

Company Registration Number: 07690119 (England and Wales)

GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

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REFERENCE AND ADMINISTRATIVE DETAILS

Members R Lewis
M Gardener
J Duffus (appointed 1 September 2019, resigned 1 May 2021)
R Kessell
C Rayers (resigned 1 October 2020)

Trustees R Lewis, Chair (resigned 31 October 2021)
D Ballinger (resigned 22 July 2021)
D McNiffe
C Cooper (resigned 14 January 2021)¹
S Savory, CEO and Accounting Officer¹
S Allan¹
F Morris¹
R Bromberg
J Wilson
H Morris¹
G Schlick (appointed 27 April 2021)
J Saunders (appointed 7 July 2021)
P Clark (appointed 1 September 2021)
S Dannatt (appointed 1 September 2021)
C Foster (appointed 1 September 2021)

¹ Finance and Audit committee

**Company registered
number** 07690119

Company name Gloucestershire Learning Alliance

**Principal and registered
office** Tobyfield Road
Bishop's Cleeve
Cheltenham
Gloucestershire
GL52 8NN

Company secretary A Neale

Chief executive officer S Savory

**Senior management
team** S Savory, Chief Executive Officer
C Savory, Director of Academies / Deputy CEO
A Neale, Chief Operations Officer
E Williams, Head teacher
J Moss, Head teacher
S Riddell, Head teacher
S Swan, Head teacher
L White, Head teacher

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
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Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 10 Temple Back Bristol BS1 6FL
Bankers	Lloyds Bank Plc 130 High Street Cheltenham Gloucestershire GL51EW
Solicitors	Temple Bright LLP 29 Great George Street Bristol BS1 5QT

**GLOUCESTERSHIRE LEARNING ALLIANCE
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the period 1 September 2020 to 31 August 2021. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

In the period to 31st August 2021, the academy trust operated 7 primary academies in Gloucestershire, with Tredington Primary joining the Trust as a sponsor school 1 September 2020. Its academies have a combined pupil capacity of 2085; each school is as follows

• Badsey First School	180
• Bishops Cleeve Primary Academy	630
• Longford Park Primary Academy (full pan 210)	120
• Rowanfield Infant School	270
• Rowanfield Junior School	360
• Springbank Primary Academy	420
• Tredington Primary	105

As at census in October 2019 (which informs funding for the period 1 September 2020 to 31 August 2021), the number of pupils on roll were 1,972.

• Badsey First School	169
• Bishops Cleeve Primary Academy	605
• Longford Park Primary Academy	120
• Rowanfield Infant School	243
• Rowanfield Junior School	332
• Springbank Primary Academy	398
• Tredington Primary	105

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Gloucestershire Learning Alliance are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Gloucestershire Learning Alliance

Details of the Trustees who served throughout the period 1 September 2020 to 31 August 2021 and to the date the accounts are approved are included in the Reference and Administration Details on page 1.

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 they cease to be a member.

Trustees' Indemnities

The Gloucestershire Learning Alliance has Trustees Indemnity Insurance in place, via the Risk Protection Arrangement scheme provided by the ESFA.

Method of recruitment and appointment or election of Trustees

The number of members shall be not less than five but are not subject to any maximum. The members may appoint Trustees as per the Memorandum and Articles. Additional Trustees may, if deemed necessary, be appointed by the Secretary of State.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Policies and Procedures adopted for the Induction and Training of Trustees

All Trustees are provided with an induction period with training and information given. Two new trustees have been recruited this year and have benefited from the GLA induction programme. Ongoing training is given to trustees and is provided by relevant colleagues within the Trust, by attendance at Local Authority training events and through their wider involvement in education in the region. Training and development for The Trust Board this year has been based on the GLA People Strategy and the GLA 3 Year Development Plan.

Organisational Structure

The Trust Board normally meets once each term. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 2 committees as follows;

- Finance and Audit Committee
 - this meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the internal auditor and drafting the annual budget. It also incorporates the role of an audit and risk committee.
- Standards Committee
 - This meets at least 3 times a year to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.

The following decisions are reserved to the Trust Board: to consider any proposals for changes to the status or constitution of the Trust and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the CEO and Clerk to the Trustees, to approve the Annual Strategic Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Trust by the use of budgets and other data, and making major decisions about the direction of the Trust capital expenditure and staff appointments.

On a day-to-day basis the operational running of the Gloucestershire Learning Alliance has been delegated to the Chief Executive Officer. Each academy has its own Head Teacher and a Director of Academies has oversight of all the schools.

Trustees have played a key role in the three Academy Improvement Boards meetings (AIBs) which have taken place online for every GLA school this year. A trustee has chaired each of the AIBs and has also attended the briefing meeting with members of the School Improvement Team (SIT) prior to the AIB. Each AIB has been attended by two trustees, key members of the school leadership team and SIT. Trustees are reassured that GLA Trust priorities are being met in all schools, understand where an individual school sits on its improvement journey and can offer confident, robust, and appropriate challenge that supports continuous improvement. Trustees have also attended Parent Advisory Groups (PAGs) for each school during 20/21. Key themes of the PAGs were online provision during lockdown, effective communication with parents, and the results of the annual parental surveys.

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Each individual academy has additional members of staff on the Senior Leadership Team as follows:

Badsey First School	2 staff
Bishops Cleeve Primary Academy	6 staff
Longford Park Primary Academy	2 staff
Rowanfield Infant/Junior Schools	4 Staff
Springbank Primary Academy	4 staff
Tredington Primary School	2 Staff

These leadership teams include appropriate deputies for the Headteachers and SENDCOs.

The Chief Executive Officer is the Accounting Officer.

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources.

Arrangements for setting pay and remuneration of key management personnel

We do not pay our trustees or directors other than the CEO who is employed by the Trust. The pay of the CEO, Director of Academies and senior leaders and all teaching staff follow the points and guidance set out in the School Teachers Pay and Conditions Document.

Senior staff in the Central Finance Team follow the scales and points set out in the NJC pay scales with the exception of the Chief Operating Officer who is now assimilated onto the Leadership pay scales.

The CEO and Trustees use HR advice when considering any additional remuneration and changes to pay scales. Decisions around pay for the CEO and Director of Academies/Deputy CEO/Chief Operations Officer are taken by a committee of Trustees including the Chair of the MAT Board and an external consultant. There are strong, robust performance management systems in place for all staff.

Trade union facility time

There were no relevant union officials for the year/period ended 31 August 2021.

Related Parties and other Connected Charities and Organisations

The Gloucestershire Learning Alliance is a strategic partner of the Odyssey Teaching School with responsibility for School Improvement, Leadership training (NPQH, NPQSL and NPQML in particular), Schools Direct (primary) and the designation of Specialist Leaders of Education.

There are no related parties which either control or significantly influence the decisions and operations of Gloucestershire Learning Alliance.

