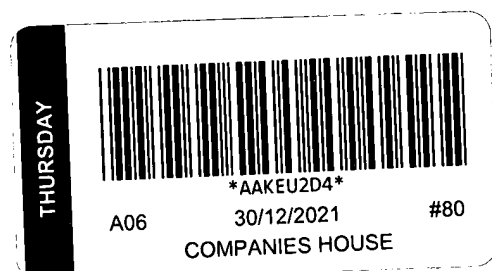


New River Trust

Annual Report and Financial Statements

31 August 2021

Company Limited by Guarantee
Registration Number
07708890 (England and Wales)



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Reference and administrative information

Trustees	J Beer S Daley U Hamid-Dizier C Karayannis M McKenzie (Accounting Officer) J Oldham L Pinnick J Scott (Chair of Trustees) D Stout
Members	S Daley N Scott J Scott G Wyse R Wells
Alexandra Park School Governors	M Box A Gee U Hamid-Dizier (Chair of Local Governors) M McLachlan M McKenzie (Headteacher) J Morago J Oldham N Richardson T Sandles N Scott
Senior leadership team	M McKenzie - CEO and Headteacher I Felfeli - DHT, Performance and Development R O'Riordan-Fennessy - DHT, Safeguarding and Pastoral D Silverman - DHT, Curriculum and Standards J Chadwick - AHT, Director of KS3 K Perry - AHT, Inclusion & Pathways SJ Starkie - AHT, Director of Sixth Form G Stratis - AHT, Teaching & Learning T Ware - AHT, Standards & Assessment A Falola - AHT, Director of KS4
Company secretary	E Bell
Company registration number	07708890 (England and Wales)

Reference and administrative information

Registered address	Alexandra Park School Bidwell Gardens London N11 2AZ
Independent auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	LloydsTSB Bank Plc Silver Street PO Box 1000 BX1 1LT
Investment advisors	CCLA Investment Management Limited COIF Charity Funds Senator House 85 Queen Victoria Street London EC4V 4ET
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

Trustees' report (including the strategic report) Year to 31 August 2021

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

The Trust operates an academy for pupils aged 11 to 19 serving a catchment area in Haringey. It has a DFE stated student capacity of 1,290 and had a roll of 1,799 in the school census, October 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The Trustees of New River Trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates as New River Trust.

The Trust was incorporated on 18 August 2011, obtaining single academy status from 1 October 2011. On 12 September 2016 the Trust changed its name from Alexandra Park School to New River Trust. On 1 January 2017, it became a multi-academy Trust, known as New River Trust.

Details of those who served as Trustees and Governors of Alexandra Park School during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees indemnity insurance

The Trustees are indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. As explained in note 10 to the accounts the limit of the indemnity of £10,000,000.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Method of recruitment and appointment of election of Trustees

As set out in its Articles of Association, the number of Trustees shall be not less than 3 and up to 10, appointed under Article 50 of the Articles. The Chief Executive Officer shall be a Trustee, appointed pursuant to Article 57. The Trustees are appointed by the Members on the basis of the range and skills they are able to bring to the Trust and an annual skills audit and governance review is conducted to ensure that any knowledge gaps are addressed via recruitment or training, as appropriate. Trustees are appointed for a period of office determined by the Members. The DfE Governance Handbook and Competency Framework is used to map required skills and competencies at Board level and inform succession planning. Trustee succession planning is a standing agenda item at all Trustee meetings and Trustees are asked to lead succession planning for their area(s) of expertise.

Trustee candidates can come from a variety of sources and often start as Local Governors. Local Governors are recruited via the school website, through advertising on community networks such as local social media groups and through Governors' own networks. Additionally, Directors of Studies are asked to nominate parents and carers whom they consider strong candidates for the role of Local Governor.

The Trust has established a Local Governors' Advisory Group (LGAG) for Alexandra Park School which includes two elected Parent Local Governors and two elected Staff Local Governors. Elected Local Governors serve for a period of 2 years. Appointed Local Governors are appointed by the Board of Trustees on the basis of the range and skills they are able to bring to the LGAG and an annual skills audit and governance review is conducted to ensure that any knowledge gaps are addressed via recruitment or training, as appropriate. Appointments to the LGAG are reviewed by the Board of Trustees on an annual basis pursuant to Article 101 except for the Headteacher, to whom this time limit does not apply. When appointing new Local Governors, Trustees give consideration to the range of skills and experience within the existing membership in order to ensure that the LGAG has the necessary skills and competencies to contribute fully to the development of Alexandra Park School.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for Trustees and Local Governors is delivered in accordance with the New River Trust Trustee and Local Governor Induction Schedules and the NRT Governance Handbook approved by the Board of Trustees.

