

Greenshaw Learning Trust

Consolidated Report and Financial Statements

31 August 2020

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



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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
James Dhawan
Gary Miles
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 Broadwater School
Headteacher of Five Acres High School
Headteacher of Gloucester Academy
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
Headteacher of Tyndale Primary School
Headteacher of Victor Seymour Infants School
Headteacher of Wildmoor Heath School
Headteacher of Woodlands Primary School

Katherine Browne
Jane Coley
Lizzi Mathews (School joined on 1st September 2020)
Simon Phelps
Jonathon Heap
Nick House
Stephen Derry
Patrick Farmbrough
Carly Moran (appointed 1st January 2021)
Isabel Ambrose
Grant Strudley
Karen Jones
Terrie Jerrom
Kirsty Borrill
Helen Matt
Leslie Semper
Rachel Dean

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 2020. The annual report serves the purposes of both a Trustees' report under charity law and a directors' report under company law.

The Trust operates sixteen schools, nine secondary and seven primary, across the South of England with clusters of schools in South London, Bracknell Forest, Gloucester and the Forest of Dean and South Gloucestershire. 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 South East London and is establishing a new cluster in Plymouth, initially comprising three schools.

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 15.

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 2020 was included within the overall insurance premium.

Method of recruitment and appointment or election of Trustees

The Members of the Trust are set out on page 15.

The Members of the Trust appointed all Trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Method of recruitment and appointment or election of Trustees (continued)

When recruiting and appointing Trustees (and members of Trust committees and 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 school 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 Senior Leadership Team, 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 Shared Service.

The Trust Senior Leadership Team and Shared 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 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 to ensure pay is proportionate, justifiable and the methodology transparent. The School Teachers Pay and Conditions have been used to set the pay range for Headteachers.

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 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trade union facility time

During 2019-20 there were no employees who were relevant trade union officials for the purposes of facility time reporting.

Engagement with employees

To provide employees with information on the performance of the Trust and matters of concern to them the Trust has liaised regularly with staff and this has increased further since March during the Covid pandemic. Information provided includes:

- Regular all staff emails from the CEO and the Chair of the Board of Trustees
- Video messages to all staff
- Newsletters from the Shared Services providing staff with updates on what is taking place across the Trust. Headteachers also provide staff with updates on what is happening on an individual school basis.
- Up to date information is shared with staff via the HR self-service portal which links to the GLT website
- Engagement surveys carried out in all Trust schools.
- Circulation and reminder of staff benefits particularly those related to wellbeing, including the employee assistance programme
- Circulation and promotion of all up and coming job/promotional opportunities available in the Trust
- Circulation and promotion of all professional development opportunities available and provided by the Trust

The Head of HR has met regularly with trade union representatives and during the pandemic meetings have taken place fortnightly. The Joint Consultative and Negotiation Committee (JCNC) Meetings have covered a number of areas including staff pay, furlough, agreement of employment policies, health and safety, TUPE transfers and sharing of the Trust actions to support staff, pupils and parents.

Staff are encouraged to complete surveys so that they have a 'voice' and the Trust can understand best practices and concerns. Engagement surveys are carried out in every school and exit questionnaires offered to all staff leaving the organisation. Equality and diversity is a significant priority for the Trust, focus groups have been set up across the Trust schools and an all staff online meeting has been held.

The Trust is committed to supporting applications from disabled persons or those employees that may become disabled during their employment. This is reflected in all Trust policies, including:

- Annual Equality Statement
- Bullying and Harassment Policy
- Equalities Policy
- Recruitment and Selection Policy

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

The Trust has a dedicated finance team which works with suppliers to ensure that invoices are processed and paid on a timely basis and investigates any disputes if they arise.

A number of contracts have been tendered for the provision of goods and services to develop a partnership approach whilst delivering value for money.

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 2019-20. 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.

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.

Trustees' report Year to 31 August 2020

- ◆ 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 2019-20 was the operation of:

Blaise High School, an academy school in Henbury, Bristol, providing education for pupils aged 11-19, including a resource base for pupils with moderate learning difficulties (joined 1st September 2019).

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.

Gloucester Academy, an academy school in Gloucester, Gloucestershire providing education for pupils aged 11-16 (joined 1 June 2020).

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.

Orchard Park High School in Croydon, an academy school providing education for pupils aged 11 to 16, including a resource base for pupils with speech and language needs.

Yate Academy, an academy school in Yate, South Gloucestershire, providing education for pupils aged 11-19, 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.

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.

OBJECTIVES AND ACTIVITIES (continued)

Principal activities (continued)

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.

Woodlands Primary School, an academy school in Yate, South Gloucestershire providing education for pupils aged 4-11, including a resource base for pupils with hearing impairment

Note – Broadwater School, a secondary school in Godalming, Surrey joined the Trust on 1st September 2020.

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 has 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

Over the course of year 2019-20 one school within the Greenshaw Learning Trust had an OFSTED inspection – Victor Seymour Infants School. The judgement was that Victor Seymour was delivering Outstanding education in all areas. Since the formation of the Greenshaw Learning Trust in 2014, all schools that have been inspected have improved their OFSTED grading, either within a category or beyond a category and all of the judgements have been either Good or Outstanding. We are expecting three OFSTED inspections to take place relatively quickly after restrictions due to the COVID-19 pandemic are lifted and we are self-assessing these schools to be outstanding.

The formal examinations and assessments across UK primary and secondary schools did not take place in summer 2020 and teacher assessed grades were awarded. A suggested methodology on assessing grades by correlating students' ranking and their performance in previous mock exams in previous years at the school, and their final outcomes was used by all the Trust's schools. The responsibility for deciding on the methodology for teacher assessed grades remained with the Headteacher in each school, as the Head of Centre. There was a moderation process to ensure the grades were reasonable.

STRATEGIC REPORT (continued)

Across all the Trust's schools the focus this academic year has continued to be on raising standards of teaching and learning. During the COVID-19 lockdown period a full programme of online lessons were provided to our primary pupils and secondary students. All online work was quality assured by the Trust Senior Leadership Team at regular intervals.

The primary schools set work for children on their online platform, which followed the normal school curriculum and also included assemblies, physical education lessons, singing lessons, family projects, as well as daily guided reading sessions. Across the seven primary schools, on average 77.3% of children from all year groups regularly engaged with home learning. An online transition programme was developed and delivered for children moving from Year 6 to Year 7 to ensure they were fully prepared for secondary school.

