.

Uncertain funding levels, including the implementation of the national funding formula, is adding further pressure to already strained school budgets. Numbers on roll remain strong across most schools but cannot be guaranteed.

STRATEGIC REPORT (continued)

Fundraising

The Trust does not employ fundraising agencies, street fundraisers, or undertake telephone fundraising campaigns. A small number of fundraising events are held and a low level of fundraising is undertaken. The Trust respects the rights and privacy of its supporters and does not put undue pressure on donors to make a gift. The Trust only contacts people who have opted in to receive further contact from the Trust. The Trust maximises the opportunity for letting its premises and facilities to the local community and operates a trading subsidiary for commercial lettings. The Trust has not received any complaints about its fundraising during the year.

Plans for future periods

The Board of Trustees has considered the growth of the Trust and agreed the following:

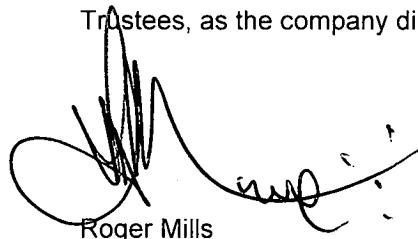
- ◆ Grow each of the regions sustainably, developing local school to school collaboration within the context of realising the benefits of being part of a single trust working across three regions
- ◆ Develop capacity within the Trust Central Service ahead of taking on new schools so it is able to provide support at the earliest opportunity
- ◆ Continue to refine and develop its due diligence process to ensure a full understanding of risks potential new schools bring
- ◆ Develop special schools and alternative provision in line with its commitment to inclusion and to enable every young person to fulfil their potential

AUDITOR

In so far as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, and signed on its behalf by:



Roger Mills

Chair of Board of Trustees of the Trust

Date: 20th December 2019

Governance statement

The Greenshaw Learning Trust is a company limited by guarantee and an exempt charity; the formal governance arrangements for the Trust are set out in its Articles of Association.

Governors of the Trust

The following persons were in office for the period 1 September 2018 – 31 August 2019 inclusive (or part thereof as indicated).

Members	Appointed/Resigned
Mike Cooper	Resigned 30 September 2018
Emmanuel Botwe	Appointed 19 July 2019
Cliff Ford	Resigned 21 July 2019
Brian Lightman	
Caroyln Swain	Resigned 30 September 2018
Matthew Syed	
Jeremy Turner	
Sue Winspear	

Trustees	Appointing Body	Appointed/Resigned
Diana Coman	Members of the Trust	
Mike Cooper (Chair)	Members of the Trust	
Gary Miles	Members of the Trust	
Roger Mills	Members of the Trust	
Ingrid Percy	Members of the Trust	
Darren Reynolds	Members of the Trust	(reappointed by the Members 19 July 2019, previously appointed by the Board of Trustees)
Karen Roche	Members of the Trust	
William Smith (CEO)	Members of the Trust	
Anne Spackman	Members of the Trust	Appointed 24 May 2019 (by the Board of Trustees, reappointed 19 July 2019, by the Members)

Subsequently, between 31 August 2019 and the date of the Trustees' report:

- ♦ Peter Thomson was appointed a Trustee on 14 October 2019
- ♦ Mike Cooper resigned as Trustee on 16 December 2019
- ♦ Roger Mills was appointed Chair of the Trustees with effect from 16 December 2019

The Members of the Trust

The Members of the Trust are the subscribers to the Memorandum of Association – the people who established the Trust – and any other individuals appointed by the Members. Following the resignation of Cliff Ford there are no original signatories to the Memorandum of Association remaining as Members.

The Members have an overview of the governance of the Trust. The Members appoint Trustees and may remove Trustees; they appoint the Trusts' auditors; and they may amend the Trust's Articles of Association.

The Board of Trustees

The Members have delegated all their powers and duties, apart from those specified above, to the Board of Trustees.

During the year ended 31 August 2019 the Board of Trustees consisted of the Trustees listed on Page 17.

The Board of Trustees retains responsibility for:

- ◆ Formal accountability for the statutory functions of the Trust and for the operation and performance of all schools in the Trust.
- ◆ Ensuring clarity of vision, ethos and strategic direction of the Trust as a whole.
- ◆ Approving the Trust Budget and the Annual Report & Financial Statements of the Trust and approving the annual budget of each school.
- ◆ Oversight of the financial and educational performance of the schools in the Trust.
- ◆ Holding the CEO to account for the financial and educational performance of the Trust as a whole.
- ◆ Agreeing Trust policies and procedures and ratifying school policies and procedures as required to ensure that the Trust fulfils its statutory responsibilities and the oversight, monitoring and review of the implementation of those policies.

The Board of Trustees can delegate its powers and functions to committees including local governing bodies (LGBs), but retains legal accountability for any decisions taken. The Board of Trustees will not get involved in the day-to-day running of the Trust or its schools.

Local Governing Bodies

The Board of Trustees has established a Local Governing Body (LGB) for each school in the Trust, to which it delegates powers and responsibilities with respect to the governance of the school. (Except that for Holmleigh Park High School, that joined the Trust on 1 June 2019, the Board's School Development Committee has carried out these powers and responsibilities pending the establishment of an LGB for the school.)

Each LGB is responsible for:

- ◆ Ensuring clarity of vision, ethos and strategic direction of the school.
- ◆ Overseeing the financial and educational performance of the school and ensuring its money is well spent.
- ◆ Holding the Headteacher to account for the educational performance of the school and its pupils, and for the performance management of staff.

The LGB will not get involved in the day-to-day running of the school.

Local Governing Bodies (continued)

The LGB must at all times act in accordance with the Governance Procedures agreed by the Board of Trustees and ensure that the school's policies and the ways that it is managed and operates are consistent with the Articles of Association and Funding Agreement and the policies and procedures of the Trust, and with all relevant legislation and regulations. The LGB must take account of the advice given to them by the Board of Trustees and CEO.

The Board of Trustees may at any time impose conditions and restrictions upon the delegated authority it has given to the LGB, in particular where the school is new to the Trust and /or is in particularly challenging circumstances.

Trust Committees

The following Committees of the Board of Trustees operated during the year to 31 August 2019 or part thereof as indicated (the Board approved an amended committee structure on 7 November 2018):

- ◆ Audit Committee – assurance and risk control.
- ◆ Committee for the Performance Management Review of the Senior Trust Executive – until 7 November 2018 - PMR and pay review of the CEO and Trust Senior Leadership Team.
- ◆ Performance Management and Pay Committee - from 7 November 2018 – performance management and pay review of CEO, agree pay scales and pay progression for the Trust Senior Leadership Team and Headteachers and agree UPS pay progression.
- ◆ Finance Performance Committee – monitoring of the budgets of the Trust's schools and the Trust as a whole.
- ◆ School Standards Committee – monitoring of the educational performance of Trust schools.
- ◆ Trust Services Committee – overseeing the provision and development of the Trust's central and shared services.
- ◆ New School Establishment Committee – until 7 November 2018 – overseeing the establishment by the Trust of new schools (replaced by the School Development Committee).
- ◆ School Improvement Committee – until 7 November 2018 - did not meet (replaced by the School Development Committee).
- ◆ School Development Committee - from 7 November 2018 – overseeing targeted improvement and intervention for schools where authority has not been delegated to a local governing body and to monitor the establishment of new schools.
- ◆ Admissions Committee – deciding on admissions applications where a decision of Trustees is required.