The induction programme for new Trustees and Local Governors in will depend upon their existing experience but will always include an induction meeting with the Chair and Clerk and induction meetings with Deputy Headteachers in the areas of Safeguarding and Pastoral; Curriculum and Standards; and Teacher Training and Partnerships. Board of Trustees and Finance & Audit Committee induction programmes also include a finance induction meeting with the Finance Director. Trustees and Local Governors induction programmes always include safeguarding training and a school visit Alexandra Park School during which they are given the opportunity to meet staff and pupils.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies and procedures adopted for the induction and training of Trustees
(continued)

As part of the induction programme, all Trustees and Local Governors are provided with copies of, or links to, essential policies and procedures, agendas and minutes, strategic documents, including those relating to financial planning and performance, and the NRT Scheme of Delegation. The Scheme is reviewed annually and includes details of the statutory framework under which the Trust operates, the roles and responsibilities of the Board of Trustees, the Finance & Audit Committee, Personnel Committee, Admissions Committee and the Local Governors' Advisory Group and their Terms of Reference.

Regular additional training is provided to Trustees and Local Governors via an agreed annual programme. This programme is informed by action planning to address any training needs identified following the annual skills audit and governance review and by relevant sector developments. The programme includes provision of regular governance briefings at Trustee and Local Governors' Advisory Group (LGAG) meetings, an annually scheduled planning and development event, and additional training sessions at Board and LGAG meetings, as required. These include presentations aimed at increasing confidence, skills and capabilities relevant to each group's roles and responsibilities and keeping Trustees and Local Governors updated on relevant developments that impact on their governance duties. The annual programme also includes updated Safeguarding Training and other external training is undertaken as required.

Organisational structure

The Board of Trustees meets at least six times per year. It has established an overall framework for the governance of the Trust and has established a Finance & Audit Committee, Personnel Committee and Admissions Committee and, for Alexandra Park School (currently the single school within the Academy Trust), a Local Governors' Advisory Group (LGAG). It has determined membership, terms of reference and delegated responsibilities and procedures for each of its Committees, including the LGAG, which are recorded in the Trust's Scheme of Delegation and annual Schedules of Business. The Board receives minutes and reports, including policies, from the Finance & Audit Committee and other Committees for review and approval at its regular meetings. A Trustee currently acts as Chair of the LGAG and an additional Trustee has been appointed to the LGAG as Link Trustee.

As per the Trust's Articles of Association and scheme of delegation, the decisions reserved to the Board of Trustees include but are not limited to: 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 Headteacher and the Clerk; to approve the School Development Plan (SDP) annually on the recommendation of the LGAG; and, on the recommendation of the Finance & Audit Committee, to approve the annual Budget and Year-End Financial Statements. The Board of Trustees has devolved responsibility for the day-to-day management of Alexandra Park School to the Headteacher and Senior Leadership Team (SLT). The SLT consists of the Headteacher, 3 Deputy Headteachers and 5 Assistant Headteachers. The Headteacher is also the CEO of the Trust.

Trustees' report (including the strategic report) Year to 31 August 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure (continued)

The Headteacher, one Deputy Headteacher, the Finance Director and the Finance & Audit Committee are responsible for the authorisation of spending within agreed budgets as summarised in the Scheme of Financial Delegation approved by the Board. Some spending control is devolved to budget holders in line with the Trust's Scheme of Financial Delegation. The Headteacher is responsible for the appointment of staff at Alexandra Park School.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel comprises: the Chief Executive Officer and Headteacher; Deputy Headteachers and Assistant Headteachers.

The Chief Executive Officer is appointed by the Board of Trustees, which also reviews CEO performance annually and determines pay and remuneration arrangements. In making its decisions on pay and remuneration of management personnel, the Board of Trustees acts in accordance with the Trust's Pay Policy and considers external advice from appropriately skilled independent specialists, external data on Trust performance against agreed targets and external benchmarking information. On behalf of the Board of Trustees, the Personnel Committee undertakes the CEO and Headteacher's annual performance appraisal in accordance with the Trust's performance appraisal policy and annual salary review, in accordance with the Trust's Pay Policy. The Personnel Committee reports on the outcome of the CEO annual performance appraisal and salary review to the Board of Trustees and recommends annual salary for approval by the Board of Trustees.