The secondary schools created a full suite of recorded online lessons for all subjects across all year groups. These were hosted on the Trust's YouTube channel and disseminated by the school's online platforms. All lessons included a self-marking assessment and subject specific help-desks were made available for all students, staffed by teaching staff from across the schools. Across the nine secondary schools, on average 62 % of students from Year 7 to 10 regularly engaged with the online curriculum.

Students on roll across the Trust's schools have remained stable or increased in 2019/20 and all appeals for school places were managed and completed virtually.

Supporting the wider Education Community

The Greenshaw Learning Trust has always been an outward-facing trust, working collaboratively across the educational community. Following the successful launch of the secondary remote learning curriculum to schools within the Trust at the start of the summer term 2020, the lessons were offered for free to other secondary schools outside of the Trust.

The curriculum offered a wide range of high-quality lessons for Year 7 to 10 in English, maths (foundation, higher and express), science (foundation and higher), humanities, modern languages, PE and religious studies. The series of video lessons were structured around a low stakes quiz, direct teacher instruction, student tasks/practice and a lesson review to provide simple feedback of the student's knowledge and understanding.

There was very significant interest in these resources, and they have been shared with over 2000 contacts in the education community from the UK, Europe and America. To date, the video lessons have been viewed over 750,000 times and the channel has 1,270 subscribers. This has been formally recognised by ministers at the Department for Education.

The impact of the COVID-19 Pandemic

The Trust's Senior Leadership Team continuously followed and promoted to all staff, students and parents, the advice and guidance issued by Public Health England, the Department for Education and the Government. All schools moved to virtual learning for the vast majority of children on 23 March 2020, with the exception of providing education in school for key workers' children and vulnerable children in cases where the parents were unable to provide care for them at home. School leaders continued to have daily contact with the most vulnerable children, and through monitoring their access to online learning staff were able to ensure appropriate safeguarding. Ensuring the safeguarding of the most vulnerable children

STRATEGIC REPORT (continued)

is an absolute priority for the Trust and regular contact is made by schools with families of vulnerable children to ensure they are safe and engaged in virtual learning where appropriate.

All staff were asked to work from home where it was possible for them to do so. The importance of regular contact with line managers was emphasised throughout, and Directors of Education met weekly, online, with all Headteachers. In addition, a number of other working groups were set up during the first lockdown and continue to run, including Deputy Head meetings, working groups for staff who hold specific roles; e.g. attendance officers, exams officers, teaching and learning leads, transitions coordinators, safeguarding leads etc. These are supported by the relevant members of the Shared Services team and were designed to provide professional development for staff as well as ensuring regular contact with colleagues for staff working from home.

The staff in the sports centres at Henley Bank and Holmleigh Park High Schools were furloughed bringing a very significant reduction in the exposure of the Trust to staff costs without reduced income streams.

The recruitment and induction process of staff and governors continued and where possible virtual meetings and interviews have replaced face to face meetings. A number of Trust policies were temporarily amended to accommodate the challenges of remote working.

Preparations for full opening of schools in September 2020

A shared action plan was created for schools by the Trust's Shared Services to identify what action was required for each specific piece of Department for Education and Public Health England guidance. All the Trust's schools were provided with a risk assessment template and the Trust Senior Leadership Team worked with Headteachers to address any areas of concern and produce detailed plans and risk assessments. The school's risk assessments were updated regularly in response to changes in guidance and shared with unions through regular meetings chaired by the Trust's Head of Human Resources. Health and Safety consultant, Ellis Whittam, undertook site visits to assess plans and make recommendations where necessary. Vulnerable staff were contacted prior to full reopening and individual risk assessments completed where required.

All the Trust's schools opened to all children in September 2020. On full reopening, primary schools began baseline testing all children to quickly identify gaps in learning and secondary school students will sit full mock exams in November 2020.

Going concern

The Board of Trustees has considered carefully the Trust's level of reserves at 31 August 2020 and its results for the period then ended. 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.

Promoting the success of the company

The Board of Trustees actively promotes the success of the Trust to achieve its charitable objects and is committed to high standards of business conduct and acting fairly.

Staff engagement and wellbeing are critical to creating a motivated workforce committed to keeping every child safe and improving their life chances through the education received at a Greenshaw Learning Trust school. The section above 'engagement with employees' sets out more detail to demonstrate how valued staff are within the Trust. The first all staff meeting, held virtually during the pandemic, focussed on diversity and regular all staff meetings will continue in the coming year.

Every effort is made to foster business relationships with suppliers and customers as set out in the section above 'engagement with suppliers, customers and others in a business relationship with the Trust'. Where possible, local businesses to our schools are used for supplies and services, recognising our commitment to the local community each of our schools serve.

It is recognised that every school is part of a local community and during the pandemic most of the resources developed to support the Trust schools were made available and shared with a wider community. The section above 'supporting the wider education community' provides some examples of how this was achieved, including sharing all online lessons.

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 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Group's total income was £74,938,000 (2019 - £68,179,000) and the total expenditure was £72,916,000 (2019 - £55,186,000) for the year.

At the 31 August 2020, the net book value of fixed assets was £113,247,000 (2019 - £103,958,000) and movements in tangible assets are shown in note 12 to the financial statements. The assets were used exclusively in line with the charitable activities of the Trust.

Financial position and reserves policy

On 31 August 2020, the Trust held total funds of £74,928,000 (2019 - £75,160,000) comprising of £72,135,000 (2019 - £73,785,000) of restricted funds (including the pension deficit of £43,156,000 (2019 - £32,287,000) and unrestricted funds of £2,793,000 (2019 - £1,375,000). The total funds excluding the pension deficit are £118,084,000 (2019 - £107,447,000).

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 set a new reserves target for each of its schools of at least 5% of total income for 2020-21. As at 31 August 2020 eleven schools had reserves at or above the previous reserves target of 3% and of these eight had reserves at or above the new 5% target.

Financial review (continued)

Financial position and reserves policy (continued)

Plans are in place for each school to maintain or build reserves to a minimum of 5% at a pace which continues to support the continued improvement of pupil outcomes.