Engagement with employees (including disabled persons)

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials.
- Communicating with staff on policy and practice through our Edupay Portal.
- Regular direct email communications from the CEO to all staff on Trust updates, in particular this year around the ongoing pandemic situation.

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OBJECTIVES AND ACTIVITIES

Objects and Aims

The Trust's principal activities are to advance, for the public benefit, education by establishing, maintaining, carrying on, managing and developing Academies offering a broad and balanced curriculum. The Trust's vision is centred on ensuring children receive the best quality education through Quality First teaching. While we each strive for this in our own settings through effective recruitment and teaching and learning policies, we recognise that the shared capacity of expertise across the seven academies significantly impacts on the outcomes we are able to achieve.

In addition, the aims of the Academy Trust (as set down in section 1(6) of the Academies Act 2010), are that:

- a) Each Member Academy has a balanced and broadly based curriculum;
- b) Each Member Academy provides education for pupils of different abilities;
- c) Each Member Academy provides education for pupils who are wholly or mainly drawn from the area in which the school is situated.

Objectives, Strategies and Activities

To achieve our objects and aims, the Trust and each of its member Academies are governed, led and managed in a way which facilitates self-critical review, ambitious but realistic strategic planning, prudent budgeting and effective development planning.

They are also outward-looking, taking account of aspects of a changing world and the political, social and economic factors which may affect the nature and relevance of our provision and the demand for the education we offer.

Good communication is vital so that pupils, parents and staff feel engaged and clear about the Academy's values, purpose and direction.

The sections below outlining the achievements of the Academies during the year demonstrate the ways in which the Trust has furthered its charitable objectives.

The long term aims, objectives and strategies of the Trust and of each member Academy are reviewed annually during a development planning process. The Chief Executive Officer and Director of Academies and Head Teachers report on progress in implementing the school development plans to Academy Intervention Boards on a termly basis, and these reports are in turn considered by the MAT Board.

Each autumn the Leadership Teams review, with Trustees, each Academy's effectiveness using a number of agreed performance indicators, including statistical data relating to academic performance. The Trust also has an excellent well-established programme of staff performance, appraisal and target-setting.

The medium to long term objectives of the Trust include to:

- Growth of the Trust to above 3000 pupils to become more financially sustainable.
- Provide the best possible outcomes for children through working to achieve the highest standards in teaching and learning, pastoral care, and the extra-curricular programme so that each child thrives at each member Academy.
- Maintain and further develop our buildings and resources to provide facilities fit for the 21st century.
- Recruit and retain highly effective staff and provide continuous professional development for all staff so that they can respond effectively to the changing demands of their roles.
- Utilise the latest developments in information technology to improve outcomes in teaching and learning, communication, and information management.
- Remain financially stable, with strong control on expenditure and obtain best value in financial decision-making.

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- Foster good relations with all our stakeholders
- Strengthen existing partnerships and develop new ones that support the vision and aims of the Trust, including expanding the membership of the Trust at a measured pace by opening new schools, and/or welcoming existing good or outstanding schools as members, and/or sponsoring underperforming school/s as members of the Trust.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

In setting our objectives and planning our activities the trustees have given careful consideration to the Charities Commission's general guidance on public benefit. All the activities undertaken by the Academy Trust are for the education of its pupils and the good of the wider local community. As such the primary objective of the Trust is to support those objectives and there is no financial return to any shareholders.

The academies within the Gloucestershire Learning Alliance have defined catchment areas and continue to be local community schools providing education for the local population with pupils admitted in Reception and via in-year transfers through the Local Authority admissions department. These admissions arrangements are available to all regardless of whether they are in catchment or are currently living in the local area (i.e. moving into the area from another part of the country). Each of the member Academy's admission policies is available on the school websites.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Quality of Education

Data outcomes for 2020 do not exist due to COVID-19. GLA assessment systems and processes were fulfilled up to the point of school lockdown and new Trust Challenge meetings had been introduced to allow for Trust challenge and accountability. The risk mitigation approach linked to pupil performance meetings was having a positive impact on prioritising intervention strategies and resource where they were needed most across the trust.

Leadership Development

The Trust continues to invest in leadership development programmes. This includes supporting 2 colleagues to undertake the National Professional Qualification (NPQ) for Middle leadership, 2 colleagues to complete the NPQ for Senior Leadership and 2 colleagues to undertake the NPQ for Headship. 3 future SENDCO's were also funded to undertake the SENDCO PGCE. In addition, the Trust offers in-house leadership development training with a Middle leader and a Future leader course run by members of the Executive group. This capacity building supports retention and recruitment.

Internal leadership positions have been fulfilled through the talent management strategy and deployments and secondments have worked well to back fill capacity where needed.

School Improvement

The Trust operating model (Explore, Prepare, Deliver 1, Deliver 2, Sustain) effectively supported school's in prioritising improvement planning aligned to the GLA priorities. The Trust continues to invest in the central School Improvement Team and have added GLA Associates to the capacity this year. These are subject specialists (e.g. Phonics, reading, behaviour) with capacity to support teachers and teams where needed. The school improvement offer includes peer reviews, deep dives, academy improvement board meetings and targeted resource plans. The positive impact of these was seen in the OFSTED inspection at Rowanfield Junior School in March where the outcome of 'Good' was achieved in all areas.

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Two Senior Trust Executives continue to work regionally as NLE's supporting Tier 1 and Tier 2 deployments.

Growth and Sustainability

Finance

The Trust continued to stabilise and strengthen its finances for it to re-invest in its growth strategy. No further restructures were required during this financial year; however, there is a constant review of staffing levels across the Trust to ensure financial sustainability.

Central Business Services

The trust continued to embed its budget planning software, BPS, which has enabled more robust budget forecasting but also improved budget monitoring for Trustees. It also replaced its aging MIS system, SIMS, to a more effective solution called Arbor. The roll out across all schools went successfully. This project was fully funded by a TCaF Grant.

Capital works

The Trust did not secure any further capital funding during this period; however, the Trust delivered a capital project at Bishops Cleeve Primary Academy, through a secured a capital grant funding (CIF) in the previous year. Work was completed on time and on budget.

Governance

The Trust Board met nine times in from September 2020 to July 2021. All regular Trust Board meetings were held on line. The work of the Trust Board had a strong focus on the online learning provision during the lockdown periods, the reopening plans and risk assessments for GLA schools in March 2021 and the reopen, reset and recovery plans for the Spring and Summer terms. The Trust Board has also monitored the building of an eighth GLA school, Great Oldbury Primary School, which opened on 1 September 2021 and the successful bid for a new school, Greenacres Primary, which is due to open in September 2022.

An extraordinary Trust Board meeting in January 2021 had a single agenda item on the GLA People Strategy and leadership development. A training event for trustees with the GLA Executive took place face to face in June 2021 with a review of the GLA 3 Year Development Plan. Key areas addressed were: quality of education, growth, sustainability, and governance.