Trust Committees (continued)

The Board of Trustees and its LGBs have also established a number of ad hoc committees to which authority is delegated to deal with matters relating to a specific incident or individual, such as considering a complaint or pupil exclusion, or appointing a Headteacher or a member of a School or the Trust leadership team, as and when required, in accordance with the appropriate Trust policies and procedures.

Delegation to Trust executive officers

The Board of Trustees delegates to the Chief Executive Officer responsibility for delivery of the Trust's strategy and for the implementation of the policies of the Trust, and for the day-to-day running, internal organisation, management and control of central Trust services. The CEO is responsible for the performance management of the Trust Senior Leadership Team and the Headteachers of the Trust's schools.

The Board of Trustees delegates to the Headteacher of each school in the Trust the responsibility for the day-to-day running of the school, including the internal organisation, management and control of the school and the direction of teaching and the curriculum, and for the implementation of the policies of the Trust and LGB.

Meeting attendance

The Board of Trustees met five times during the year 2018/19; attendance during the year was as follows:

Trustees	Number of meetings attended	Out of a possible
Diana Coman	5	5
Mike Cooper	5	5
Gary Miles	2	5
Roger Mills	4	5
Ingrid Percy	2	5
Darren Reynolds	2	5
Karen Roche	5	5
William Smith	5	5
Anne Spackman	1	2

In addition, there were three meetings of the Audit Committee – see page 22.

A sixth meeting of the Board of Trustees that had been scheduled for 12 February 2019 did not take place as there were insufficient matters requiring formal decision of the Board at that time. The Board Committees did meet and full papers providing the normal updates and monitoring information were circulated to all Trustees.

Governance review

At its meeting of 19 October 2018, the Board of Trustees discussed its governance arrangements against the backdrop of the growth of the Trust in the past few years and its plans for the future. The Board agreed to commission a review of governance to ensure that it is harnessing best practice and that its processes are fit for purpose.

Governance review (continued)

Arising from this, the Board agreed a number of changes in its committee structure: establishing two new performance scrutiny committees, one to monitor educational performance of all schools in the Trust and one to monitor the Trust's budgets and finances; establishing a new School Development Committee in place of the School Improvement Committee and New School Establishment Committee; extending the role of the PMR Committee into a Performance Management & Pay Committee; and developing the remits of and delegations to committees and LGBs and updating the Scheme of Delegation.

See Trust Committees on page 19.

Decisions around strategy, policy and budgets are taken by the Board of Trustees, and more focused monitoring of the implementation of those strategies, policies and budgets takes place at Board Committees; Board Committees do not form an additional 'layer' between the Board of Trustees and local governing bodies.

The Governance Procedures that govern the operation of local governing bodies were reviewed and updated, in particular to take account of experience and feedback and suggestions from local governing bodies and to realise the benefits – to schools and the Trust as a whole – of achieving more commonality and clarity across the Trust's governance processes and procedures. The revised procedures were agreed by the Board of Trustees and local governing bodies in July 2019 for implementation in September 2019.

The Board of Trustees commissioned an external review of governance in May 2019 as part of the Trust's approach of continual self-evaluation and in response to a request from the DfE's Regional Schools Commissioner. The report and recommendations from the review were received by the Board of Trustees at their meeting in July 2019. A summary of the actions taken is:

- ◆ The Board of Trustees and Members have recruited two additional Trustees to increase capacity of the Board
- ◆ A range of mechanisms are being developed to communicate with and engage local governors more effectively, including the development of a model LGB agenda, annual trust-wide Heads and Chairs meetings and more frequent regional meetings and virtual networks of chairs and link governors
- ◆ Introduction of link Trustees for each school/LGB
- ◆ Review of induction and training for governors and Trustees and a more systematic and co-ordinated offer is being developed to be delivered through the clerking service and the wider Trust Central Service
- ◆ Review of the nature and breadth of data made available to the School Standards Committee and Finance Performance Committee
- ◆ Succession planning for the members of the Board of Trustees to ensure continued effectiveness

Governance review (continued)

A copy of the report and the response to it from the Board of Trustees was sent to the Regional Schools Commissioner.

The Board of Trustees added further external, non-Trustee members to the Trust Panel (a group the Trust draws on for specific subject and project expertise) and some of its committees and local governing bodies to ensure they have the skills required to carry out their role.

Scope of responsibility

The Board of Trustees acknowledges and takes overall responsibility for ensuring that the Greenshaw Learning Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and to the requirements and responsibilities assigned to it in the Funding Agreements between the Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Audit committee

The purpose of the Audit Committee is to provide assurance to the Board on the suitability of its financial systems and operational controls and that risks to internal financial control are being adequately identified and managed across the Trust and in its individual schools.

The Committee will approve the programme of work to address these risks; receive termly reports on the checks carried out to address the risks, receive the annual report of the Auditors, inform the Trust's governance statement and make any comments or recommendations to the Board regarding audit and risk.

During the year the Audit Committee met three times.

Members of Committee	Number of meetings attended	Out of a possible
Don Brims	3	3
Diana Coman (Chair)	3	3
Gary Miles	2	3

The remit of the committee is set out in the Scheme of Delegation of Governance Functions. The principal role is to provide assurance to the Board of Trustees that risks are being identified and the internal control framework is both suitable and effective. During the year a specific review of the due diligence process for new schools was commissioned and reviewed.

Local Governing Bodies

Responsibility for the financial performance of each school in the Trust, ensuring that it follows the Trust's financial policies and procedures and regulations, and ensuring value for money is delegated to the school's local governing body.

Review of value for money

As Accounting Officer, the CEO has responsibility for ensuring that the 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 Trust's use of its resources has provided good value for money during the academic year, and reports to the Board of Trustees where value for money can be improved, including the use on benchmarking data where available. The Accounting Officer for the Trust has delivered and improved value for money during the year by:

- ◆ The size and reputation of the Trust has enabled the Trust to negotiate improved service standards from a number of providers. These include our bankers, payroll, insurers and recruitment agencies. Dedicated relationship managers and points of contact have improved response times, thereby reducing schools' resources expended.
- ◆ Economies of scale have been achieved in contract negotiations by agreeing contracts and arrangements common to all schools. An example is catering supplies with procurement through Pelican. Significant savings have been achieved through a tender process completed and an agreed restricted supplier list.
- ◆ We have leveraged our relationships with existing MATs in the energy procurement completed during the year, both gas and electric, and will be undertaking joint procurement for energy efficiency strategies, LED lighting and solar panels, to significantly reduce our carbon footprint and energy costs.