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 risk register 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 the following:

- ◆ Control of staff costs given they account for a significant proportion of the Trust's operating income. Future income through the National Funding Formula is uncertain, continuation of the Teachers Pension and Pay grants is unknown and pay settlements for teaching and support staff may exceed any increase in basic funding.
- ◆ Continuation of building reserves to the new level of 5% of total income whilst maintaining the rapid progress of student outcomes and continuing to grow.
- ◆ Managing the financial impact of COVID-19, particularly the reduction in lettings income and increased resources costs, including cleaning, catering and covering staff absences.
- ◆ Change to admission trends which may alter the application numbers across our schools and challenge the trend of strong numbers on roll seen across most schools
- ◆ The increasing deficit of the Local Government Pension Schemes

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.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	
Energy consumption used to calculate emissions (kWh)	15,497,005
Energy consumption break down (kWh) (optional) - gas, - oil, - electricity, - transport fuel	9,132,036 178,300 6,023,644 139,745
<u>Scope 1 emissions in metric tonnes CO₂e</u> - Gas consumption - Oil consumption - Owned transport – mini-buses	1679.11 48.14 4.93
Total scope 1	1732.18
<u>Scope 2 emissions in metric tonnes CO₂e</u>	
Purchased electricity	1404.35
<u>Scope 3 emissions in metric tonnes CO₂e</u>	
Business travel in employee owned vehicles	34.65
Total gross emissions in metric tonnes CO ₂ e	3171.18
<u>Intensity ratio</u>	
Tonnes CO ₂ e per pupil	0.29
Quantification and Reporting Methodology We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting. Intensity measurement CO₂e per pupil based on 11,050 students and Total gross emissions in metric tonnes CO₂e of 1,242.17 tonnes = 0.29 Tonnes CO₂e per pupil Measures taken to improve energy efficiency - We have invested in LED lighting across the Trust estate with the aim of reducing energy consumption by over 20 % - We are installing PV panels on the roof of the trusts academies with the aim of reducing energy consumption by over 20 % - We have installed smart meters across all sites to improve our understanding of energy consumption	

Plans for future periods

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

- ♦ Grow each of the clusters sustainably, developing local school to school collaboration within the context of realising the benefits of being part of a single trust
- ♦ Develop capacity within the Trust Shared 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
- ♦ Develop a new cluster in Plymouth to formalise the school improvement support provided to a number of schools through the STEP alliance

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.

The 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: 22nd January 2021

Governance statement 31 August 2020

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

Governors of the Trust

The following persons were in office for the period 1 September 2019 – 31 August 2020 inclusive (or part thereof as indicated).

Members	Appointed/Resigned
Emmanuel Botwe	
Brian Lightman	
Matthew Syed	
Jeremy Turner	
Sue Winspear	

Trustees	Appointing Body	Appointed/Resigned
Diana Coman	Members of the Trust	
Mike Cooper (Chair)	Members of the Trust	Resigned 16 December 2019
James Dhawan	Members of the Trust	Appointed 6 July 2020
Gary Miles	Members of the Trust	
Roger Mills (Chair)	Members of the Trust	appointed Chair from 16 December 2019
Ingrid Percy	Members of the Trust	Resigned 20 December 2019
Darren Reynolds	Members of the Trust	
Karen Roche	Members of the Trust	
William Smith (CEO)	Members of the Trust	
Anne Spackman	Members of the Trust	
Peter Thomson	Members of the Trust	appointed 14 October 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. 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 2020 the Board of Trustees consisted of the Trustees listed on Page 15.

The Board of Trustees (continued)

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, 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.

Governing Bodies

The Board of Trustees has established a Governing Body for each school or group of schools in the Trust, to which it delegates powers and responsibilities with respect to the governance of the school(s).

Each Governing Body 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 Governing Body will not get involved in the day-to-day running of the school.

The Governing Body 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 Governing Body 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 Governing Body, 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 2020:

- ◆ Audit Committee – assurance and risk control.
- ◆ Performance Management and Pay Committee – 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 and pay progression for any staff of more than one increment point.
- ◆ Finance Performance Committee – monitoring of the budgets of the Trust’s schools, the Trust Shared Service and the Trust as a whole.
- ◆ Education Performance Committee – monitoring of the educational performance of Trust schools.
- ◆ Trust Shared Services Committee – overseeing the provision and development of the Trust’s shared services.
- ◆ School Development Committee - overseeing targeted improvement and intervention for schools where authority has not been delegated to a governing body and to monitor the establishment of new schools.
- ◆ Admissions Committee – deciding on admissions applications where a decision of the Board of Trustees is required.

The Board of Trustees has 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 the Trust Senior 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 the Trust shared 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 Governing Body.

Governance statement 31 August 2020

Meeting attendance

The Board of Trustees met six times during the year 2019/20; attendance during the year was as follows:

Trustees	Number of meetings attended	Out of a possible
Diana Coman	6	6
Mike Cooper	1	1
James Dhawan	1	1
Gary Miles	5	6
Roger Mills	5	6
Ingrid Percy	2	2
Darren Reynolds	3	6
Karen Roche	5	6
William Smith	6	6
Anne Spackman	6	6
Peter Thompson	6	6

In addition, there were three meetings of the Audit Committee – see page 20.

Governance review

The Board of Trustees continued to implement its response to the findings of the external review of governance that had been carried out in May 2019 and to review its experience of governing and managing the Trust as it has grown.

In April 2020 the Board of Trustees agreed to develop the option of having shared governing bodies – one governing body overseeing more than one school – to give governing bodies a more strategic focus and promote collaboration between schools, and to enable efficiencies in governance. The Board of Trustees established a shared governing body covering its three secondary schools in Gloucester, with effect from 1 June 2020, and is supporting and monitoring the shared governing body as a pilot and model it may apply to other clusters of schools.

In May 2020, the Board of Trustees agreed a plan to undertake a more wide-ranging review of its governance arrangements, which will build upon the findings of the external review and the ongoing monitoring and development by the Trust of its broader governance arrangements.

The objectives of the Review are to:

- ◆ Achieve a step change in developing clearer and more effective arrangements and processes for governance.
- ◆ Provide greater clarity of who does what; who takes and is 'accountable for' which decisions; and which 'decisions' need to be taken by local governors / Trustees – so that Trustees, local governors and the executive are focused on playing their part and adding value.
- ◆ Build on the learning from the growth of the Trust, previous discussions with Trustees and the experience of dealing with the current Covid19 pandemic.

Governance review (continued)

And to help Trustees and local governors to answer these key questions:

- ◆ 'How do we know what is happening in our schools?'
- ◆ 'How do we know that our vision / strategies / policies are being implemented as they intended?'

As a step towards achieving the objectives of the Review and improving the effectiveness of governance, in July 2020 the Board of Trustees agreed updated governance arrangements for the Board and its committees and governing bodies, including a revised Scheme of Delegation and committee remits, and updated descriptions of the roles of, and relationships between, Trustees and school governors. The Board approved a set of redrafted documents describing those governance arrangements and providing guidance to stakeholders.