A GLA Trustee skills audit was completed by all trustees in January 2021. Following the collation of the results a significant recruitment programme was initiated to address skills gaps and gaps due to several trustees' resignations. A range of methods were used to recruit new trustees including LinkedIn, Academy Ambassadors and Woman on Boards. In addition, a reciprocal arrangement was agreed with The Wellsway Trust whereby a member of the Leadership Team became a trustee on the others Trust Board so increasing educational expertise. A total of five new GLA trustees were recruited during 20/21.

Coronavirus

The ongoing pandemic has continued to have significant impact on the operations of the schools within the Trust. All schools continued to be open throughout the lockdown periods, where they provided support for key worker children. Many staff, where possible, continued to provide a level of work throughout this period.

The financial impact of the lockdown, resulted in lower than predicted spend on various expenditure budgets, including

- Energy
- Curriculum Resources
- Catering costs
- PE/Sports Grants

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However, there was a noticeable increase in some other expenditure areas, including:

- Cleaning resources
- Supply costs (covering staff absences)

Key Performance Indicators

The following KPIs were agreed with Trustees in December 2020

Pupil Numbers

Whilst our funding is primarily driven by pupil numbers and we know all our schools are under capacity; there is some scope to influence an increase in pupil numbers during the academic year. Demographic populations are outside the control of the Trust, but we still feel it is an important area to focus on.

KPI - 1

As funding is based on pupil numbers this is also a key performance indicator. The Trust's financial performance is based on increasing the number of pupils across the Trust. The aim is to achieve, where demographically possible, full Planned Admission Numbers (PAN) in every school within the Trust.

Financial Sustainability

The Trust, whilst yet to confirm future years budgets, will need to constantly review its costs, including staff structures and this must remain a focus.

KPI - 2

The Trust needs to ensure financial sustainability in order to maintain its current budget model but also its growth strategy. The submitted budget for 2020/21 shows an in-year deficit of c.£189k and relies on brought forward balances to offset expenditure this year. The aims are therefore to Reduce in-year expenditure across the trust for 2020/21 and end the year either balanced or surplus position.

Project Management

The Trust does not always secure capital funding through bid processes, however, this financial year, we are in receipt of capital funding in excess of c.£400k. It is the Trust's responsibility to ensure these projects are not only managed from the time perspective but also from a financial perspective as the Trust should not be put in a position to use any of its own reserves for the original projects.

KPI - 3

All capital projects to be completed on time and within the designated budget allocations.

Going Concern

After making appropriate enquiries, the MAT Board has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies (note 2.2).

FINANCIAL REVIEW

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

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FOR THE YEAR ENDED 31 AUGUST 2021**

During the year ended 31 August 2021, the Academy received total income of £13,590,124 (including balances on conversion) and incurred total expenditure of £11,425,604 (including actuarial adjustments related to the LGPS). The excess of income over expenditure for the year was £683,520.

At 31 August 2021 the net book value of fixed assets was £24,015,202 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Trust has maintained as broad and balanced curriculum this year as it could achieve, given the ongoing pandemic.

Pupil numbers across the Trust are expected to remain constant or grow. However, the national funding of education has not improved and despite the latest announcements by the Government around extra education funding the reality is unlikely to help our primary schools with their funding in the short and medium term:

- Schools in Gloucestershire did not receive enough money to meet the basic promises delivered by the national funding formula. The budget had a shortfall of several million pounds. This shortfall has been passed onto schools.
- Funding support for children with EHCP's continues to remain insufficient to support the most vulnerable children
- Gloucestershire will continue to cut the resource for EHCP's in the future and have overspend their high needs budget again this year, this will impact on costs for schools and the offer we can provide.
- If all primary pupils in the GLA were funded at £4,000 per Age Weighted Pupil Unit (AWPU), our trust would benefit by an additional £900,000 per year! Gloucestershire schools are funded below the national average per pupil but face the same national expectations. Our GAG (general annual grant) funding for schools did not increase although inflationary costs did.
- The GAG did not increase but staff pay and pension costs did. The Trust continues to be adrift in teacher pay when compared to the union published figures, however, the Trust has always applied the statutory requirements set out by the School Teachers Review Body

Reserves Policy

Historically, Trustees have set a free reserves level between 3% and 5% of total GAG funding however, due to continued, in year efficiencies and effects of the pandemic in terms of underspend in various budget areas, including building development, the MAT Board have set a reserves balance of the equivalent to approximately one month's average salary costs across the Trust (c.£675,000). By setting this level of reserves, it will allow the Trust to prioritise use of any surplus funds beyond its reserve limits to improve the estates and teaching and learning across the Trust.

Planned use of these funds in 2021/22 includes

Estates development and improvements	£300,000
Building condition surveys have just been completed across the estate; this funding will address those projects that do not meet the CIF criteria but are still required as a priority to improve the facilities.	
CIF Bid – capital commitments	£500,000
The Trust will be submitting 9 CIF bids in December 2021; as identified through the building condition surveys. To maximise points on contribution based on the CIF criteria; the Trust is committing 30% for each project; if successful	

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IT Infrastructure upgrades

£200,000

Upgrading the Trust's IT infrastructure is a priority in order to not only remain cyber secure but also allow seamless growth. This requires the entire Trust networking infrastructure to be upgraded, both in terms of internal and external connectivity, along with end user equipment.

Capacity - Growth

£200,000

Growth remains a key priority for the Trust. An investment in additional capacity and resource will be required in order for this to be achieved. This will be a structural change to the budget but would be supported in future years by the Trust's financial growth.

The Finance and Audit Committee will continue to monitor the level of reserves held to ensure that, subject to the recommended level of reserves, funds received are used for the benefit of the pupils currently attending member Academies.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

The Trustees regularly assess the level of cash held at bank and will seek to transfer any balance surplus to requirements of the day to day operations to a higher interest deposit account. The trustees agree all investments made by the Trust. Investments are made with regard to Charity Commission guidance.

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees have assessed the major risks to which the Trust is exposed and identified and implemented strategies for addressing these risks. Significant risks and the measures in place to reduce these risks have been formally documented in the Trust's Risk Register, which is subject to continuing review. The trustees have also updated the assessment of internal control previously submitted to the Education Funding Agency (ESFA), which enabled the risk assessment process. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The Trustees have an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The Trustees are responsible for the management of risks faced by the Gloucestershire Learning Alliance. The Chair of Trust together with the Chair of the Finance and Audit Committee lead on this issue, and are supported by the Chief Operations Officer and the Senior Executive Team.

The key controls used by the Trust include:

- Formal agendas for all Committee and Trustees' meetings, on which items are linked to the Risk Register;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies, which are reviewed and revised on a regular and scheduled basis;
- Clear authorisation and approval levels; and
- Setting procedures as required by law for the protection of the vulnerable.