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 ongoing process designed to identify and prioritise the risks to the achievement of the 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 at the Trust for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees have reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees are of the view that there is an ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has agreed a programme of internal and external audits during 2018-19 and agreed to continue with the framework commenced in 2017-18:

- ◆ Internal Audits are completed by officers of the Trust Central Service on all schools within the Trust annually.

During the year the focus has been on the following key strategic changes agreed by the Board of Trustees:

- ◆ Transfer of most finance processing in schools to a shared finance operation to improve the accuracy, consistency and timeliness of finance activities
- ◆ Development of integrated curriculum and finance planning to inform and set staff plans and budgets
- ◆ Review and development of the due diligence process for new schools joining
- ◆ Development of the understanding of the school estate through condition surveys, asbestos surveys, fire risk assessments and net capacity assessments for those schools seeking to increase their planned admission numbers

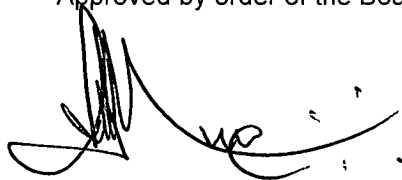
Review of effectiveness

As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the 2018-19 year, the review has been informed by:

- ◆ the due diligence process for all schools joining the Trust.
- ◆ the financial management and governance self-assessment process that is completed for all schools shortly after they join the Trust.
- ◆ the work of the external auditor, including an audit of the school condition allocation.
- ◆ the monthly management accounts process which is consistent across all schools.
- ◆ summary reports for the Board of Trustees with projections of year end reserves, including restricted funds.
- ◆ the work of the Trust Senior Leadership Team that has responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Board of Trustees and signed on their behalf by:



(Chair of Board of Trustees of the Trust)

Roger Mills



(CEO and Accounting Officer)

William Smith

Approved on: 20th December 2019

Statement on regularity, propriety and compliance 31 August 2019

As Accounting Officer of the Greenshaw Learning Trust, I have considered my responsibility to notify the Trustees of the Trust and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. 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 Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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

A handwritten signature in black ink, appearing to read 'WLS', with a stylized flourish at the end.

Accounting Officer

William Smith

Date: 20th December 2019

Statement of Trustees' responsibilities 31 August 2019

The Trustees (who are also the directors of the Trust for the purposes of company law) are responsible for preparing the Trustees' report and the 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 Trust and of its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

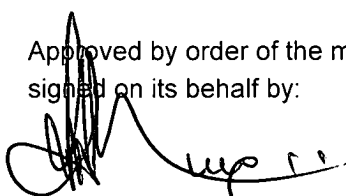
- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the 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 the Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Board of Trustees on 20th December 2019 and signed on its behalf by:



Chair of Board of Trustees of the Trust

Roger Mills

Independent auditor's report to the members of Greenshaw Learning Trust

Opinion

We have audited the financial statements of Greenshaw Learning Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2019 which comprise the group statement of financial activities, the group and charitable parent company balance sheets, the statements 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), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP 2015) and the Academies Accounts Direction 2018 to 2019.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 August 2019 and of the group's income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

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 group 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

Conclusions relating to going concern (continued)

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

Other information (covers the reference and administrative details, the report of the governors and strategic report and the governance statement)

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the Trustees' report, which is also the director's report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the director's report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the strategic report.

Matters on which we are required to report by exception (continued)

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

Responsibilities of Trustees

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

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

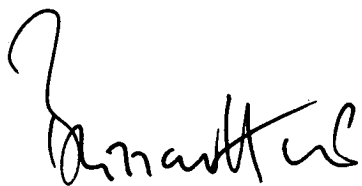
Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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



Edward Finch (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

26/12/15

Independent reporting accountant's assurance report on regularity to the Greenshaw Learning Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 13 July 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the Greenshaw Learning Trust during the period from 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Greenshaw Learning Trust's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of the Greenshaw Learning Trust's funding agreement with the Secretary of State for Education dated 27 May 2011 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 from 1 September 2018 to 31 August 2019 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 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

Approach (continued)

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

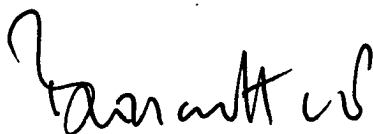
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

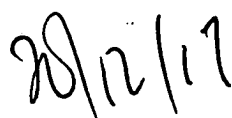
- ◆ An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL



Consolidated statement of financial activities (including an income and expenditure account) Year ended 31 August 2019

			Restricted funds			
		Un- restricted general fund	Restricted general fund	Fixed assets fund	2019 Total funds	2018 Total funds
	Notes	£'000	£'000	£'000	£'000	£'000
Income from:						
Donations and capital grants	1	223	—	2,153	2,376	2,091
Transfer from existing Academies joining the Trust	1	(116)	(3,960)	20,466	16,390	21,481
Transfer from Local Authority on conversion	1	110	(514)	1,102	698	13,390
Charitable activities						
Funding for the Trust's educational operations	4	—	45,455	—	45,455	42,117
Other trading income	2	3,241	—	—	3,241	2,612
Investments	3	19	—	—	19	12
Total income		3,477	40,981	23,721	68,179	81,703
Expenditure on:						
Raising funds	5	4	—	—	4	6
Charitable activities						
Trust's educational operations	6	2,415	47,647	5,120	55,182	50,622
Total expenditure	5	2,419	47,647	5,120	55,186	50,628
Net income (expenditure) before transfers		1,058	(6,666)	18,601	12,993	31,075
Transfers between funds	17	—	(248)	248	—	—
Other recognised gains and losses						
Actuarial gains on defined benefit pension scheme	22	—	(6,861)	—	(6,861)	4,422
Net movement in funds		1,058	(13,775)	18,849	6,132	35,497
Reconciliation of funds						
Fund balances brought forward at 1 September 2018		317	(18,308)	87,019	69,028	33,531
Fund balances carried forward at 31 August 2019		1,375	(32,083)	105,868	75,160	69,028

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

The results of Greenshaw Learning Services Limited have been consolidated within the financial statements of Greenshaw Learning Trust.

All gains and losses are included in the Statement of Financial Activities.