The Review is ongoing and will include a further review and update of the Scheme of Delegation and the alignment of Trust and school policies and procedures to it; new procedures for reporting on and monitoring key performance indicators to Trustees and school governors; and the development of documentation, access to information, and support and training, for Trustees and school governors and the executive officers who support them.

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 Trust's risk management arrangements 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.

Audit committee (continued)

During the year, the Audit Committee met four times.

Members of Committee	Number of meetings attended	Out of a possible
Don Brims	4	4
Diana Coman (Chair)	4	4
Gary Miles	3	4
Anne Spackman	3	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 apprenticeship levy and reserves policy were commissioned and reviewed. In addition, the Trust response to COVID—19 and the financial impact were reviewed by the committee.

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 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. Examples of centrally procured contracts include catering supplies, electricity and gas, capital projects and IT hardware and support. Significant savings have been achieved through the tender process completed.
- ◆ We have leveraged our relationships with existing MATs in the energy procurement completed during the year, both gas and electric, and undertaken joint procurement for energy efficiency strategies, LED lighting and solar panels, to significantly reduce our carbon footprint and energy costs.

Review of value for money (continued)

- ◆ The principles of PPN 02/20 and PPN 04/20 have been applied during the COVID-19 pandemic, examples include examination entry fees, invigilator payments to staff on zero hours contracts, catering and cleaning costs. The Trust considers payments for services not fully received in line with the amended procurement rules.

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 2020 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 2020 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 risk and control framework (continued)

The Board of Trustees agreed a programme of internal scrutiny and appointed the external auditors, Buzzacott, to carry out the work. In accordance with the transitional arrangements in the revised FRC Ethical Standard, Buzzacott were able to conclude this work. For 2020-21 an internal audit service will be procured from another external auditor due to the new rules preventing an external auditor also carrying out any internal scrutiny work.

Internal scrutiny is part of the overall assurance programme and the schedule of work was completed as planned. The report and recommendations were received and discussed at the Audit Committee in the July meeting. The work included testing and sample checks to assess the following key control systems:

- ◆ balance sheet controls and reconciliations
- ◆ payroll controls
- ◆ non payroll expenditure, including staff expenses

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

- ◆ review of the controls and effectiveness of the processes following the transfer of most finance processing in schools to a shared finance operation in order to improve the accuracy, consistency and timeliness of finance activities
- ◆ implementation of the action plan following the SRMA review at the end of 2018-19, including a review of the Trust reserves policy, further development of integrated curriculum and finance planning to secure savings in staff costs and the recruitment of a Head of Procurement to secure savings from non-staff expenditure
- ◆ refinement of the due diligence process for new schools joining
- ◆ development of the understanding of the school estate energy consumptions to identify ways to reduce the Trust's carbon footprint and energy costs

Review of effectiveness

As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the 2019-20 year, the review has been informed by:

- ◆ the due diligence process for all schools joining the Trust.
- ◆ the work of the external auditor, including an audit of the MDIF and TCaF grants.
- ◆ 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 internal scrutiny carried out by Buzzacott in June 2020

Governance statement 31 August 2020

Review of effectiveness (continued)

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: 22nd January 2021

Statement on regularity, propriety and compliance 31 August 2020

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 'William Smith', with a stylized flourish at the end.

William Smith
Accounting Officer

Date: 22nd January 2021

Statement of Trustees' responsibilities 31 August 2020

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 2019 to 2020;
- ◆ 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.

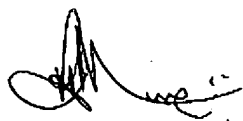
The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 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 22nd January 2021 and signed on its behalf by:

Statement of Trustees' responsibilities 31 August 2020

A handwritten signature in black ink, appearing to read 'Roger Mills', with a stylized, cursive script.

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 2020 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 2019 to 2020.

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 2020 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 2019 to 2020.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

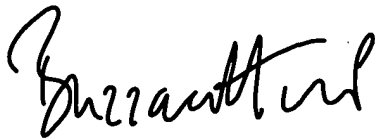
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

Independent auditor's report on the financial statements 31 August 2020

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

29/1/21

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 18 July 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the Greenshaw Learning Trust during the period from 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by 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.

Independent reporting accountant's report 31 August 2020

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 2019 to 31 August 2020 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

29/1/21

Consolidated statement of financial activities (including an income and expenditure account) Year ended 31 August 2020

	Notes	Un-restricted general fund £'000	Restricted funds		2020 Total funds £'000	2019 Total funds £'000
			Restricted general fund £'000	Fixed assets fund £'000		
Income from:						
Donations and capital grants	1	120	—	3,692	3,812	2,376
. Transfer from existing Academies joining the Trust	1	60	(5,405)	12,362	7,017	16,390
. Transfer from Local Authority on conversion	1	—	—	—	—	698
Charitable activities						
. Funding for the Trust's educational operations	4	—	61,843	—	61,843	45,455
Other trading income	2	2,248	—	—	2,248	3,241
Investments	3	18	—	—	18	19
Total income		2,446	56,438	16,054	74,938	68,179
Expenditure on:						
Raising funds	5	7	—	—	7	4
Charitable activities						
. Trust's educational operations	6	1,021	64,433	7,455	72,909	55,182
Total expenditure	5	1,028	64,433	7,455	72,916	55,186
Net income (expenditure) before transfers		1,418	(7,995)	8,599	2,022	12,993
Transfers between funds	17	—	(596)	596	—	—
Other recognised gains and losses						
Actuarial losses on defined benefit pension scheme	22	—	(2,254)	—	(2,254)	(6,861)
Net movement in funds		1,418	(10,845)	9,195	(232)	6,132
Reconciliation of funds						
Fund balances brought forward at 1 September 2019		1,375	(32,083)	105,868	75,160	69,028
Fund balances carried forward at 31 August 2020		2,793	(42,928)	115,063	74,928	75,160

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 2020

	Notes	2020		2019	
		Group £'000	Trust £'000	Group £'000	Trust £'000
Fixed assets					
Tangible fixed assets	12	113,247	113,247	103,958	103,958
Current assets					
Debtors	14	3,433	3,428	2,180	2,046
Cash at bank and in hand		7,480	7,054	5,964	5,569
		10,913	10,482	8,144	7,615
Creditors: amounts falling due within one year	15	(6,071)	(5,640)	(4,581)	(4,093)
Net current assets		4,842	4,842	3,563	3,522
Total assets less current liabilities		118,089	118,089	107,521	107,480
Creditors: amounts falling due after more than one year	16	(5)	(5)	(74)	(74)
Net assets excluding pension scheme liability		118,084	118,084	107,447	107,406
Pension scheme liability	22	(43,156)	(43,156)	(32,287)	(32,287)
Total net assets		74,928	74,928	75,160	75,119
Funds of the Trust					
Restricted funds					
Fixed assets fund	17	115,063	115,063	105,868	105,868
Restricted income	17	228	228	204	204
Pension reserve	17	(43,156)	(43,156)	(32,287)	(32,287)
		72,135	72,135	73,785	73,785
Unrestricted funds					
General fund	17	2,793	2,793	1,375	1,334
Total funds		74,928	74,928	75,160	75,119