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Through the risk management processes established for the Trust, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The Risk Register is a dynamic document, maintained as an Excel spreadsheet, with a scoring system to identify different levels of risk, ownership of each risk and other features. It is the responsibility of the MAT Board to ensure that it is up to date and maintained. The MAT Board has in turn determined that the register should appear on the agenda of each committee meeting to provide opportunities for Trustees to flag up any changes in the risks the organisation is facing, and to take appropriate action/s.

FUNDRAISING

The Trust does not in its own right raise funds for the Trust, other than through investments and the Parent Teacher Associations (charity organisations) of some of its individual academies. These are regulated under their charity commission status. Their activities would include fetes, fayres and firework displays.

We do monitor these activities to ensure their activities are safe and reflect the ethos and high standards of the Trust and its good reputation. We are mindful of the Charity Commission publication 'A guide to trustee duties' CC20 and the 6 key principles it highlights. We do not work with commercial partners and do not approach the public for donations.

Energy Background

The Trust has seven Academies. Heating is predominantly fuelled by mains gas. The trust has not operated any owned transportation, but some staff claim expenses for business travel, and the trust has recorded the mileage claimed for in the year.

This methodology follows the GHG Reporting Protocol and uses the 2021 Government emission conversion factors for greenhouse gas company reporting.

Energy Source	Consumption	Scope	Emissions calculation
Gas – total kWh (kilowatt-hours) used for the year	1,331,555 kWh (gross CV (calorific value))	Scope 1	$1,331,555 \text{ kWh} \times 0.18316 \text{ (2021 fuels, natural gas conversion factor)}$ $\text{gross CV to kg CO}_2\text{e}$ $= 243,888 \text{ kgCO}_2\text{e}$ $= 243.888 \text{ tCO}_2\text{e}$
Electricity – total kWh used for the year	555,131 kWh	Scope 2	$555,131 \text{ kWh} \times 0.21233 \text{ (2021 UK electricity conversion factor to kgCO}_2\text{e)}$ $= 117,871 \text{ kgCO}_2\text{e}$ $= 117.871 \text{ tCO}_2\text{e}$
Owned Transport	0 miles * 0.0000 (2021 SECR kWh pass & delivery	Scope 1	0 miles = 0 km
No owned transport –0 miles in the year	vehs, vans average) = 0 kWh		$0 \text{ km} \times 0.0000 \text{ (2021 managed assets vehicles, vans average – used in lieu of passenger vehicles conversion)}$ $= 0 \text{ kgCO}_2\text{e}$ $= 0.00 \text{ tCO}_2\text{e}$
Reimbursed Transport – total mileage reimbursed	2,943 miles * 1.16071 (2021 SECR kWh pass &	Scope 3	$2,943 \text{ miles} \times 0.28053 \text{ (2021 business travel and average car}$

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Energy Source	Consumption	Scope	Emissions calculation
from staff claims = 2,943 miles	delivery vehs, average car conversion factor to kWh, petrol) =3,416 kWh		conversion factor to kgCO ₂ e, petrol) = 826 kgCO ₂ e =0.83 tCO ₂ e
Total	1,890,101 kWh		362.58 tCO ₂ e
Intensity ratio	Emissions data (tCO ₂ e) compared with an appropriate business activity (pupil numbers as per Autumn census)		362.58 tCO ₂ e/1,942 pupils = 0.187 tCO ₂ e per pupil

Disclosure of Information

UK Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021 **Current reporting year 2020/21** **Comparison reporting year 2019/20 (figures are for illustrative purposes)**

Energy consumption used to calculate emissions (kWh)	1,890,101	1,721,163
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Scope 1 emissions in metric tonnes CO₂e

Gas consumption	243.888	230.756
Owned transport	0.00	0.00
Total Scope 1	243.89	230.76

Scope 2 emissions in metric tonnes CO₂e

Purchased electricity	117.871	108.682
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Scope 3 emissions in metric tonnes CO₂e

Business travel in employee-owned vehicles	0.83	0.00
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Total gross emissions in metric tonnes CO ₂ e	362.58	339.44
--	--------	--------

Intensity ratio Tonnes CO ₂ e per pupil	0.187	0.170
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Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Measures taken to improve energy efficiency

Adoption of Teams meetings and other online communications to reduce travel

Partial window replacement from old crital windows to new double glazing at Bishops Cleeve Primary School.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

PLANS FOR FUTURE PERIODS

The Gloucestershire Learning Alliance Strategic Priorities 2020/21

The Trust has a 3 year strategic plan, along with a more detailed 1 year action plan. There are 6 strands within the strategy, which are set out below.

Quality of Education

Through collaborative practice and a clear focus on teacher development, enable teachers to deliver an ambitious curriculum based upon understanding the starting points for all children.

Leadership Development

Capacity building through effective recruitment and talent management approach that matches need as the GLA Trust grows. Strategies will promote the clear vision and ethos of the trust.

School Improvement

Central School Improvement Team (SIT) with clear improvement remit providing skilled leadership capacity, incisive challenge, accountability and timely support to ensure that all children achieve the best possible outcomes and the Trust priorities are met

Trust Growth and Resource Management

A clear vision for growth that is financially viable with sustainable capacity, whilst ensuring the Trust has sufficient resource to effectively develop the it's estates through robust financial strategic planning.

Communication

Ensuring clear Trust wide communication systems and processes are embedded to improve positive engagement with staff, Trustees, parents, local community and other stakeholders.

Governance

Ensure high quality leadership and governance through having an effective fully-functioning and high-level Trust Board that represents the full range of skills required

These priority areas will form the basis of all decision making within the Trust over the coming 1 to 3 years. However, they will be reviewed, given the current climate and will be adapted where needed.

Further Information

A new free school, Great Oldbury Primary Academy, joined the Trust on 1 September 2021. The Funding Agreement in relation to this Academy is effective from 1 September 2021 and the school buildings was handed over on 27 August 2021.

The Trust has been successful in securing a new 3 form entry Free School in Bishops Cleeve from September 2023.

**GLOUCESTERSHIRE LEARNING ALLIANCE
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

This will take the total number of schools in the Gloucestershire Learning Alliance to 9.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

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 auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 1 December 2021 and signed on the board's behalf by:

Stuart Allan

Stuart Allan (Dec 3, 2021, 10:10am)

S Allan
Chair of Trustees

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees we acknowledge we have overall responsibility for ensuring that Gloucestershire Learning Alliance 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 MAT Board has delegated the day-to-day responsibility to the Chief Executive Officer as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Gloucestershire Learning Alliance and the Secretary of State for Education. They are also responsible for reporting to the MAT Board any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
S Allan	10	11
R Bromberg	10	11
D Ballinger	8	11
C Cooper (resigned)	4	5
R Lewis, Chair	11	11
D McNiffe	7	11
F Morris	9	11
H Morris	10	11
J Saunders	1	2
S Savory, CEO and Accounting Officer	11	11
G Schlick	3	3
J Wilson	9	11
P Clark	0	0
S Dannatt	0	0
C Foster	0	0

The Finance and Audit Committee is a sub-committee of the main MAT Board. This committee meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the internal audit and drafting the annual budget. It also incorporates the full role of an audit and risk committee including receiving and responding to reports from external auditors.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Allan	5	5
C Cooper	2	2
R Lewis	5	5
F Morris	3	5
S Savory	3	3

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

REVIEW OF VALUE FOR MONEY

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

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

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Deploying staff effectively across the Trust.
- Reviewing quality of curriculum provision and quality of teaching.