Balance sheets 31 August 2019

	Notes	2019		2018	
		Group £'000	Trust £'000	Group £'000	Trust £'000
Fixed assets					
Tangible fixed assets	12	103,958	103,958	84,758	84,758
Current assets					
Debtors	14	2,180	2,046	1,389	1,924
Cash at bank and in hand		5,964	5,569	5,259	4,847
		8,144	7,615	6,648	6,771
Creditors: amounts falling due within one year	15	(4,581)	(4,093)	(3,671)	(3,794)
Net current assets		3,563	3,522	2,977	2,977
Total assets less current liabilities		107,521	107,480	87,735	87,735
Creditors: amounts falling due after more than one year	16	(74)	(74)	(158)	(158)
Net assets excluding pension scheme liability		107,447	107,406	87,577	87,577
Pension scheme liability	22	(32,287)	(32,287)	(18,549)	(18,549)
Total net assets		75,160	75,119	69,028	69,028
Funds of the Trust					
Restricted funds					
Fixed assets fund	17	105,868	105,868	87,019	87,019
Restricted income	17	204	204	241	241
Pension reserve	17	(32,287)	(32,287)	(18,549)	(18,549)
		73,785	73,785	68,711	68,711
Unrestricted funds					
General fund	17	1,375	1,334	317	317
Total funds		75,160	75,119	69,028	69,028

The financial statements on page 34 to 66 were approved by the Trustees, and authorised for issue on 20th December 2019 and are signed on their behalf by:



Chair of Directors of the Trust

Roger Mills

Greenshaw Learning Trust

Company Limited by Guarantee

Registration Number: 07633694 (England and Wales)

Consolidated statement of cash flows Year to 31 August 2019

		2019 £'000	2018 £'000
Net cash outflow from operating activities			
Net cash used in operating activities	A	(839)	(227)
Cash flows from investing activities	C	1,640	1,651
Cash flows from financing activities	B	(96)	—
Cash flows from conversions		—	165
Change in cash and cash equivalents in the year		705	1,589
Cash and cash equivalents at 1 September 2018		5,259	3,670
Cash and cash equivalents at 31 August 2019	D	5,964	5,259
A Reconciliation of income to net cash flow from operating activities			
		2019 £'000	2018 £'000
Net income for the year (as per the statement of financial activities)		12,993	31,075
Adjusted for:			
Depreciation (note 11)		2,900	2,540
Capital grants from DfE and other capital income		(2,153)	(1,946)
Inherited fixed assets		(21,568)	(40,113)
Cash inherited on conversion		—	(165)
Interest receivable (note 3)		(19)	(12)
Defined benefit pension scheme obligation inherited		4,474	5,327
Defined benefit pension scheme cost less contributions payable (note 21)		4,096	1,515
Defined benefit pension scheme finance cost (note 21)		(1,693)	525
Defined benefit pension scheme curtailment cost (note 21)		—	74
Increase in debtors		(791)	(243)
Increase in creditors		922	1,196
Net cash provided used in operating activities		(839)	(227)
B Cash flows from financing activities			
		2019 £'000	2018 £'000
Repayments of borrowing		(96)	—
Net cash used in financing activities		(96)	—
C Cash flows from investing activities			
		2019 £'000	2018 £'000
Dividends, interest and rents from investments		19	12
Purchase of tangible fixed assets		(532)	(307)
Capital grants from DfE/ESFA		2,153	1,946
Net cash provided by investing activities		1,640	1,651

Consolidated statement of cash flows Year to 31 August 2019

D Analysis of cash and cash equivalents

	2019 £'000	2018 £'000
Cash at bank and in hand	5,964	5,259

Principal accounting policies Year to 31 August 2019

Statement of accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are presented in sterling to the nearest thousand pounds.

Basis of consolidation

The consolidated statement of financial activities and group balance sheet consolidate the financial statements of the Trust and those of its subsidiary made up at the balance sheet date.

No separate statement of financial activities has been presented for Greenshaw Learning Trust alone, as permitted by section 408 of the Companies Act 2006 and SORP 2015.

Going concern

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

Income

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

Principal accounting policies Year to 31 August 2019

Income (continued)

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.

The 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 in the restricted fixed asset fund.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Transfer on conversion

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income.

Principal accounting policies Year to 31 August 2019

Expenditure

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

Expenditure on raising funds

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

Charitable activities

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

All expenditure is stated net of recoverable VAT.

Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Trust's depreciation policy.

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

Leasehold buildings	Over 10-50 years
Fixtures, fittings and equipment	Over 3-10 years

Depreciation is charged from the month of acquisition.

Principal accounting policies Year to 31 August 2019

Tangible fixed assets (continued)

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

Liabilities

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

Leased assets

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

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. 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, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

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

Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted ESFA funds comprise all other grants received from the Education and Skills Funding Agency.

Restricted other funds comprise all other restricted funds received and include grants from Local Authorities.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

Local Government Pension Scheme

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 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Valuation of buildings transferred into the academy trust

If valuations are not yet available for buildings transferred into the Greenshaw Learning Trust from conversions or existing academies, then the value is estimated based on existing buildings within the Trust, adjusted for floor space using DfE survey data.

Five Acres School joined Greenshaw Learning Trust on 1 September 2017 with buildings transferred under a freehold arrangement. Wildmoor Heath School joined Greenshaw Learning Trust on 1 January 2018 and Tyndale Primary School on 1 June 2019 with buildings transferred under a long leasehold arrangement.

As no valuations are currently available for these buildings, the values have been estimated using the valuation of the buildings at Henley Bank, Crown Wood and Tweeddale Schools respectively and adjusted for floor space using DfE survey data.

Notes to the financial statements Year to 31 August 2019

1 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	2019 Total funds £'000
Capital grants	—	—	2,153	2,153
Other donations	223	—	—	223
Transfer from existing Academies joining the Trust (note 25)	(116)	(3,960)	20,466	16,390
Transfer from Local Authority on conversion (note 24)	110	(514)	1,102	698
	217	(4,474)	23,721	19,464

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	2018 Total funds £'000
Capital grants	—	—	1,946	1,946
Other donations	145	—	—	145
Transfer from existing Academies joining the Trust (note 25)	(25)	(3,485)	24,991	21,481
Transfer from Local Authority on conversion (note 24)	110	(1,842)	15,122	13,390
	230	(5,327)	42,059	36,962

2 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
Hire of facilities	746	—	746
Trip income	525	—	525
Catering income	1,373	—	1,373
Staff consultancy	297	—	297
Other income	300	—	300
	3,241	—	3,241

	Unrestricted funds £'000	Restricted funds £'000	2018 Total funds £'000
Hire of facilities	587	—	587
Trip income	265	—	265
Catering income	1,220	—	1,220
Staff consultancy	306	—	306
Other income	234	—	234
	2,612	—	2,612

Notes to the financial statements Year to 31 August 2019

3 Investment income

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
Interest receivable	19	—	19
	Unrestricted funds £'000	Restricted funds £'000	2018 Total funds £'000
Interest receivable	12	—	12