The Finance & Audit Committee approves the arrangements for the pay of the Deputy and Assistant Headteachers on the basis of recommendations from the Headteacher in accordance with the Trust's Pay Policy, performance appraisal policy and line with national pay and conditions.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the period	Full-time equivalent employee number
2	2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	2

Percentage of pay bill spent on facility time

Total cost of facility time	nil
Percentage of the total pay bill spent on facility time	0%

Trustees' report (including the strategic report) Year to 31 August 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trade union facility time (continued)

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	nil
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Related parties and other connected charities and organisations

New River Trust, through Alexandra Park School, is also a National Teaching School, the New River Teaching Alliance (NRTA). In that role, it has entered into a non-profit making partnership, through a memorandum of understanding, with secondary schools in Haringey, the Haringey Sixth Form Centre and an academy in Barnet. It has identified the London Borough of Haringey, Fortismere School and Woodside School as its key NRTA strategic partners. Working with its strategic partners, it leads on the delivery of the Government's agenda for teaching alliances.

The Board of Trustees' overall aim is to ensure it delivers its charitable objects, as set out in its Articles of Association as follows:

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

The Trust mission is "Success for all". To fulfil the potential of each individual within New River Trust, raising aspiration and achievement through a culture of challenge, improvement and cohesion.

The Trust is committed to the principle of providing an accessible, broad and attainable curriculum for all pupils regardless of ability, race, religion, gender, ethnicity, colour, sexuality or class. It has articulated how it will achieve its key aim of "Success for All" in the Alexandra Park School Development Plan (SDP) as follows:

"Our aim is to develop a whole school ethos of aspiration and success with structures in place to challenge and support all individuals. If we are successful we will have created an evolving learning environment, which is vibrant, stimulating and contemporary and where all participants feel valued because they understand the part they play in the experience"

Trustees' report (including the strategic report) Year to 31 August 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Related parties and other connected charities and organisations (continued)

The Board of Trustees has also articulated its approach to MAT growth in the Trust's five-year vision as follows:

"New River Trust is a Multi-Academy Trust with a single, high achieving, successful comprehensive school. We are proud of the longstanding success of Alexandra Park School and will take every action to maintain and build on this success, whatever national challenges we may face.

Our vision is to build on our good practice in Alexandra Park School to benefit the wider education community. We will achieve this through:

- ◆ Expanding our portfolio of outstanding practice, including through curriculum development in our lower school, raising aspirations in the sixth form and teacher training and development
- ◆ Maximising the impact of our current programmes, such as The Ogden Trust and the Science Learning Partnership
- ◆ Building new partnerships that deliver real impact. These could include:
 - Integrating schools into our MAT. We will do this only where we are confident this is both sustainable and creates real educational benefit
 - Co-operating with like-minded schools, local community organisations, international partners

By doing this, our Trust will become a beacon for outstanding practice nationally, allowing us to develop and invest in our colleagues, and ultimately ensuring the success of all our students."

The New River Trust has made a strategic commitment to progress toward this vision through five key aims:

- ◆ To maintain a broad and ambitious curriculum that values learning for all and to expand our portfolio of outstanding practice
- ◆ To foster a positive and inclusive environment which promotes development, performance and wellbeing
- ◆ To ensure consistency in Teaching, Learning and Assessment and maintain high quality educational outcomes
- ◆ To maintain a physical environment which is safe, engaging and fit-for-purpose, whilst ensuring financial and environmental sustainability
- ◆ To expand the Trust's impact and reputation as a beacon nationally, through public engagement and partnership with other schools & organisations

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Objectives, strategies and activities

The principal activity of the Trust is delivery of its charitable objects as outlined above.