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 Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Gloucestershire Learning Alliance for the period from 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the MAT Board
- Regular reviews by the Finance and Audit Committee of Business reports, presented by the Chief Operations Officer, which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- Delegation of authority and segregation of duties
- Identification and management of risks

The MAT Board has considered the need for a specific internal audit function and have appointed Duncan & Toplis for the period 1 September 2020 to August 2021.

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

THE RISK AND CONTROL FRAMEWORK (CONTINUED)

The internal auditor's role includes giving advice on financial control and governance matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank account reconciliations
- Testing of HR Systems/processes

Over the period 1 September 2020 to 31 August 2021, there were 2 audit visits (virtual, due to the pandemic restrictions) The reports were issued through the Finance and Audit Committee on the operation of the systems of control and on the discharge of the Trust Boards financial responsibilities.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- The work of the internal and external auditor
- The financial management and governance self-assessment process
- The work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Chief Operations Officer and a plan to address any highlighted areas to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 1 December 2021 and signed on their behalf by:

Stuart Allan

Stuart Allan (Dec 3, 2021, 10:19am)

S Allan
Chair of Trustees



S Savory
Accounting Officer

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Gloucestershire Learning Alliance I have considered my responsibility to notify the Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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



S Savory
Accounting Officer
Date: 1 December 2021

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including 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 of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

Stuart Allan

Stuart Allan (Dec 3, 2021 10:11 AM)

S Allan
Chair of Trustees
Date: 1 December 2021

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
GLOUCESTERSHIRE LEARNING ALLIANCE**

OPINION

We have audited the financial statements of Gloucestershire Learning Alliance (the 'trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
GLOUCESTERSHIRE LEARNING ALLIANCE (CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
GLOUCESTERSHIRE LEARNING ALLIANCE (CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
GLOUCESTERSHIRE LEARNING ALLIANCE (CONTINUED)**

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

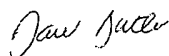
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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 Auditors' Report.

USE OF OUR REPORT

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



David Butler FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 14 December 2021

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
GLOUCESTERSHIRE LEARNING ALLIANCE AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 28 January 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Gloucestershire Learning Alliance during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF GLOUCESTERSHIRE LEARNING ALLIANCE'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Gloucestershire Learning Alliance's funding agreement with the Secretary of State for Education dated 24 August 2017 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
GLOUCESTERSHIRE LEARNING ALLIANCE AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

CONCLUSION

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

David Butler

Reporting Accountant
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 14 December 2021

GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:						
Donations and capital grants:	4					
Transfer from Local Authority on conversion		27,339	(156,903)	2,719,226	2,589,662	-
Other donations and capital grants		5,007	21,666	193,699	220,372	334,328
Other trading activities	6	60,414	-	-	60,414	91,868
Investments	7	258	-	-	258	1,602
Charitable activities	5	-	10,719,418	-	10,719,418	9,788,330
TOTAL INCOME		93,018	10,584,181	2,912,925	13,590,124	10,216,128
EXPENDITURE ON:						
Raising funds		-	-	-	-	11,927
Charitable activities:						
Other charitable activities		63,419	10,448,047	914,138	11,425,604	10,636,132
TOTAL EXPENDITURE	8	63,419	10,448,047	914,138	11,425,604	10,648,059
NET INCOME/(EXPENDITURE)		29,599	136,134	1,998,787	2,164,520	(431,931)
Transfers between funds	19	(84,175)	(50,996)	135,171	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAIN/(LOSSES)		(54,576)	85,138	2,133,958	2,164,520	(431,931)
Actuarial losses on defined benefit pension schemes	26	-	(1,481,000)	-	(1,481,000)	(600,000)
NET MOVEMENT IN FUNDS		(54,576)	(1,395,862)	2,133,958	683,520	(1,031,931)

GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
RECONCILIATION OF FUNDS:						
Total funds brought forward		221,794	(3,980,539)	21,947,489	18,188,744	19,220,675
Net movement in funds		(54,576)	(1,395,862)	2,133,958	683,520	(1,031,931)
TOTAL FUNDS CARRIED FORWARD	19	167,218	(5,376,401)	24,081,447	18,872,264	18,188,744

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 31 to 58 form part of these financial statements.

GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07690119

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	15	24,015,202	21,665,259
CURRENT ASSETS			
Debtors	16	330,580	436,044
Cash at bank and in hand		2,323,256	1,714,091
		<u>2,653,836</u>	<u>2,150,135</u>
Creditors: amounts falling due within one year	17	(529,774)	(602,650)
NET CURRENT ASSETS		<u>2,124,062</u>	<u>1,547,485</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>26,139,264</u>	<u>23,212,744</u>
Defined benefit pension scheme liability	26	(7,267,000)	(5,024,000)
TOTAL NET ASSETS		<u><u>18,872,264</u></u>	<u><u>18,188,744</u></u>
FUNDS OF THE TRUST			
RESTRICTED FUNDS:			
Fixed asset funds		24,081,447	21,947,489
Restricted income funds		1,890,599	1,043,461
		<u>25,972,046</u>	<u>22,990,950</u>
Restricted funds excluding pension asset		25,972,046	22,990,950
Pension reserve		(7,267,000)	(5,024,000)
TOTAL RESTRICTED FUNDS	19	<u>18,705,046</u>	<u>17,966,950</u>
UNRESTRICTED INCOME FUNDS	19	<u>167,218</u>	<u>221,794</u>
TOTAL FUNDS		<u><u>18,872,264</u></u>	<u><u>18,188,744</u></u>

The financial statements on pages 27 to 58 were approved by the Trustees, and authorised for issue on 1 December 2021 and are signed on their behalf, by:

Stuart Allan

Stuart Allan (Dec 14, 2021, 12:54pm)

S Allan
Chair of Trustees

The notes on pages 31 to 58 form part of these financial statements.

GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	21	974,324	393,950
CASH FLOWS FROM INVESTING ACTIVITIES	22	(366,159)	223,616
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		609,165	617,566
Cash and cash equivalents at the beginning of the year		1,714,091	1,096,525
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	23, 24	<u>2,323,256</u>	<u>1,714,091</u>

The notes on pages 31 to 58 form part of these financial statements

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. GENERAL INFORMATION

Gloucestershire Learning Alliance is a company limited by guarantee, incorporated in England and Wales. The registered office is Tobyfield Road, Bishops Cleeve, Cheltenham, GL52 8NN.