The financial statements on page 33 to 66 were approved by the Trustees, and authorised for issue on 22nd January 2021 and are signed on their behalf by:



Roger Mills
Chair of Directors of the Trust

Greenshaw Learning Trust
Company Limited by Guarantee
Registration Number: 07633694 (England and Wales)

Consolidated statement of cash flows Year to 31 August 2020

		2020 £'000	2019 £'000
Net cash outflow from operating activities			
Net cash used in operating activities	A	(1,443)	(839)
Cash flows from investing activities	C	3,042	1,640
Cash flows from financing activities	B	(83)	(96)
Cash flows from conversions		—	—
Change in cash and cash equivalents in the year		1,516	705
Cash and cash equivalents at 1 September 2019		5,964	5,259
Cash and cash equivalents at 31 August 2020	D	7,480	5,964

A Reconciliation of income to net cash flow from operating activities

	2020 £'000	2019 £'000
Net income for the year (as per the statement of financial activities)	2,022	12,993
Adjusted for:		
Depreciation (note 12)	3,740	2,900
Capital grants from DfE and other capital income	(3,692)	(2,153)
Inherited fixed assets	(12,362)	(21,568)
Cash inherited on conversion	—	—
Interest receivable (note 3)	(18)	(19)
Defined benefit pension scheme obligation inherited	5,405	4,474
Defined benefit pension scheme cost less contributions payable (note 22)	2,477	4,096
Defined benefit pension scheme finance cost (note 22)	733	(1,693)
Defined benefit pension scheme curtailment cost (note 22)	—	—
Increase in debtors	(1,253)	(791)
Increase in creditors	1,505	922
Net cash provided used in operating activities	(1,443)	(839)

B Cash flows from financing activities

	2020 £'000	2019 £'000
Repayments of borrowing	(83)	(96)
Cash inflows from new borrowing	—	—
Net cash used in financing activities	(83)	(96)

C Cash flows from investing activities

	2020 £'000	2019 £'000
Dividends, interest and rents from investments	18	19
Purchase of tangible fixed assets	(668)	(532)
Capital grants from DfE/ESFA	3,692	2,153
Net cash provided by investing activities	3,042	1,640

Consolidated statement of cash flows Year to 31 August 2020

D Analysis of cash and cash equivalents

	2020	2019
	£'000	£'000
Cash at bank and in hand	7,480	5,964

Principal accounting policies Year to 31 August 2020

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 2019 to 2020 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 2020

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 2020

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 2020

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.

Principal accounting policies Year to 31 August 2020

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.

The actuarial valuation for Gloucester Academy had not been received by the academy trust before the signing of the financial statements. Despite this, the academy trust does not expect there to be a material movement between the liability from the prior year and this year. Hence, the balance within this year's financial statements has been transferred from the Gloucester Academy's 2018/19 financial statements. Once an actuarial valuation has been received, the academy trust will ensure a future adjustment is made in respect of this.

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.

Principal accounting policies Year to 31 August 2020

Fund Accounting (continued)

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. Gloucester Academy joined the trust on 1 June 2020 and no LGPS valuation at that date or at 31 August 2020 is yet available. The trustees have taken the value of the Academy's pension scheme deficit at 31 August 2019 – as disclosed in the last published accounts for the Academy – as a best estimate for the values at the date of transfer and at 31 August 2020. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. Any differences arising on receipt of definitive valuations in respect of Gloucester Academy are not expected to be material, and will be adjusted for in future periods.

Principal accounting policies Year to 31 August 2020

Buildings held under PFI contract

Blaise High School joined the Trust on 1 September 2019, and is subject to a contract under the Private Finance Initiative (PFI). Under this contract the Academy premises are maintained and managed by the PFI-Contractor subject to contractual annual fees paid by the Academy. The contract runs until 30 August 2031, whereupon the residual benefit of the premises passes to the Academy as a result of a 125 year lease granted to the Academy. These transactions have been accounted for as a leasing transaction. As the Academy only enjoys the benefit of the Premises subject to the restrictions under the PFI agreement, in the opinion of the Board of Trustees, the Academy does not hold substantially all of the risks and rewards of ownership of the premises and the property is therefore accounted for as an operating lease. The premises are not therefore recognised as an asset in the Trust's financial statements. The annual charges under the PFI agreement are subject to fixed formula but will vary over time.

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.

Gloucester Academy joined Greenshaw Learning Trust on 1st June 2020, as an academy transfer. The buildings valuation has been based on the original valuation from the White Horse Federation.

Notes to the financial statements Year to 31 August 2020

1 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	2020 Total funds £'000	2019 Total funds £'000
Capital grants	—	—	3,692	3,692	2,153
Other donations	120	—	—	120	223
Transfer from existing Academies joining the Trust (note 25)	60	(5,405)	12,362	7,017	16,390
Transfer from Local Authority on conversion (note 24)	—	—	—	—	698
	180	(5,405)	16,054	10,829	19,464

	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

2 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
Hire of facilities	553	—	553	746
Trip income	285	—	285	525
Catering income	1,045	—	1,045	1,373
Staff consultancy	96	—	96	297
Other income	269	—	269	300
	2,248	—	2,248	3,241

	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

Notes to the financial statements Year to 31 August 2020

3 Investment income

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
Interest receivable	18	—	18	19

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>2019 Total funds £'000</i>
<i>Interest receivable</i>	<i>19</i>	<i>—</i>	<i>19</i>

4 Funding for academy's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000	2019 Total funds £'000
DfE / ESFA grants				
. General Annual Grant (GAG)	—	50,963	50,963	38,277
. Start Up Grants	—	47	47	77
. Other DfE / ESFA	—	6,882	6,882	4,130
	—	57,892	57,892	42,484
Other government grants				
. Local Authority grants	—	3,851	3,851	2,971
	—	3,851	3,851	2,971
Other income from the academy's educational operations	—	100	100	—
2020 Total funds	—	61,843	61,843	45,455

Included within other trading activities is funding received in regards to the furloughing of staff members in response to the Coronavirus pandemic, which amounted to a total of £176,635.