Objectives, strategies and activities are set out in the Trust's Strategic Objectives and the SDP for Alexandra Park School, having been determined in the context of Trust's vision, values and priorities and the challenges and the opportunities arising from changes in the national education context, including policy and funding. In 2020-21, this included the challenges associated with the global pandemic COVID-19 and the corresponding increased focus on business continuity, particularly in relation to the delivery of effective remote education, support interventions for vulnerable students and staffing resource. In this context, the Trust's 2020-21 strategic objectives included the following:

- ◆ Teaching and learning, including business continuity: To maintain delivery and implementation of the full curriculum to all students without compromising on intent and impact. To ensure our remote learning approach delivers toward the teaching and learning aims.
- ◆ Safeguarding and supporting vulnerable students and student mental health and resilience: To maintain a high level of student participation and engagement across all student groups and to ensure all students are accessing the full curriculum.
- ◆ Equity, Diversity and Inclusion in the curriculum, including Educating for Anti-Racism: To consider the experience of students and families in developing a curriculum that reflects the history and experiences of all students, including by review, awareness and support in accessing and analysing Equality Protected Characteristics data.
- ◆ COVID Risk assessment and risk mitigation: To maintain a physical environment on site which is both safe, engaging and fit-for-purpose, including by maintaining ongoing compliance with government guidance and advice related to COVID-19
- ◆ Supporting staff engagement, wellbeing and effectiveness in a changing context: To maintain a high level of staff satisfaction and engagement, and to foster a positive and inclusive environment which promotes staff development, performance and wellbeing
- ◆ Retaining our commitment to partnership working: To deliver on our pre-existing commitments, including for the provision of teacher training via current networks and continuing to lead educational support activities and participate in educational support networks through existing partnerships.

With reference to MAT growth, in 2020-21 the Trust focussed on preparing for growth by building on our good practice in Alexandra Park School to benefit the wider education community in line with its five-year vision. This was achieved by developing a sustainable and pragmatic response to business continuity during the pandemic and by retaining our commitment to partnership working throughout the pandemic. This included delivery of a capital development project to enhance STEM facilities at APS, maximising the impact of our current programmes and providing the opportunity to further grow STEM partnerships that deliver real impact, for example via the Science Learning Partnership and Ogden Trust. The Board of Trustees also continued to actively discuss opportunities for formal MAT growth, including by way of formal risk based analyses and scenario planning and discussions with potential joiner schools during 2020-21.

Trustees' report (including the strategic report) Year to 31 August 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

Delivery of the Trust's charitable objects as outlined above, further the Trust's purposes for the public benefit including: 'to advance for the public benefit education by establishing a school offering a broad and balanced curriculum' and 'to promote for the benefit of the inhabitants of North London and the surrounding area, the provision of facilities for individuals who have need of such facilities with the object of improving the condition of life of the said inhabitants.'

The London Borough of Haringey manages the admissions process for the Trust. Children with a statement of Special Educational Needs which named Alexandra Park School were admitted in accordance with Section 324 of the Education Act 1996.

Criteria for admissions in 2020-21 were as follows:

- ◆ Children in Care
- ◆ Social/Medical needs
- ◆ Brother or sister already attending the school
- ◆ Children of Staff
- ◆ Distance from the school
- ◆ Tie breaker - children living closest to the school

STRATEGIC REPORT

Achievements and performance

The Trust teaches young people from the age of 11-18. In this year Centre Assessed Grades were assigned. Sixth Form students at Alexandra Park School achieved a 100% pass rate at A level in 2020-21, with 90% of students achieving A*-C grades and 64% achieving A*-B grades. The average A level grade was a B+ and GCSE achievements were also broadly similar to the previous year. The Academy Trust's performance is impressive with and estimated Progress 8 of 0.71 and Attainment 8 of 61.3. In the new exams, the headline "4+" English and Maths grades is 87%. The figure for "5+" is 74%.

The Trust holds a number of awards and kitemarks, reflecting its commitment to excellence in education. In 2020-21 it was appointed Science Learning Partnership Lead for North and East London and became a Turin Project lead school.

Alexandra Park School is heavily oversubscribed. It received 1,758 applications for the 232 places available in Year 7 in September 2020, 954 of these were first and second choice applications.

Trustees' report (including the strategic report) Year to 31 August 2021

STRATEGIC REPORT (continued)

Achievements and performance (continued)

The Trust met its objectives for 2020-21. Achievements and performance were in-line with stretch targets. In reviewing its achievement and performance, the Trust concluded that its proactive policy of retaining skilled and experienced staff through a focused CPD programme and support with the emphasis on self-reflection had impacted effectively. Throughout the period under review, staff displayed high levels of autonomy and confidence both in the classroom and when delivering remote education and teaching was innovative and creative.