2. ACCOUNTING POLICIES

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

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

2.2 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 Trust 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. ACCOUNTING POLICIES (continued)

2.3 INCOME

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

2.4 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 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 Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. ACCOUNTING POLICIES (continued)

2.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 TAXATION

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

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

2.7 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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

Long leasehold buildings	- 2%
Leasehold improvements	- 10 - 20%
Fixtures and fittings	- 10 - 20%
Computer equipment	- 20 - 33.33%

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.

2.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. ACCOUNTING POLICIES (continued)

2.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

2.10 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 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.

2.11 FINANCIAL INSTRUMENTS

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement bases 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 16. Prepayments are not financial instruments.

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

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

2.12 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. ACCOUNTING POLICIES (continued)

2.13 PENSIONS

Retirement benefits to employees of the 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 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

2.14 CONVERSION TO AN ACADEMY TRUST

The conversion from a state maintained school to a Trust involved the transfer of identifiable assets and liabilities and the operation of the school for ENIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Treddington Primary School to the Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 30.

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. ACCOUNTING POLICIES (continued)

2.15 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 funders where the asset acquired or created is held for a specific purpose.

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

Investment income, gains and losses are allocated to the appropriate fund.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments 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 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.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
DONATIONS					
Donations	5,007	21,666	43,600	70,273	25,359
Transfer in on conversion	27,339	(156,903)	2,719,226	2,589,662	-
Capital Grants	-	-	150,099	150,099	308,969
	<u>32,346</u>	<u>(135,237)</u>	<u>2,912,925</u>	<u>2,810,034</u>	<u>334,328</u>
TOTAL 2020	<u>478</u>	<u>24,881</u>	<u>308,969</u>	<u>334,328</u>	

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

5. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DFE/ESFA GRANTS			
General Annual Grant	8,205,383	8,205,383	7,483,960
OTHER DFE/ESFA GRANTS			
Pupil Premium	671,817	671,817	640,218
Start up Grants	25,000	25,000	-
Universal Infant School Meals	295,292	295,292	286,455
Teachers Pay and Pension	368,876	368,876	346,107
PE and Sports Grant	128,540	128,540	111,780
Others DfE	171,594	171,594	356,336
	9,866,502	9,866,502	9,224,856
OTHER GOVERNMENT GRANTS			
High Needs	298,849	298,849	215,836
Nursery Income	187,337	187,337	180,615
Other Government Grants	99,607	99,607	18,428
	585,793	585,793	414,879
OTHER INCOME FROM THE TRUST'S EDUCATION	108,803	108,803	148,595
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)			
Catch-up Premium	158,320	158,320	-
	158,320	158,320	-
TOTAL 2021	10,719,418	10,719,418	9,788,330
TOTAL 2020	9,788,330	9,788,330	

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

The academy trust received £158,320 of funding for Covid Catch-up Premium and costs incurred in respect of this funding totalled £158,320.

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Hire of facilities	6,440	-	6,440	6,599
Other income	53,974	-	53,974	85,269
	<u>60,414</u>	<u>-</u>	<u>60,414</u>	<u>91,868</u>
TOTAL 2020	<u>58,122</u>	<u>33,746</u>	<u>91,868</u>	

7. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Short term deposits	258	258	1,602
	<u>1,602</u>	<u>1,602</u>	
TOTAL 2020	<u>1,602</u>	<u>1,602</u>	

8. EXPENDITURE

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Expenditure on fundraising trading activities:	-	-	-	-	11,927
EDUCATION:					
Direct costs	7,440,786	-	356,277	7,797,063	7,281,546
Allocated support costs	1,407,081	1,395,285	826,175	3,628,541	3,354,586
	<u>8,847,867</u>	<u>1,395,285</u>	<u>1,182,452</u>	<u>11,425,604</u>	<u>10,648,059</u>
TOTAL 2020	<u>8,260,704</u>	<u>1,330,463</u>	<u>1,056,892</u>	<u>10,648,059</u>	

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Education	7,797,063	3,628,541	11,425,604	10,636,132
TOTAL 2020	7,281,546	3,354,586	10,636,132	

ANALYSIS OF DIRECT COSTS

	Education 2021 £	Total funds 2021 £	Total funds 2020 £
Pension finance costs	95,000	95,000	79,000
Staff costs	7,214,215	7,214,215	6,905,998
Educational supplies	225,824	225,824	195,621
Staff development	23,366	23,366	33,617
Other costs	9,364	9,364	13,382
Supply teachers	226,571	226,571	51,076
Technology costs	2,723	2,723	2,852
	7,797,063	7,797,063	7,281,546
TOTAL 2020	7,281,546	7,281,546	

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2021 £	Total funds 2020 £
Support staff costs	1,407,081	1,303,630
Depreciation	914,138	855,892
Other support costs	536,230	506,122
Premises costs	481,147	466,989
Technology costs	242,624	178,857
Governance costs	47,321	43,096
	3,628,541	3,354,586

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	27,760	34,580
Depreciation of tangible fixed assets	914,138	855,892
Fees paid to auditors for:		
- audit	19,500	17,250
- other services	2,525	1,250

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	6,147,053	5,839,797
Social security costs	442,349	459,543
Pension costs	1,973,283	1,910,288
	<u>8,562,685</u>	<u>8,209,628</u>
Agency staff costs	226,571	51,076
Staff restructuring costs	58,611	-
	<u>8,847,867</u>	<u>8,260,704</u>

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS

Included in the staff restructuring costs are non-statutory/ non-contractual severance payments totalling £27,457 (2020: £nil). Individually, the payments were £2,124, £4,247, £9,240 and £11,846.

c. STAFF NUMBERS

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

	2021 No.	2020 No.
Teachers	109	102
Administration and support	200	195
Management	10	8
	<u>319</u>	<u>305</u>

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	93	86
Administration and support	116	117
Management	9	8
	<u>218</u>	<u>211</u>

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. STAFF (CONTINUED)

d. HIGHER PAID STAFF

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	4	2
In the band £90,001 - £100,000	2	1
In the band £100,001 - £110,000	-	1

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £746,784 (2020 - £810,576).