Notes to the financial statements Year to 31 August 2020

Funding for academy's educational operations (continued)

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
<i>DfE / ESFA grants</i>			
. General Annual Grant (GAG)	—	38,277	38,277
. Start Up Grants	—	77	77
. Other DfE / ESFA	—	4,130	4,130
. Other non DfE grants	—	42,484	42,484
<i>Other government grants</i>	—	2,971	2,971
. Local Authority grants	—	2,971	2,971
	—	45,455	45,455
	—	38,277	38,277

5 Expenditure

	Staff costs £'000	Non pay expenditure		2020 Total funds £'000
		Premises £'000	Other costs £'000	
<i>Expenditure on raising funds</i>				
. Direct costs	—	—	7	7
<i>Trust's educational operations</i>				
. Direct costs	41,348	3,740	3,730	48,818
. Allocated support costs	11,746	7,691	4,654	24,091
	53,094	11,431	8,391	72,916

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

Notes to the financial statements Year to 31 August 2020

	2020 Total funds £'000	2019 Total funds £'000
Net expenditure for the period include:		
Operating leases	967	125
Fees payable to auditor		
. Statutory audit	38	39
. Other services	5	5
Depreciation	3,740	2,900

5. Charitable activities – Trust's educational operations

	2020 Total funds £'000	2019 Total funds £'000
Direct costs	48,818	37,793
Support costs	24,091	17,389
	72,909	55,182

	2020 Total funds £'000	2019 Total funds £'000
Analysis of support costs		
Support staff costs	11,746	9,029
Technology costs	667	529
Premises costs	7,691	4,479
Other support costs	3,884	3,289
Governance costs	103	63
Total support costs	24,091	17,389

Notes to the financial statements Year to 31 August 2020

6. Comparative information

Analysis of income and expenditure in the year ended 31 August 2019 between restricted and unrestricted funds:

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

Notes to the financial statements Year to 31 August 2020

8 Staff

(a) Staff costs

Staff costs during the period were:

	2020 Total funds £'000	2019 Total funds £'000
Wages and salaries	38,021	29,734
Social security costs	3,419	2,823
Pension costs	10,785	7,079
Apprenticeship levy	189	126
	52,414	39,636
Supply teacher costs	611	682
Staff restructuring costs	69	82
	53,094	40,400

	2020 £'000	2019 £'000
Staff restructuring costs comprise		
Severance payments	69	23
Redundancy payments	—	59
	69	82

(b) Staff severance payments

Included in compensation payments are three non-contractual severance payments totalling £69,033 (2019 – two non-contractual severance payments totalling £22,513). Individually the payments were £24,881, £42,846 and £1,306.

(c) Staff numbers

The average number of persons (including the senior management team) employed by the charitable company during the year ended 31 August 2020 was as follows:

Charitable activities	2020 No.	2019 No.
Teachers	571	507
Administration and support	836	816
Management	72	77
	1,479	1,400

Notes to the financial statements Year to 31 August 2020

8 Staff (continued)

(d) Higher paid staff

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

	2020 No.	2019 No.
£60,001 - £70,000	33	16
£70,001 - £80,000	5	8
£80,001 - £90,000	4	5
£90,001 - £100,000	2	2
£100,001 - £110,000	3	2
£120,001 - £130,000	—	1
£130,001 - £140,000	1	1
£140,001 - £150,000	1	1
£150,001 - £160,000	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 £2,362,070 (2019 - £1,897,357).

9 Trustees' remuneration and expenses

One Trustee has been paid remuneration and has received other benefits from an employment with the academy trust (2019 – 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:

	2020 £	2019 £
W Smith, Chief Executive Officer and Trustee		
• Remuneration	150,000 – 155,000	130,000 – 135,000
• Employer's pension contributions	35,000 – 40,000	20,000 – 25,000

During the year ended 31 August 2020, £6,908 (2019 – £5,911) travel and subsistence expenses were reimbursed to six Trustees (2019 – four).

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

Notes to the financial statements Year to 31 August 2020

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 2020 was included within the overall insurance premium.

11 Shared services

The Trust has provided the following shared 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 (2019: 5% of GAG income, capped at £300,000).

The actual amounts charged during the year were as follows:

	2020 £	2019 £
Greenshaw High School	300	300
Green Wrythe Primary School	81	79
Brakenhale School	300	268
Orchard Park High School	222	263
Victor Seymour Infant School	55	60
Tweeddale Primary School	91	87
Crown Wood Primary School	97	96
Five Acres High School	164	148
Henley Bank High School	128	120
Wildmoor Heath School	38	40
Yate Academy	168	213
Holmleigh Park High School	300	75
Tyndale Primary School	37	11
Woodlands Primary School	66	—
Blaise High School	221	—
Gloucester Academy	55	—
	2,323	1,760

Notes to the financial statements Year to 31 August 2020

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 2019	44,888	61,825	5,916	550	874	47	114,100
Transferred on conversion	—	12,252	—	42	67	—	12,361
Additions	—	11	—	231	412	14	668
At 31 August 2020	44,888	74,088	5,916	823	1,353	61	127,129
Depreciation							
At 1 September 2019	2,218	7,049	—	273	579	23	10,142
Charge in year	1,345	1,854	—	181	349	11	3,740
At 31 August 2020	3,563	8,903	—	454	928	34	13,882
Net book value							
At 31 August 2020	41,325	65,185	5,916	369	425	27	113,247
At 31 August 2019	42,670	54,776	5,916	277	295	24	103,958

On conversion Blaise High School's building has not been recognised in Land and Buildings as the balance of risks and rewards of the building do not fall with the Trust due to PFI agreement between Bristol City Council and Bristol Schools Limited which the Trust is not party to.

	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

Notes to the financial statements Year to 31 August 2020

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.