Key performance indicators

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2020-21 were 1,799, an increase of 82 over 2019-2020.

Another key financial performance indicator is staffing costs as a percentage of total income and in the 2020-21 year, the Trust set an indicator that staff costs should be approximately 80% of total income.

All financial performance indicators set by the Board of Trustees for this period were met. These were:

- ◆ to maintain an operating surplus to support the strategic development of the school;
- ◆ to have at least 45 cash days in hand as working balances;
- ◆ to have a current ratio of at least 1:1 for current assets relative to current liabilities.
- ◆ to diversify income streams by increasing the proportion of total income represented by non-core EFSA funding and grants.

Non-financial KPIs are set annually against each of the Trust's objectives and the Board receives data at least termly to support monitoring the delivery of objectives via KPIs. In 2020-21, the objectives outlined above provided the framework for the provision of monitoring data against the following non-financial KPIs: student attendance; student engagement with remote education; examination results; student characteristics including SEND and LAC; student behaviour and exclusions; safeguarding and pastoral concerns; staff absence; staff recruitment and retention and staff training.

Going concern

After making appropriate enquiries and having undertaken a full assessment of going concern status, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board of Trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Trustees' report (including the strategic report) Year to 31 August 2021

STRATEGIC REPORT (continued)

Financial review

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA 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 ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants 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 expected useful life of the assets concerned.

During the year ended 31 August 2021, total expenditure of £12,959k (2020: £12,460k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the year (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £619k (2020: excess of expenditure over income was £182k). This excludes the gain on investments of £676k (2020: £144k).

The financial impact of the pandemic during 2020-21 can primarily be seen in the following areas: 1) reduction in expenditure associated with reduced use of the premises during school closure periods; 2) increase in expenditure associated with IT infrastructure required for the effective delivery of remote education; 3) reduction in lettings income associated with social distancing and infection control restrictions on the use of the school premises for lettings. 4) The Trust was also unable to move forward with school improvement works reducing expenditure. In summary these changes had a net positive effect on the Trust's reserves.

In 2020-21 the Trust received COVID-19 Catch Up Premium in the amount of £93k. The Board published its plans for allocating this funding and evaluating its impact in the Trust's Premium Funding Strategy. For 2020/21, planned expenditure of the COVID-19 Catch Up Premium included: targeted small group tuition, after school and weekend academies, additional TA and specialist mentor support, enhanced support for students at key transition points, and the provision of technology for those without access outside of school. Additional baseline and ongoing assessment data was harvested and is being used to establish learning loss during closure periods, inform longer term strategies and measure the effectiveness of planned and ongoing interventions.

At 31 August 2021 the net book value of fixed assets was £22,932k (2020: £20,889k). Movements in tangible fixed assets are shown in Note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of Alexandra Park School.

The London Borough of Haringey Pension Fund, in which the Trust participates, showed a deficit of £3,936k (2020: £2,913k) at 31 August 2021. Of this sum, £1,015k was inherited by Alexandra Park School from the London Borough of Haringey on 1 October 2011, the date the local authority's staff transferred to employment with the Trust.

STRATEGIC REPORT (continued)

Reserves policy

The Board of Trustees has established the Trust's Reserves Policy and reviews Trust performance against this policy annually. This review includes a benchmarked review of reserve levels and encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

As per the Reserves Policy, Trustees have determined that the appropriate level of free reserves should be equivalent to a minimum of four weeks' expenditure, which is approximately £997k (2020: £958k). This minimum has been set to ensure sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Trust's level of free reserves (total funds less the amount held in fixed assets and restricted funds) may be greater than the minimum specified where such reserves are held for the purposes listed in the reserves policy. The Board of Trustees considers actively and regularly the use of these reserves to enhance educational provision in accordance with the principles outlined in the reserves policy.

The Trust's current level of free reserves of £3,417k (2020: £3,602k) is greater than the minimum and the Trust is delivering Phase 2 of a capital building programme drawing on these reserves. In 2020-21 the first stage of this programme was completed, adding almost 1,000 square metres of space to the school. Phase 3 capital development plans are being actively considered by the Board in line with the Reserves Policy earmarking £2,000,000 towards this plan.