12. CENTRAL SERVICES

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

- Educational support services
- Central finance department services
- Human resources
- Legal services
- Computer support services

The Trust charges for these services on the following basis:

Flat 6.5% of GAG income

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Bishop's Cleeve Primary School	147,469	144,895
Longford Park Primary Academy	36,486	34,552
Rowanfield Infant School	71,924	69,095
Rowanfield Junior School	93,786	87,152
Springbank Primary Academy	106,845	104,271
Badsey First School	44,574	46,493
Tredington Primary School	3,215	-
TOTAL	504,099	486,458

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

13. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2021	2020
		£	£
S Savory (headteacher)	Remuneration	90,000 -	105,000 -
		95,000	110,000
	Pension contributions paid	20,000 -	25,000 -
		25,000	30,000

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

14. TRUSTEES' AND OFFICERS' INSURANCE

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

**GLOUCESTERSHIRE LEARNING ALLIANCE
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

15. TANGIBLE FIXED ASSETS

	Long leasehold buildings £	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
COST OR VALUATION					
At 1 September 2020	22,893,794	2,733,140	358,403	535,047	26,520,384
Additions	93,651	310,655	30,799	109,750	544,855
Acquired on conversion	2,719,226	-	-	-	2,719,226
At 31 August 2021	25,706,671	3,043,795	389,202	644,797	29,784,465
DEPRECIATION					
At 1 September 2020	2,723,871	1,399,381	213,370	518,503	4,855,125
Charge for the year	511,269	286,796	64,048	52,025	914,138
At 31 August 2021	3,235,140	1,686,177	277,418	570,528	5,769,263
NET BOOK VALUE					
At 31 August 2021	22,471,531	1,357,618	111,784	74,269	24,015,202
At 31 August 2020	20,169,923	1,333,759	145,033	16,544	21,665,259

The member Academies lease land and buildings from Gloucestershire County Council (GCC). On initial conversion to the MAT, the trustees agreed to base their valuation of land and buildings for the initial members on insurance valuation. This was chosen in favour of having a formal valuation done as the cost of a formal valuation would be onerous compared with the additional benefit derived by the users of the accounts.

Another lease on further land and buildings from GCC has been entered into with a term of 125 years. This land and buildings is valued based on the cost of the items to the donor.

Due to the trust's buildings being deemed specialist in nature and therefore not traded in an open market, the above valuations/costs were deemed to be a reasonable estimate for recognition purposes.

GLOUCESTERSHIRE LEARNING ALLIANCE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. DEBTORS

	2021 £	2020 £
Other debtors	12,578	939
Prepayments and accrued income	318,002	435,105
	<u>330,580</u>	<u>436,044</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	103,101	93,362
Other taxation and social security	-	106,487
Other creditors	-	145,922
Accruals and deferred income	426,673	256,879
	<u>529,774</u>	<u>602,650</u>

18. DEFERRED INCOME

	2021 £	2020 £
Deferred income at 1 September 2020	192,559	299,954
Resources deferred during the year	281,103	192,559
Amounts released from previous periods	(192,559)	(299,954)
	<u>281,103</u>	<u>192,559</u>

Deferred income of £281,103 (2020: £192,559) related to Universal Infant Free School Meals, rates relief and growth funding.

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19. STATEMENT OF FUNDS

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS						
General Funds	221,794	93,018	(63,419)	(84,175)	-	167,218
RESTRICTED GENERAL FUNDS						
General Annual Grant	709,627	8,205,383	(7,354,510)	(12,287)	-	1,548,213
Other DfE / ESFA grants	183,490	1,819,439	(1,829,211)	(22,124)	-	151,594
Other government grants	27,728	585,793	(564,463)	-	-	49,058
School fund account	48,196	14,125	(11,523)	-	-	50,798
Other income	74,420	105,441	(72,340)	(16,585)	-	90,936
Pension reserve	(6,024,000)	(146,000)	(616,000)	-	(1,481,000)	(7,267,000)
	<u>(3,980,539)</u>	<u>10,584,181</u>	<u>(10,448,047)</u>	<u>(50,996)</u>	<u>(1,481,000)</u>	<u>(6,376,401)</u>
RESTRICTED FIXED ASSET FUNDS						
Inherited on conversion	19,874,536	2,719,226	(531,188)	-	-	22,062,574
DfE group capital grants	1,118,941	150,099	(250,459)	22,124	-	1,040,705
Capital from GAG	293,053	-	(54,121)	30,312	-	269,244
Donations - capital	25,602	43,600	(21,796)	16,585	-	63,991
Capital from unrestricted	277,880	-	(34,456)	66,150	-	309,574
Other government grants	357,477	-	(22,118)	-	-	335,359
	<u>21,947,489</u>	<u>2,912,925</u>	<u>(914,138)</u>	<u>136,171</u>	<u>-</u>	<u>24,081,447</u>

**GLOUCESTERSHIRE LEARNING ALLIANCE
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FOR THE YEAR ENDED 31 AUGUST 2021**

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
TOTAL RESTRICTED FUNDS	17,966,950	13,497,106	(11,362,185)	84,175	(1,481,000)	18,705,046
TOTAL FUNDS	18,188,744	13,590,124	(11,425,604)	-	(1,481,000)	18,872,264

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

The Restricted General Fund includes GAG and other grants receivable from the Education and Skills Funding Agency and Local Authority towards the member Academies' educational activities. School funds held in respect of educational visits and events are also included in the Restricted General Fund.

The Restricted Fixed Asset Fund includes amounts receivable from the Education and Skills Funding Agency in respect of tangible fixed assets held for member Academies' use.

Transfers between the Restricted general fund, Unrestricted funds and Restricted fixed asset funds relate to asset purchases from these funds during the year.

The Pension Reserve relates to the member Academies' shares of the deficit of the Local Government Pension Scheme overseen by the Local Authority.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
General Funds	200,969	49,748	(28,923)	-	-	221,794
RESTRICTED GENERAL FUNDS						
General Annual Grant	288,827	7,462,726	(7,044,476)	(17,450)	-	709,627
Other DfE / ESFA grants	26,421	1,742,130	(1,590,347)	5,286	-	183,490
Other government grants	20,003	234,264	(226,539)	-	-	27,728
School fund account	39,682	21,896	(13,382)	-	-	48,196
Other income	47,725	372,941	(312,500)	(33,746)	-	74,420
Pension reserve	(3,848,000)	-	(576,000)	-	(600,000)	(5,024,000)
	<u>(3,425,342)</u>	<u>9,853,957</u>	<u>(9,763,244)</u>	<u>(45,910)</u>	<u>(600,000)</u>	<u>(3,980,539)</u>
RESTRICTED FIXED ASSET FUNDS						
Inherited on conversion	20,359,888	-	(465,352)	-	-	19,874,536
DfE group capital grants	1,037,482	308,969	(222,224)	(5,286)	-	1,118,941
Capital from GAG	346,214	-	(70,611)	17,450	-	293,053
Donations - capital	29,547	-	(3,945)	-	-	25,602
Capital from unrestricted	265,412	-	(21,278)	33,746	-	277,880
Other government grants	406,505	3,454	(52,482)	-	-	357,477

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19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
	<u>22,445,048</u>	<u>312,423</u>	<u>(855,892)</u>	<u>45,910</u>	<u>-</u>	<u>21,947,489</u>
TOTAL RESTRICTED FUNDS	<u>19,019,706</u>	<u>10,166,380</u>	<u>(10,619,136)</u>	<u>-</u>	<u>(600,000)</u>	<u>17,966,950</u>
TOTAL FUNDS	<u>19,220,675</u>	<u>10,216,128</u>	<u>(10,648,059)</u>	<u>-</u>	<u>(600,000)</u>	<u>18,188,744</u>

Total funds analysis by academy

Fund balances for each academy at 31 August 2021 and 2020 were pooled, hence a breakdown by academy is not included in these accounts.