	2020 £'000	2019 £'000
Turnover	736	909
Cost of sales	(679)	(864)
Gross profit	57	45
Administrative expenses	(9)	(4)
Retained profit before taxation	48	41
Taxation	—	—
Profit on ordinary activities after taxation	48	41
Retained profits brought forward at 1 September 2019	41	52
Distribution to parent	(41)	(52)
Profit for the year	48	41
Retained profits carried forward at 31 August 2020	48	41

The assets and liabilities of the subsidiary were:

	2020 £'000	2019 £'000
Current assets	615	534
Creditors: amounts falling due within one year	(567)	(493)
	48	41

14 Debtors

	Group 2020 £'000	Trust 2020 £'000	Group 2019 £'000	Trust 2019 £'000
Trade debtors	355	240	496	359
VAT recoverable	385	393	358	361
Amount due from subsidiary	—	177	—	—
Other debtors	257	182	39	39
Prepayments and accrued income	2,436	2,436	1,287	1,287
	3,433	3,428	2,180	2,046

Notes to the financial statements Year to 31 August 2020

15 Creditors: amounts falling due within one year

	Group 2020 £'000	Trust 2020 £'000	Group 2019 £'000	Trust 2019 £'000
Trade creditors	2,595	2,650	1,968	1,490
Taxation and social security	950	950	802	802
Loans	51	51	66	66
Other creditors	186	192	410	404
Accruals and deferred income	2,289	1,797	1,335	1,331
	6,071	5,640	4,581	4,093

	Group 2020 £'000	Trust 2019 £'000
Deferred income at 1 September 2019	273	322
Resources deferred in the year	598	273
Amounts released from previous years	(273)	(322)
Deferred income at 31 August 2020	598	273

16 Creditors: amounts falling due in greater than one year

	2020 £'000	2019 £'000
Group and Academy		
Loans	5	74

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 £43,785 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 £11,632. 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 was repaid in the year ending 31 August 2020.

Notes to the financial statements Year to 31 August 2020

17 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general fund					
. General Annual Grant (GAG)	—	50,963	(50,367)	(596)	—
. Start Up Grant	—	47	(47)	—	—
. Pupil premium	—	2,974	(2,974)	—	—
. Other ESFA grants	204	3,908	(3,884)	—	228
. Pension reserve	(32,287)	(5,405)	(3,210)	(2,254)	(43,156)
	<u>(32,083)</u>	<u>52,487</u>	<u>(60,482)</u>	<u>(2,850)</u>	<u>(42,928)</u>
Restricted fixed assets fund					
. Local Authority capital grants	6,097	150	(317)	—	5,930
. DfE/ESFA capital grants	2,346	3,542	(3,561)	96	2,423
. Capital expenditure from GAG	268	—	(287)	500	481
. Academy building and furniture and equipment transferred from Local Authority	97,157	12,362	(3,290)	—	106,229
	<u>105,868</u>	<u>16,054</u>	<u>(7,455)</u>	<u>596</u>	<u>115,063</u>
Other restricted funds					
. Local authority grants	—	3,851	(3,851)	—	—
. Other restricted funds	—	100	(100)	—	—
	<u>—</u>	<u>3,951</u>	<u>(3,951)</u>	<u>—</u>	<u>—</u>
Total restricted funds	<u>73,785</u>	<u>72,492</u>	<u>(71,888)</u>	<u>(2,254)</u>	<u>72,135</u>
Unrestricted funds					
. General funds	1,375	2,446	(1,028)	—	2,793
Total unrestricted funds	<u>1,375</u>	<u>2,446</u>	<u>(1,028)</u>	<u>—</u>	<u>2,793</u>
Total funds	<u>75,160</u>	<u>74,938</u>	<u>(72,916)</u>	<u>(2,254)</u>	<u>74,928</u>

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 2020.

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 2020

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:

	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)
	<u>(18,308)</u>	<u>37,978</u>	<u>(44,644)</u>	<u>(7,109)</u>	<u>(32,083)</u>
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
	<u>87,019</u>	<u>23,721</u>	<u>(5,120)</u>	<u>248</u>	<u>105,868</u>
Other restricted funds					
. Local authority grants	—	2,971	(2,971)	—	—
. Other restricted funds	—	32	(32)	—	—
	<u>—</u>	<u>3,003</u>	<u>(3,003)</u>	<u>—</u>	<u>—</u>
Total restricted funds	<u>68,711</u>	<u>64,702</u>	<u>(52,767)</u>	<u>(6,861)</u>	<u>73,785</u>
Unrestricted funds					
. General funds	317	3,477	(2,419)	—	1,375
Total unrestricted funds	<u>317</u>	<u>3,477</u>	<u>(2,419)</u>	<u>—</u>	<u>1,375</u>
Total funds	<u>69,028</u>	<u>68,179</u>	<u>(55,186)</u>	<u>(6,861)</u>	<u>75,160</u>

Notes to the financial statements Year to 31 August 2020

17 Funds (continued)

Analysis of fund balance by academy

Fund balances at 31 August 2020 were allocated as follows:

	Total 2020 £'000	Total 2019 £'000
Greenshaw High School	231	23
Green Wrythe Primary School	168	139
Brakenhale School	369	212
Orchard Park High School	751	606
Victor Seymour Infant School	93	149
Tweeddale Primary School	241	139
Crown Wood Primary School	130	124
Henley Bank High School	78	(53)
Wildmoor Heath School	29	35
Yate Academy	182	238
Five Acres High School	161	3
Holmleigh Park High School	(88)	(313)
Tyndale Primary School	92	127
Woodlands Primary School	172	—
Blaise High School	(86)	—
Gloucester Academy	69	—
Greenshaw Learning Services Limited	48	41
Shared services	381	109
Total before fixed assets and pension reserve	3,021	1,579
Restricted fixed assets fund	115,063	105,868
Pension liability	(43,156)	(32,287)
Total for academy trust and group	74,928	75,160

Blaise High School

The school was re-brokered in September 2019 and significant resources have been invested to improve pupil outcomes. It is expected the school will run a surplus and return to a positive fund position by the end of 2020-21.

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. The school ran a significant surplus of £225k in 2019-20 and is expected to clear its negative fund balance by the end of 2020-21.