Investment policy

Under the Memorandum and Articles of Association, the Trust has the power to invest funds not immediately required for its own purposes, in any way the Trustees see fit. The Board of Trustees has established the Trust's investment policy to set out the processes by which the Board will meet its duties under the Trust's Funding agreement with the Secretary of State and the ESFA Academies Financial Handbook to invest monies surplus to operational requirements in furtherance of the Academy's charitable objects and to ensure that investment risk is properly and prudently managed.

Investment risk is managed through asset class selection and diversification to ensure that security of deposits takes precedence over revenue maximisation. Expert advice is sought as considered necessary and the Board agrees a suitable asset allocation strategy for reserves with the Trust's professional investment manager, regulated by the ESFA. Assets are invested in line with The Trust's values and charitable objects and with regard to the Charity Commission's guidance on ethical and responsible investment. Whilst Trustees have not adopted an exclusionary policy, individual investments may be excluded if perceived to conflict with the Trust's values and charitable objects.

The Board of Trustees aims to observe responsible investment principles and the Trust's investment managers have been directed to take into consideration the environmental, social and governance risk characteristics of existing and prospective investments, providing regular reports on these issues to the Finance & Audit Committee.

Trustees' report (including the strategic report) Year to 31 August 2021

STRATEGIC REPORT (continued)

Investment policy (continued)

The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

Financial Position

The Trust held fund balances at 31 August 2021 of £22,413k (2020: £21,578k) comprising £19,478k (2020: £17,976k) of restricted funds and £2,935k (2020: £3,602k) of unrestricted general funds.

Of the restricted funds £22,932k (2020: £20,889k) is represented by tangible fixed assets.

The pension reserve which is considered part of restricted funds was £3,936k (2020: £2,913k) in deficit. This does not pose a risk for going concern because the liability will not be immediately called upon for repayment.

Principal risks and uncertainties

The Board of Trustees have established a risk management strategy which outlines the formal risk management process used by the Trust to assess, mitigate and manage business risks. This process includes identification of the types of risk the Trust faces, scoring and prioritising these in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating or managing each risk, as appropriate. This information is included in the Trust's Risk Register, which is maintained and reviewed on a regular basis by the Finance & Audit Committee and the Board of Trustees.

The Board has introduced systems, including operational procedures and internal financial controls, to further minimise risk. Where significant financial risk still remains, the Trust has ensured it has adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on page 21. The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff ownership and awareness of risk. Senior staff are allocated management responsibility for risk mitigation and control activities for the relevant sections the Risk Register, reporting to the Board of Trustees, and all finance and governance staff receive training to keep them up to date with the relevant practice requirements and compliance.

The below outline provides an overview of the principal risks facing the Trust as identified by the Board of Trustees together with a summary of its plans and strategies for managing those risks.

Financial

The financial risks to which Trust is exposed relate primarily to greater decline than currently forecast in Government funding arising from further deterioration in the UK economy. The Trust has considerable reliance on continued Government funding. This is recognised as a principal risk because the Trust cannot assume that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Trustees' report (including the strategic report) Year to 31 August 2021

STRATEGIC REPORT (continued)

Financial (continued)

A financial risk also arises in relation to the defined benefit pension LGPS scheme due to the deficit as at 31 August 2021 of £3,936k (2020: £2,913k). This risk is currently managed in that any deficit is covered by the Government promise.

As government funding is based on pupil numbers, financial risk is closely linked with reputational risk and associated risks to admissions. Monitoring and mitigation of reputational risk is outlined below.

Failures in governance, management and/or compliance

The risk in this area arises from potential failure of the Board to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc.

The Board of Trustees continues to review governance and management risks and ensure that appropriate measures are in place to mitigate these risks, including taking legal or specialist advice on key areas of relevant legislation. For example, the Board has extended the remit of the biannual internal audit to include a full review of compliance, informed by the Trust's Risk Register. The Board has also agreed a formal policy review schedule to ensure policies are reviewed and updated in line with statutory requirements and a decision-making framework, summarising key management and reporting responsibilities in the Trust's Scheme of Delegation. In addition, the Trust has appointed a professional clerk to the Board of Trustees to provide guidance to ensure that the Board works in compliance with appropriate legal and regulatory framework.