4 Funding for academy's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
DfE / ESFA grants			
General Annual Grant (GAG)	—	38,277	38,277
Start Up Grants	—	77	77
Other DfE / ESFA	—	4,130	4,130
	—	42,484	42,484
Other government grants			
Local Authority grants	—	2,971	2,971
	—	2,971	2,971
	—	45,455	45,455
	Unrestricted funds £'000	Restricted funds £'000	2018 Total funds £'000
DfE / ESFA grants			
General Annual Grant (GAG)	—	35,720	35,720
Start Up Grants	—	111	111
Other DfE / ESFA	—	3,372	3,372
Other non DfE grants	—	17	17
	—	39,220	39,220
Other government grants			
Local Authority grants	—	2,897	2,897
	—	2,897	2,897
	—	42,117	42,117

Notes to the financial statements Year to 31 August 2019

5 Expenditure

	Staff costs £'000	Non pay expenditure		2019 Total funds £'000
		Premises £'000	Other costs £'000	
Expenditure on raising funds				
· Direct costs	—	—	4	4
Trust's educational operations				
· Direct costs	31,371	2,900	3,522	37,793
· Allocated support costs	9,029	4,479	3,881	17,389
	<u>40,400</u>	<u>7,379</u>	<u>7,407</u>	<u>55,186</u>

	Staff costs £'000	Non pay expenditure		2018 Total funds £'000
		Premises £'000	Other costs £'000	
Expenditure on raising funds				
· Direct costs	—	—	6	6
Trust's educational operations				
· Direct costs	29,059	2,540	2,507	34,106
· Allocated support costs	9,287	3,194	4,035	16,516
	<u>38,346</u>	<u>5,734</u>	<u>6,548</u>	<u>50,628</u>

	2019 Total funds £'000	2018 Total funds £'000
Net expenditure for the period include:		
Operating leases	125	134
Fees payable to auditor		
· Statutory audit	39	34
· Other services	5	5
Depreciation	<u>2,900</u>	<u>2,540</u>

6 Charitable activities – Trust's educational operations

	2019 Total funds £'000	2018 Total funds £'000
Direct costs	37,793	34,106
Support costs	<u>17,389</u>	<u>16,516</u>
	<u>55,182</u>	<u>50,622</u>

Notes to the financial statements Year to 31 August 2019

6 Charitable activities – Trust's educational operations (continued)

	2019 Total funds £'000	2018 Total funds £'000
Analysis of support costs		
Support staff costs	9,029	9,287
Technology costs	529	581
Premises costs	4,479	3,194
Other support costs	3,289	3,416
Governance costs	63	38
Total support costs	17,389	16,516

Professional fees totalling £399,000 have been reanalysed from governance costs to other support costs in the 2018 figures to better represent the nature of the costs and provide comparability with the 2019 amounts.

Notes to the financial statements Year to 31 August 2019

7 Comparative information

Analysis of income and expenditure in the year ended 31 August 2018 between restricted and unrestricted funds:

	Notes	Restricted funds			2018 Total funds £'000
		Un- restricted general fund £'000	Restricted general fund £'000	Fixed assets fund £'000	
Income from:					
Donations and capital grants	1	145	—	1,946	2,091
Transfer from existing Academies joining the Trust	1	(25)	(3,485)	24,991	21,481
Transfer from Local Authority on conversion	1	110	(1,842)	15,122	13,390
Charitable activities					
Funding for the Trust's educational operations	4	—	42,117	—	42,117
Other trading income	2	2,612	—	—	2,612
Investments	3	12	—	—	12
Total income		2,854	36,790	42,059	81,703
Expenditure on:					
Raising funds	5	6	—	—	6
Charitable activities					
Trust's educational operations	6	3,036	43,955	3,631	50,622
Total expenditure	5	3,042	43,955	3,631	50,628
Net (expenditure) income before transfers		(188)	(7,165)	38,428	31,075
Transfers between funds	16	—	(191)	191	—
Other recognised gains and losses					
Actuarial gains on defined benefit pension scheme	21	—	4,422	—	4,422
Net movement in funds		(188)	(2,934)	38,619	35,497
Reconciliation of funds					
Fund balances brought forward at 1 September 2017		505	(15,374)	48,400	33,531
Fund balances carried forward at 31 August 2018		317	(18,308)	87,019	69,028

Notes to the financial statements Year to 31 August 2019

8 Staff

(a) Staff costs

Staff costs during the period were:

	2019 Total funds £'000	2018 Total funds £'000
Wages and salaries	29,734	28,465
Social security costs	2,823	2,638
Pension costs	7,079	6,344
	39,636	37,447
Supply teacher costs	682	677
Staff restructuring costs	82	148
	40,400	38,272
	2019 £'000	2018 £'000
Staff restructuring costs comprise		
Severance payments	23	148
Redundancy payments	59	—
	82	148

(b) Staff severance payments

Included in compensation payments are two non-contractual severance payments totalling £22,513 (2018 – twelve non-contractual severance payments totalling £148,340). Individually the payments were £20,000 and £2,513.

(c) Staff numbers

The average number of persons (including the senior management team) employed by the charitable company during the year ended 31 August 2019 was as follows:

Charitable activities	2019 No	2018 No
Teachers	507	441
Administration and support	816	747
Management	77	63
	1,400	1,251

Notes to the financial statements Year to 31 August 2019

8 Staff (continued)

(d) Higher paid staff

The number of employees whose emoluments fell within the following on an annualised basis bands was:

	2019 No	2018 No
£60,001 - £70,000	16	14
£70,001 - £80,000	8	5
£80,001 - £90,000	5	2
£90,001 - £100,000	2	2
£100,001 - £110,000	2	1
£120,001 - £130,000	1	2
£130,001 - £140,000	1	2
£140,001 - £150,000	1	—

All of the above employees participated in the Teachers' Pension Scheme or a local Government Pension Scheme.

(e) Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior leadership team as listed on page 1. The total amount of employee benefits (including employee pension contributions) received by key management personnel for their services to the academy trust was £1,897,357 (2018 - £1,719,498).

9 Trustees' remuneration and expenses

One Trustee has been paid remuneration and has received other benefits from an employment with the academy trust (2018 – one Trustee). The CEO only receives remuneration in respect of services they provide undertaking the role of CEO and not in respect to their service as a Trustee. Other Trustees did not receive any payments, other than expenses, from the Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits whilst in office was as follows:

	2019 £	2018 £
W Smith, Chief Executive Officer and Trustee		
• Remuneration	130,000 – 135,000	125,000 – 130,000
• Employer's pension contributions	20,000 – 25,000	20,000 – 25,000

During the year ended 31 August 2019, £5,911 (2018 – £2,036) travel and subsistence expenses were reimbursed to four Trustees (2018 – three).

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

Notes to the financial statements Year to 31 August 2019

10 Trustees' and Officers' insurance

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees' and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2019 was included within the overall insurance premium.