Notes to the financial statements Year to 31 August 2020

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 2020 £'000
Greenshaw High School	7,583	1,765	729	1,398	11,474
Green Wrythe Primary School	2,081	334	157	286	2,858
Brakenhale School	4,674	861	265	1,031	6,832
Orchard Park High School	3,215	694	384	1,011	5,304
Victor Seymour Infant School	1,208	192	37	309	1,746
Tweeddale Primary School	1,561	353	91	292	2,297
Crown Wood Primary School	2,003	205	77	405	2,689
Henley Bank High School	1,721	579	320	643	3,263
Wildmoor Heath School	614	116	36	177	942
Yate Academy	2,577	645	282	683	4,187
Five Acres High School	2,649	507	222	632	4,009
Holmleigh Park High School	4,449	996	331	1,264	7,040
Tyndale Primary School	546	111	43	205	905
Woodlands Primary School	1,148	193	68	302	1,710
Blaise High School	3,736	461	383	1,454	6,033
Gloucester Academy	794	147	20	238	1,199
Shared services	821	1,080	-	1,542	3,443
Academy Trust	41,379	9,238	3,445	11,870	65,932

	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 High School	1,484	732	382	693	3,291
Wildmoor Heath School	560	130	27	151	868
Yate Academy	3,167	1,159	282	963	5,571
Five Acres High School	2,190	709	264	682	3,845
Holmleigh Park High School	1,097	342	43	455	1,937
Tyndale Primary School	123	75	9	69	276
Shared services	820	823	132	(1,164)	611
Academy Trust	29,650	10,757	2,840	7,058	50,305

Notes to the financial statements Year to 31 August 2020

18 Analysis of net assets between funds

Group	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Total 2020 £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	—	—	113,247	113,247
Current assets	2,793	6,304	1,816	10,913
Current liabilities	—	(6,071)	—	(6,071)
Non-current liabilities	—	(5)	—	(5)
Pension scheme liability	—	(43,156)	—	(43,156)
Total net assets	2,793	(42,928)	115,063	74,928

Trust	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Total 2020 £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	—	—	113,247	113,247
Current assets	2,793	5,873	1,816	10,482
Current liabilities	—	(5,640)	—	(5,640)
Non-current liabilities	—	(5)	—	(5)
Pension scheme liability	—	(43,156)	—	(43,156)
Total net assets	2,793	(42,928)	115,063	74,928

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 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

Notes to the financial statements Year to 31 August 2020

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

19 Commitments under operating leases

Operating leases

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

	2020 £'000	2019 £'000
Amounts due within one year	96	112
Amounts due between two and five years inclusive	42	138
	<u>138</u>	<u>250</u>

Academies with Private Finance Initiative (PFI)

The main school building at Blaise High School was financed under a PFI arrangement which also provides services to the school including cleaning and catering. The school pays an annual amount which will run until 30 August 2031. In the year ended 31 August 2020, £855,385 of costs relating to this has been recognised in expenditure, being included in the total operating lease rentals figure in note 5.

At 31 August 2020, the total of the Trust's future minimum payments under PFI arrangements was as follows:

Land and buildings	2020 £'000
Amounts due within one year	887
Amounts due between two and five years inclusive	3,549
Amounts due after five years	5,324
	<u>9,760</u>

20 Capital commitments

	2020 £'000	2019 £'000
Contracted for, but not provided in the financial statements	—	434

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 2019.

There were no contributions payable to the schemes at 31 August 2020 (2019: none).

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

22 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

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

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

The employer's pension costs paid to TPS in the period amounted to £5,525,000 (2019 - £2,621,000).

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

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

Local Government Pension Scheme (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 2020 was £3,932,000 (2019: £3,245,000), of which employer's contributions totalled £3,168,000 (2019: £2,639,000) and employees' contributions totalled £764,000 (2019: £606,000). 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.

22 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Principal Actuarial Assumptions	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	3.1%	3.3%
Rate of increase for pensions in payment / inflation	2.4%	2.2%
Discount rate for scheme liabilities	1.8%	1.8%

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 2020	At 31 August 2019
<i>Retiring today</i>		
Males	22.2 years	23.3 years
Females	24.5 years	25.3 years
<i>Retiring in 20 years</i>		
Males	23.5 years	24.2 years
Females	26.1 years	26.3 years

	At 31 August 2020 £'000	At 31 August 2019 £'000
Discount rate +0.1%	(1,886)	(1,493)
Discount rate -0.1%	1,915	1,518
Mortality assumption – 1 year increase	1,666	2,032
Mortality assumption – 1 year decrease	(1,610)	(1,995)
CPI rate +0.1%	1,735	1,323
CPI rate -0.1%	(1,710)	(1,299)

Notes to the financial statements Year to 31 August 2020

22 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Fair value at 31 August 2020 £'000	Fair value at 31 August 2019 £'000
Equities	21,223	15,471
Gilts	2,877	1,883
Corporate bonds	4,727	3,927
Property	3,781	2,555
Cash and other liquid assets	1,177	414
Other	3,227	2,239
Total market value of assets	37,012	26,489
Present value of scheme liabilities		
Funded	(80,168)	(58,776)
Deficit in the scheme	(43,156)	(32,287)

Amounts recognised in statement of financial activities	2020 £'000	2019 £'000
Current service cost	2,477	1,819
Net interest cost	733	584
Total operating charge	3,210	2,403

Analysis of pension finance income/(costs)

Expected return on pension scheme assets	656	625
Interest on pension liabilities	(1,389)	(1,209)
Pension finance income/(costs)	(733)	(584)

Changes in the present value of defined benefit obligations were as follows:	2020 £'000	2019 £'000
At 1 September 2019	58,776	38,479
Conversion of academy trusts	11,987	6,709
Current service cost	5,645	4,458
Interest cost	1,389	1,209
Employee contributions	764	606
Actuarial gain	2,037	7,799
Benefits paid	(430)	(484)
Plan introductions, benefit changes, curtailments and settlements	-	-
At 31 August 2020	80,168	58,776

22 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Changes in the fair value of the Academy's share of scheme assets:	2020 £'000	2019 £'000
At 1 September 2019	26,489	19,125
Upon conversion	6,582	3,040
Interest income	656	625
Actuarial gain	(217)	938
Employer contributions	3,168	2,639
Employee contributions	764	606
Benefits paid	(430)	(484)
At 31 August 2020	37,012	26,489

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 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 2019-20. ESFA approval has been received for the Cygnet related party contract following an application under the new requirements of the Academies Financial Handbook 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 2019-20.

During the year the amounts invoiced by Cygnet IT Services were £130,679 (2019: £201,386). There were no outstanding balances at the year end. The amounts invoiced included one-off purchases of computer hardware.

Notes to the financial statements Year to 31 August 2020

24 Transfer from academies joining the Trust

On 1 September 2019, Blaise Academy, and on 1 June 2020, Gloucester Academy, 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 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	—	—	12,252	12,252
· Other tangible fixed assets	—	—	110	110
Budget surplus (deficit) on other school funds	60	—	—	60
LGPS pension surplus (deficit)	—	(5,405)	—	(5,405)
Net assets (liabilities)	60	(5,405)	12,361	7,017

25 Agency arrangements

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the trust received and disbursed £40,302 (2019: £53,367) from the fund.

26 Post balance sheet events

On 1 September 2020, Broadwater School joined the Trust.

On 1 January 2021, Stoke Damerel Community College, Scott Medical and Healthcare College and Montpelier Primary School all joined the Trust.