Reputational

The continuing success of the Trust is dependent on attracting applicants in sufficient numbers by maintaining its reputation for outstanding educational standards. To mitigate risk to the Trust's reputation, Trustees and Local Governors ensure that student success and achievement are rigorously monitored and reviewed. This risk is further mitigated via Trust involvement in collaborative interventions across a network of schools as described on page 8, strengthening the Trust's reputation for high quality education.

The number of applicants applying for admission to the Trust in 2020 was by a substantial margin the highest across all Haringey schools. Alexandra Park School receiving the most first preferences of any Haringey school; the most second preferences; and the most third preferences.

Safeguarding and Child Protection

The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, training, health and safety and discipline.

Staffing

The success of the Trust is reliant on the quality of its leadership and staff, so the primary risks faced in this area relate to the recruitment and retention of high-quality staff. Retention of the CEO is seen as key to the Trust's success, as is the Trust's New Teacher Training (NTT) and continued professional development (CPD) programmes.

Trustees' report (including the strategic report) Year to 31 August 2021

STRATEGIC REPORT (continued)

Staffing (continued)

To mitigate staffing risks, The Board of Trustees monitors and reviews policies and procedures to ensure continued development and training for all staff including implementation of the Trust's electronic performance management system. The Board of Trustees receives regular reports on staffing including recruitment and retention data, information on continued professional development of staff and biennial staff survey results.

The start of the 2020-2021 academic year saw the Trust fully staffed in all areas.

Fraud and mismanagement of funds

The Trust has contracted with an audit firm to provide internal audit service to carry out checks on financial systems and records following sector guidance.

Fundraising

There were no major fundraising activities in the year.

Plans for future periods

Details of the Trust's plans for Alexandra Park School are set out in the New River Trust Five Year vision, NRT Strategic Aims and Objectives and the Alexandra Park School Development Plan (SDP) which are available on the school website. The Vision and Strategy are regularly reviewed and monitored by the Board of Trustees and the SDP is regularly monitored by the SLT and the LGAG, and reviewed by the Board of Trustees. These documents are updated annually by The Board and Senior Leaders, following consultation and input from staff and Local Governors. The curriculum priorities in the Strategic Objectives and SDP are used to inform future budget priorities.

In summary, in 2020-2021 the Trust will:

- ◆ continue to strive to provide outstanding education and improve the levels of performance of its students at all levels;
- ◆ continue to aim to attract high quality teachers and support staff in order to deliver its objectives;
- ◆ continue to work with partner schools and organisations to improve the educational opportunities for students in the wider community;
- ◆ continue to develop its reputation as a leading provider of high-quality teacher training

The decision to become a multi-academy Trust was made in the context in particular of formalising the Trust's commitment to working with partners to improve educational opportunities for students in the wider community and this remains a key priority for the Trust. This priority is reflected in the Trust's five-year MAT vision as outlined above. The five year vision will form the basis of future plans, with a focus on building the Trust's reputation for high quality education through collaboration and partnership building.

The Trust acknowledges that the maintenance of outstanding educational provision at Alexandra Park School is central to achievement of its MAT vision, therefore future plans include strategic capital development at the school to support continued excellence. As outlined above, the Trust is currently delivering Phase 2 of a capital building programme,

Trustees' report (including the strategic report) Year to 31 August 2021

STRATEGIC REPORT (continued)

Plans for future periods (continued)

having completed Phase 1 during 2020-21. This programme focussed on the development of a STEM centre of excellence, enhancing provision for current students and, more widely, expanding our work with partners The Ogden Trust and Science Learning Partnership. Strategic plans for a phase 3 capital development project are under active consideration by the Board of Trustees and include development work focussing on enhancing educational provision and student experience as well as future proofing and financial sustainability via management of key risks.

Funds held as custodian Trustee on behalf of others

During the year and in response to a request from the London Borough of Haringey (LBH) the academy has acted as an agent for the Network Learning Community (NLC). The NLC is a consortium of all primary schools located in the west of the LBH. The NLC meets regularly at Alexandra Park School to consider and co-ordinate improvement and support initiatives across its consortium schools. The Trust had a brought forward creditor balance of £41,020 relating to undistributed funds. During the year the Trust received an additional £12,100 which was added to the fund and disbursed £25,387 from the fund, which includes an administration fee of £2,100 payable to the academy. An amount of £26,732 is included in other creditors relating to undistributed funds.