**GLOUCESTERSHIRE LEARNING ALLIANCE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

19. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Bishop's Cleeve Primary School	1,868,928	154,100	50,511	311,991	2,385,530	2,382,362
Longford Park Primary Academy	460,165	184,344	21,159	152,103	817,771	691,855
Rowanfield Infant School	767,376	54,824	14,368	182,278	1,018,844	1,114,375
Rowanfield Junior School	1,171,596	116,022	28,319	173,013	1,488,950	1,480,223
Springbank Primary School	1,306,777	262,408	30,785	249,641	1,849,611	1,820,743
Badsey First School	531,326	83,471	27,630	110,951	753,378	757,826
Central services	480,802	287,734	32,530	244,106	1,045,172	1,544,783
Tredington Primary School	325,245	45,203	20,524	133,715	524,687	-
TRUST	6,912,215	1,188,106	225,824	1,557,798	9,883,943	9,792,167

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	24,015,202	24,015,202
Current assets	167,218	2,420,373	66,245	2,653,836
Creditors due within one year	-	(529,774)	-	(529,774)
Provisions for liabilities and charges	-	(7,267,000)	-	(7,267,000)
TOTAL	167,218	(5,376,401)	24,081,447	18,872,264

**GLOUCESTERSHIRE LEARNING ALLIANCE
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**NOTES TO THE FINANCIAL STATEMENTS
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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	21,665,259	21,665,259
Current assets	221,817	1,646,088	282,230	2,150,135
Creditors due within one year	(23)	(602,627)	-	(602,650)
Provisions for liabilities and charges	-	(5,024,000)	-	(5,024,000)
TOTAL	221,794	(3,980,539)	21,947,489	18,188,744

21. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	2,164,520	(431,931)
ADJUSTMENTS FOR:		
Depreciation	914,138	855,892
Capital grants from DfE and other capital income	(150,099)	(308,969)
Interest receivable	(258)	(1,602)
Defined benefit pension scheme obligation inherited	146,000	-
Defined benefit pension scheme cost less contributions payable	521,000	497,000
Defined benefit pension scheme finance cost	95,000	79,000
Decrease/(increase) in debtors	105,464	(210,052)
Decrease in creditors	(72,876)	(86,536)
Net surplus on conversion to academy	(2,719,226)	-
Cash funds transferred on conversion	(29,339)	-
Loss on disposal of tangible fixed assets	-	1,148
NET CASH PROVIDED BY OPERATING ACTIVITIES	974,324	393,950

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22. CASH FLOWS FROM INVESTING ACTIVITIES

	2021 £	2020 £
Dividends, interest and rents from investments	258	1,602
Cash funds transferred on conversion	29,339	-
Purchase of tangible fixed assets	(544,855)	(86,955)
Capital grants from DfE Group and other capital income	150,099	308,989
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(365,159)	223,616

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand and at bank	2,323,256	1,714,091
TOTAL CASH AND CASH EQUIVALENTS	2,323,256	1,714,091

24. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	1,714,091	609,165	2,323,256
	1,714,091	609,165	2,323,256

25. CAPITAL COMMITMENTS

	2021 £	2020 £
Expenditure contracted for but not provided in the accounts	135,309	283,660

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26. PENSION COMMITMENTS

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. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £NIL were payable to the schemes at 31 August 2021 (2020 - £145,922) and are included within creditors.

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 full-time 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:

- 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
- 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 year amounted to £906,188 (2020 - £836,518).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

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26. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £671,000 (2020 - £703,530), of which employer's contributions totalled £543,000 (2020 - £576,530) and employees' contributions totalled £ 128,000 (2020 - £127,000). The agreed contribution rates for future years are 16.5 - 26.6% per cent for employers and 5.5 - 12.5% per cent for employees.

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

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2021 %	2020 %
Rate of increase in salaries	3.8	2.7
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.8	2.3

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

	2021 Years	2020 Years
RETIRING TODAY		
Males	21.9	21.9
Females	24.3	24.1
RETIRING IN 20 YEARS		
Males	22.9	22.7
Females	26.0	25.6

SENSITIVITY ANALYSIS

	2021 £000	2020 £000
Discount rate -0.1%	366	256
CPI rate +0.1%	326	235

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26. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

The Trust's share of the assets in the scheme was:

	2021 £	2020 £
Equities	5,314,700	3,723,000
Debt instruments	1,550,010	1,286,000
Property	524,670	449,000
Cash	151,620	170,000
Other assets	17,000	13,000
TOTAL MARKET VALUE OF ASSETS	7,558,000	5,641,000

The actual return on scheme assets was £1,436,000 (2020 - £117,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2021 £	2020 £
Current service cost	1,064,000	1,050,000
Interest income	(102,000)	(97,000)
Interest cost	197,000	175,000
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	1,000	1,000
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	1,160,000	1,129,000

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

	2021 £	2020 £
AT 1 SEPTEMBER	10,664,000	8,652,000
Conversion of academy trusts	290,000	-
Interest cost	197,000	175,000
Employee contributions	128,000	127,000
Actuarial losses	2,531,000	676,000
Benefits paid	(49,000)	(16,000)
Current service cost	1,064,000	1,050,000
AT 31 AUGUST	14,825,000	10,664,000

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**NOTES TO THE FINANCIAL STATEMENTS
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26. PENSION COMMITMENTS (CONTINUED)

Changes in the fair value of the Trust's share of scheme assets were as follows:

	2021 £	2020 £
AT 1 SEPTEMBER	5,640,000	4,804,000
Conversion of academy trusts	144,000	-
Interest income	103,000	97,000
Actuarial gains	1,050,000	76,000
Employer contributions	543,000	553,000
Employee contributions	128,000	127,000
Benefits paid	(49,000)	(16,000)
Administrative expenses	(1,000)	(1,000)
AT 31 AUGUST	7,558,000	5,640,000

27. OPERATING LEASE COMMITMENTS

At 31 August 2021 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	27,712	25,041
Later than 1 year and not later than 5 years	59,739	31,196
	87,451	56,237

28. MEMBERS' LIABILITY

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

29. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 13.

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30. POST BALANCE SHEET EVENTS

A new free school, Great Oldbury Primary Academy, joined the Trust in September 2021. The Funding Agreement in relation to this Academy is effective from 1 September 2021 and the school buildings was handed over on 27 August 2021.

This builds upon the conversion of Tredington Primary School into the Trust during the financial year. The assets brought into the trust on conversion are listed in Note 4.