11 Central services

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

- ◆ School improvement, including reading, maths, science, KS3 curriculum, SEN, early years, KS1, KS2, attendance
- ◆ Teacher development, including department drop ins, INSET, mental health, behaviour
- ◆ Middle/Senior leadership training and development
- ◆ Pupil monitoring and assessment
- ◆ Budget planning, including integrated curriculum finance planning
- ◆ HR and payroll
- ◆ Governance, including a clerking service
- ◆ In house catering service
- ◆ Estates planning

The Trust charges for these services at a percentage of 5% of GAG income, capped at £300,000 (2018: 3.5% of GAG income, capped at £250k. Henley Bank at 5% of GAG income).

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Greenshaw High School	300	250
Green Wrythe Primary School	79	52
Brakenhale School	268	185
Orchard Park High School	263	205
Victor Seymour Infant School	60	42
Tweeddale	87	59
Crown Wood	96	63
Five Acres	148	111
Henley Bank School	120	84
Wildmoor Heath	40	18
Yate Academy	213	154
Holmleigh Park	75	—
Tyndale	11	—
	1,760	1,223

Notes to the financial statements Year to 31 August 2019

12 Tangible fixed assets (group and trust)

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Assets under construction £'000	Furniture and equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total funds £'000
Cost/valuation							
At 1 September 2018	24,577	60,729	5,834	288	525	47	92,000
Transferred into the Trust	20,311	1,096	—	123	38	—	21,568
Additions	—	—	82	139	311	—	532
At 31 August 2019	44,888	61,825	5,916	550	874	47	114,100
Depreciation							
At 1 September 2018	1,355	5,306	—	176	391	14	7,242
Charge in period	863	1,743	—	97	188	9	2,900
At 31 August 2019	2,218	7,049	—	273	579	23	10,142
Net book value							
At 31 August 2019	42,670	54,776	5,916	277	295	24	103,958
At 31 August 2018	23,222	55,423	5,834	112	134	33	84,758

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Assets under construction £'000	Furniture and equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total funds £'000
Cost/valuation							
At 1 September 2017	11,433	33,780	5,826	181	354	6	51,580
Transferred into the Trust	13,144	26,949	—	16	3	1	40,113
Additions	—	—	8	91	168	40	307
At 31 August 2018	24,577	60,729	5,834	288	525	47	92,000
Depreciation							
At 1 September 2017	653	3,679	—	90	276	4	4,702
Charge in period	702	1,627	—	86	115	10	2,540
At 31 August 2018	1,355	5,306	—	176	391	14	7,242
Net book value							
At 31 August 2018	23,222	55,423	5,834	112	134	33	84,758
At 31 August 2017	10,780	30,101	5,826	91	78	2	46,878

Notes to the financial statements Year to 31 August 2019

13 Investments – Greenshaw Learning Services Limited

The share capital of Greenshaw Learning Services Limited, a company registered in England and Wales (company number 09176489), was issued to the company on 14 August 2014. The company was established for any traded service and is primarily used for the provision of staff consultancy, catering services and lettings to other local schools outside the Trust.

	2019 £'000	2018 £'000
Turnover	909	888
Cost of sales	(864)	(832)
Gross profit	45	56
Administrative expenses	(4)	(4)
Retained profit before taxation	41	52
Taxation	—	—
Profit on ordinary activities after taxation	41	52
Retained profits brought forward at 1 September 2018	52	17
Distribution to parent	(52)	(17)
Profit for the year	41	52
Retained profits carried forward at 31 August 2019	41	52

The assets and liabilities of the subsidiary were:

	2019 £'000	2018 £'000
Current assets	534	614
Creditors: amounts falling due within one year	(493)	(614)
	41	—

Notes to the financial statements Year to 31 August 2019

14 Debtors

	Group 2019 £'000	Trust 2019 £'000	Group 2018 £'000	Trust 2018 £'000
Trade debtors	496	359	201	86
VAT recoverable	358	361	269	289
Amount due from subsidiary	—	—	—	584
Other debtors	39	39	73	4
Prepayments and accrued income	1,287	1,287	846	961
	2,180	2,046	1,389	1,924

15 Creditors: amounts falling due within one year

	Group 2019 £'000	Trust 2019 £'000	Group 2018 £'000	Trust 2018 £'000
Trade creditors	1,968	1,490	1,401	1,390
Taxation and social security	802	802	681	681
EFSA creditor: abatement of GAG	—	—	268	268
Loans	66	66	78	154
Other creditors	410	404	175	175
Accruals and deferred income	1,335	1,331	1,068	1,126
	4,581	4,093	3,671	3,794

	Group 2019 £'000	Trust 2018 £'000
Deferred income at 1 September 2018	322	194
Resources deferred in the year	273	322
Amounts released from previous years	(322)	(194)
Deferred income at 31 August 2019	273	322

16 Creditors: amounts falling due in greater than one year

	2019 £'000	2018 £'000
Group and Academy		
Loans	74	158

A loan of £130,000 from Bracknell Forest Local Authority was transferred with Brakenhale School. The loan is repayable in monthly instalments over a 36 month period from September 2018 and £104,723 remains repayable at year-end.

Salix loans were transferred into the Trust on the conversion of Tweeddale Primary School, at the year end these totalled £20,204. This is repayable in the year ending 31 August 2022.

A further loan of £15,000 from Bracknell Forest Local Authority was transferred with Wildmoor Heath School. This is repayable in the year ending 31 August 2020.

Notes to the financial statements Year to 31 August 2019

17 Funds

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general fund					
. General Annual Grant (GAG)	—	38,277	(38,029)	(248)	—
. Start Up Grant	—	77	(77)	—	—
. Pupil premium	—	2,240	(2,240)	—	—
. Other ESFA grants	241	1,858	(1,895)	—	204
. Pension reserve	(18,549)	(4,474)	(2,403)	(6,861)	(32,287)
	(18,308)	37,978	(44,644)	(7,109)	(32,083)
Restricted fixed assets fund					
. Local Authority capital grants	6,097	—	—	—	6,097
. DfE/ESFA capital grants	2,530	2,153	(2,337)	—	2,346
. Capital expenditure from GAG	179	—	(159)	248	268
. Academy building and furniture and equipment transferred from Local Authority	78,213	21,568	(2,624)	—	97,157
	87,019	23,721	(5,120)	248	105,868
Other restricted funds					
. Local authority grants	—	2,971	(2,971)	—	—
. Other restricted funds	—	32	(32)	—	—
	—	3,003	(3,003)	—	—
Total restricted funds	68,711	64,702	(52,767)	(6,861)	73,785
Unrestricted funds					
. General funds	317	3,477	(2,419)	—	1,375
Total unrestricted funds	317	3,477	(2,419)	—	1,375
Total funds	69,028	68,179	(55,186)	(6,861)	75,160

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

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

ESFA revenue grant fund and other restricted funds

Other funds relate to monies received for specific purposes such as pupil premium funding.

Notes to the financial statements Year to 31 August 2019

17 Funds (continued)

Fixed asset fund

Restricted fixed assets funds were funded by government grants or donations. When capital expenditure is incurred a transfer is made from the fund which funded the acquisition to the restricted fixed asset fund. That asset is then depreciated through the restricted fixed asset fund over the lifetime of that asset.

Pension reserve

The pension reserve relates to the local government pension scheme liability.

Comparative information

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

			Restricted funds		
	Notes	Un-restricted general fund £'000	Restricted general fund £'000	Fixed assets fund £'000	2018 Total funds £'000
Income from:					
Donations and capital grants	1	145	—	1,946	2,091
Transfer from existing Academies joining the Trust	1	(25)	(3,485)	24,991	21,481
Transfer from Local Authority on conversion	1	110	(1,842)	15,122	13,390
Charitable activities					
Funding for the Trust's educational operations	4	—	42,117	—	42,117
Other trading income	2	2,612	—	—	2,612
Investments	3	12	—	—	12
Total income		2,854	36,790	42,059	81,703
Expenditure on:					
Raising funds	5	6	—	—	6
Charitable activities					
Trust's educational operations	6	3,036	43,955	3,631	50,622
Total expenditure	5	3,042	43,955	3,631	50,628
Net (expenditure) income before transfers		(188)	(7,165)	38,428	31,075
Transfers between funds	16	—	(191)	191	—
Other recognised gains and losses					
Actuarial gains on defined benefit pension scheme	21	—	4,422	—	4,422
Net movement in funds		(188)	(2,934)	38,619	35,497
Reconciliation of funds					
Fund balances brought forward at 1 September 2017		505	(15,374)	48,400	33,531
Fund balances carried forward at 31 August 2018		317	(18,308)	87,019	69,028

Notes to the financial statements Year to 31 August 2019

17 Funds (continued)

Analysis of fund balance by academy

Fund balances at 31 August 2019 were allocated as follows:

	Total 2019 £'000	Total 2018 £'000
Greenshaw High School	23	(136)
Green Wrythe Primary School	139	145
Brakenhale School	212	162
Orchard Park High School	606	153
Victor Seymour Infant School	149	164
Tweeddale Primary School	139	91
Crown Wood Primary School	124	97
Henley Bank School	(53)	(56)
Wildmoor Heath	35	(41)
Yate Academy	238	(181)
Five Acres	3	73
Holmleigh Park	(313)	—
Tyndale	127	—
Greenshaw Learning Services Limited	41	—
Central services	109	87
Total before fixed assets and pension reserve	1,579	558
Restricted fixed assets fund	105,868	87,019
Pension liability	(32,287)	(18,549)
Total for academy trust and group	75,160	69,028

Henley Bank High School

The school was re-brokered in January 2018 and joined with a challenging financial situation. Numbers on roll are increasing significantly due to the noticeably improved results and parent confidence in the changes in the school. It is expected the deficit will be cleared by the end of 2019-20.

Holmleigh Park High School

The school was re-brokered in June 2019 and joined with a deficit. A number of actions have been taken to ensure student outcomes improve rapidly within an affordable staff structure. It is expected the deficit will be cleared by the end of 2019-20.

Notes to the financial statements Year to 31 August 2019

17 Funds (continued)

Analysis of cost by academy

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

	Teaching and educational support costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Total 2019 £'000
Greenshaw High School	6,244	2,845	545	1,616	11,250
Green Wrythe Primary School	1,972	587	130	387	3,076
Brakenhale School	4,125	1,160	331	1,020	6,636
Orchard Park High School	3,474	1,068	411	1,055	6,008
Victor Seymour Infant School	1,178	288	79	318	1,863
Tweeddale Primary School	1,390	529	106	378	2,403
Crown Wood Primary School	1,826	310	99	435	2,670
Henley Bank School	1,484	732	382	693	3,291
Wildmoor Heath	560	130	27	151	868
Yate Academy	3,167	1,159	282	963	5,571
Five Acres	2,190	709	264	682	3,845
Holmleigh Park	1,097	342	43	455	1,937
Tyndale	123	75	9	69	276
Central services	820	823	132	(1,164)	611
Academy Trust	29,650	10,757	2,840	7,058	50,305

	Teaching and educational support costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Total 2018 £'000
Greenshaw High School	5,955	2,825	557	958	10,295
Green Wrythe Primary	1,838	571	67	180	2,656
Brakenhale School	3,892	1,092	269	592	5,845
Orchard Park High School	4,167	1,501	459	954	7,081
Victor Seymour Infant	1,194	284	80	189	1,747
Tweeddale Primary School	1,438	407	103	193	2,141
Crown Wood Primary	1,722	244	78	273	2,317
Henley Bank School	1,016	576	232	414	2,238
Wildmoor Heath	417	89	19	100	625
Yate Academy	3,731	969	218	755	5,673
Five Acres	2,159	680	331	444	3,614
Central services	856	654	95	(760)	845
Academy Trust	28,385	9,892	2,508	4,292	45,077

18 Analysis of net assets between funds

Group	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Total 2019 £'000
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	—	—	103,958	103,958
Current assets	1,375	4,859	1,910	8,144
Current liabilities	—	(4,581)	—	(4,581)
Non-current liabilities	—	(74)	—	(74)
Pension scheme liability	—	(32,287)	—	(32,287)
Total net assets	1,375	(32,083)	105,868	75,160

Trust	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Total 2019 £'000
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	—	—	103,958	103,958
Current assets	1,334	4,371	1,910	7,615
Current liabilities	—	(4,093)	—	(4,093)
Non-current liabilities	—	(74)	—	(74)
Pension scheme liability	—	(32,287)	—	(32,287)
Total net assets	1,334	(32,083)	105,868	75,119

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

Group	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Total 2018 £'000
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	—	—	84,758	84,758
Current assets	317	4,070	2,261	6,648
Current liabilities	—	(3,671)	—	(3,671)
Non-current liabilities	—	(158)	—	(158)
Pension scheme liability	—	(18,549)	—	(18,549)
Total net assets	317	(18,308)	87,019	69,028

Notes to the financial statements Year to 31 August 2019

18 Analysis of net assets between funds (continued)

<i>Trust</i>	<i>Unrestricted funds £'000</i>	<i>Restricted general funds £'000</i>	<i>Restricted fixed asset fund £'000</i>	<i>Total 2018 £'000</i>
<i>Fund balances at 31 August 2018 are represented by:</i>				
<i>Tangible fixed assets</i>	—	—	84,758	84,758
<i>Current assets</i>	317	4,193	2,261	6,771
<i>Current liabilities</i>	—	(3,794)	—	(3,794)
<i>Non-current liabilities</i>	—	(158)	—	(158)
<i>Pension scheme liability</i>	—	(18,549)	—	(18,549)
<i>Total net assets</i>	317	(18,308)	87,019	69,028

19 Commitments under operating leases

Operating leases

At 31 August 2019, the total of the Academy's future minimum lease payments under non-cancellable operating leases as follows:

	2019 £'000	2018 £'000
Amounts due within one year	112	125
Amounts due between two and five years inclusive	138	209
	250	334

20 Capital commitments

	2019 £'000	2018 £'000
Contracted for, but not provided in the financial statements	434	548

21 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while 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.

22 Pension and similar obligations

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the London Borough of Sutton, London Borough of Croydon, Gloucestershire County Council, Avon and Royal County of Berkshire pension funds. All are multi-employer defined benefit schemes.

22 Pension and similar obligations (continued)

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

There were no contributions payable to the schemes at 31 August 2019 (2018: none).

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the Academy Trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The Academy Trust has set out above the information available on the plan and the implications for the Academy Trust in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (DfE) in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196 billion, giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). The Department for Education has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019/20 academic year.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website

The employer's pension costs paid to TPS in the period amounted to £2,621,000 (2018 - £2,788,000).

22 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £3,245,000 (2018: £2,749,000), of which employer's contributions totalled £2,639,000 (2018: £2,211,000) and employees' contributions totalled £606,000 (2018: £538,000). The agreed contribution rates for future years are unknown pending valuation information.

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

Principal Actuarial Assumptions	At 31 August 2019	At 31 August 2018
Rate of increase in salaries	3.3%	3.4%
Rate of increase for pensions in payment / inflation	2.2%	2.4%
Discount rate for scheme liabilities	1.8%	2.7%

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

	At 31 August 2019	At 31 August 2018
<i>Retiring today</i>		
Males	23.3 years	23.8 years
Females	25.3 years	25.6 years
<i>Retiring in 20 years</i>		
Males	24.2 years	25.3 years
Females	26.3 years	27.4 years

	At 31 August 2019 £'000	At 31 August 2018 £'000
Discount rate +0.1%	(1,493)	(904)
Discount rate -0.1%	1,518	900
Mortality assumption – 1 year increase	2,032	1,132
Mortality assumption – 1 year decrease	(1,995)	(1,122)
CPI rate +0.1%	1,323	802
CPI rate -0.1%	(1,299)	(989)

22 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

The Academy's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2019 £'000	Fair value at 31 August 2018 £'000
Equities	15,471	11,351
Gilts	1,883	1,575
Corporate bonds	3,927	2,512
Property	2,555	1,763
Cash and other liquid assets	414	656
Other	2,239	1,268
Total market value of assets	26,489	19,125
Present value of scheme liabilities		
Funded	(58,776)	(37,674)
Deficit in the scheme	(32,287)	(18,549)

	2019 £'000	2018 £'000
Amounts recognised in statement of financial activities		
Current service cost	1,819	1,515
Net interest cost	584	525
Curtailments	—	74
Total operating charge	2,403	2,114

Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	625	423
Interest on pension liabilities	(1,209)	(948)
Pension finance income/(costs)	(584)	(525)

Changes in the present value of defined benefit obligations were as follows:	2019 £'000	2018 £'000
At 1 September 2018	38,479	23,997
Conversion of academy trusts	6,709	12,688
Current service cost	4,458	3,726
Interest cost	1,209	948
Employee contributions	606	538
Actuarial gain	7,799	(4,007)
Benefits paid	(484)	(290)
Plan introductions, benefit changes, curtailments and settlements	—	74
At 31 August 2019	58,776	37,674

22 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Changes in the fair value of the Academy's share of scheme assets:	2019 £'000	2018 £'000
At 1 September 2018	19,125	8,467
Upon conversion	3,040	7,361
Interest income	625	423
Actuarial gain	938	415
Employer contributions	2,639	2,211
Employee contributions	606	538
Benefits paid	(484)	(290)
At 31 August 2019	26,489	19,125

23 Related party transactions

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted in accordance with the Trust's financial regulations and normal procurement procedures.

All of the eleven schools within the Trust at the 1st September 2018 had a service level agreement with Cygnet IT Services for SIMS support and training and three of the eleven for the provision of IT support. Roger Mills is a Trustee and Director of Cygnet IT Services.

Cygnet is a community interest company and most schools were using Cygnet's services before they joined the Trust. In order to ensure consistent data reporting, all schools purchased the SIMS Support Service during 2018-19. During the year the amounts invoiced by Cygnet IT Services were £201,386 (2018: £156,505). There were no outstanding balances at the year end. The amounts invoiced included one-off purchases of computer hardware.

As Roger Mills does not hold a controlling interest in Cygnet, the 'at cost' principle does not apply to this relationship.

In accordance with the Academies Financial Handbook 2018 consent has been sought and approval received for the Cygnet related party transaction.

During the year, Mike Cooper provided consultancy services relating to the structure of the Trust and compliance of the Trust website. The Trust was invoiced £2,000 and there were no amounts outstanding at the year end. This transaction took place at arms length and the Trust complied with the Academies Financial Handbook when entering into the transaction.

24 Transfer from Local Authority on conversion

On 1 June 2019 Tyndale Primary School converted to Academy status and joined the Academy Trust. At the date of conversion to Academy status under the Academies Act 2010, the operations, assets and liabilities were transferred to the group for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income in the statement of financial activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

	Unrestricted funds £'000	Restricted general fund £'000	Restricted fixed asset fund £'000	Total £'000
Tangible fixed assets				
· Freehold land and buildings				
· Leasehold land and buildings	—	—	1,096	1,096
· Other tangible fixed assets	—	—	6	6
Budget surplus (deficit) on other school funds	110	—	—	110
LGPS pension surplus (deficit)	—	(514)	—	(514)
Net assets (liabilities)	110	(514)	1,102	698

25 Transfer from academies joining the Trust

On 1 June 2019 Holmleigh Park High School joined the Academy Trust from an existing Trust. At the date of transfer, the operations, assets and liabilities were transferred to the group for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income in the statement of financial activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statements of financial activities.

25 Transfer from academies joining the Trust (continued)

	Unrestricted funds £'000	Restricted general fund £'000	Restricted fixed asset fund £'000	Total £'000
Tangible fixed assets				
Freehold land and buildings	—	—	20,311	20,311
Leasehold land and buildings	—	—	—	—
Other tangible fixed assets	—	—	155	155
Budget surplus (deficit) on other school funds	(116)	—	—	(116)
LGPS pension surplus (deficit)	—	(3,960)	—	(3,960)
Net assets (liabilities)	(116)	(3,960)	20,466	16,395

26 Agency arrangements

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2019 the trust received and disbursed £53,367 (2018: £61,448) from the fund.

27 Post balance sheet events

On 1 September 2019, Blaise High School joined the Trust.

On 1 September 2019, Yate Academy split into two separate academies, being Yate Academy and Woodlands Primary School.