Disclosure of information to auditors

In so far as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 16/12/2021... and signed on its behalf by:



J Scott

Chair of Trustees

Governance statement Year to 31 August 2021

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, 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 New River Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

The Board of Trustees

The Board of Trustees formally met 6 times during the year. In line with government guidance restricting in-person gatherings during the pandemic, all Board and Committee meetings were held remotely by videoconference during 2020-21. Meetings were held in accordance with the Virtual Board and Committee Meetings Policy, outlining conduct and administrative protocols for remote meetings, established by the Board of Trustees.

Attendance at meetings of the Board of Trustees was 91% as per below.

Trustees	Number of meetings attended	Out of a possible
J Beer	4	6
S Daley	6	6
U Hamid-Dizier	5	6
M McKenzie (Accounting Officer)	6	6
L Pinnick	5	6
J Scott (Chair of Trustees)	6	6
J Oldham	6	6
D Stout	6	6
C Karayannis	5	6

Governance statement Year to 31 August 2021

The Board of Trustees (continued)

In 2020-21 Trustees and Local Governors completed the Trust's annual skills audit and governance review based on the Department for Education's Governance Handbook and Competency Framework. The results of this review were used to inform succession planning and to plan training opportunities at both Board and LGAG level. In 2019-20, in addition to the annual skills audit and governance review, Trustees carried out a self-evaluation of governance effectiveness against the DfE Handbook and Competency Framework, identifying areas for further development of governance practices and agreeing governance development priorities and a two-year action plan to deliver these during 2019-20 and 2020-21. Focus areas selected by the Trustees included refining the Trust's stakeholder engagement strategy, developing Governing Body understanding of the new Ofsted framework and enhancing communication between the Board and LGAG. All areas of the two-year action plan were successfully completed at year end 2020-21.

New River Trust Members received regular reports on Board effectiveness, which included the results of the skills audit and governance review. Members maintained oversight of the effectiveness of the Board of Trustees via discussion of these reports at the AGM and by receiving additional information as to the Board's plans in relation to training and succession planning. Trustee and Local Governor training sessions were delivered and a Local Governor appointed to the Finance & Audit Committee as a result of these reviews, further enhancing the skillset and effective functioning of the Board and its Committees.

Finance & Audit Committee

The Finance & Audit Committee is a sub-committee of the Board of Trustees.

Its purpose is to scrutinise effective and appropriate use of Trust resources, to ensure propriety and value for money and to monitor finance, estates and audit management on behalf of the Board of Trustees. The Finance & Audit Committee also functions as Audit and Risk Committee in accordance with section 3.6 of the 2021 Academy Trust Handbook (prev. Academies Financial Handbook). The Finance & Audit Committee formally met five times during the year.

Attendance at meetings of the Finance & Audit Committee was 90% as per below.

Not included in the list below is local governing body member, N Scott, who is also a member of the Finance & Audit Committee. N Scott attended 5 out of 5 possible meetings during the year.

Trustees	Number of meetings attended	Out of a possible
S Daley	3	5
C Karayannis	4	5
M McKenzie (Accounting Officer)	5	5
J Scott (Chair of Trustees)	5	5
D Stout (Chair of Finance & Audit Committee)	5	5

Governance statement Year to 31 August 2021

Review of value for money

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

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

Improving Educational Results

Optimising educational results for all students is a key priority for the Trust. Its commitment to "Success for all" is achieved through a diverse and carefully planned curriculum that is strongly led, delivered by experienced and skilled professionals and underpinned by a clear understanding of the academic, social and emotional growth needs of each of our students. It includes extra-curricular opportunities and extended learning to develop the whole person to help prepare them for higher education, further training or work. During 2020-21, this included the development of a comprehensive remote education programme for students, drawing on best practice research and its delivery by professional staff within specialisms.

The Trust has a robust tracking system for monitoring achievement at all key stages (KSs) and is continually looking at how data can inform staff to enable them to support learning opportunities for our students. It involves all of its curriculum and curriculum support teams in focusing on the students' learning needs and encourage innovation and creativity to meet those needs.

The Trust offers students a comprehensive student support service and specialist learning provision, where appropriate, including one to one mentoring and small group work. It has a high number of students with special educational needs (SEN) who are supported by an experienced team of specialist staff. Professional specialist staff delivered additional tailored provision for these students and their families during 2020-21 to ensure continued support and engagement during the disruption associated with the pandemic.

Financial Governance and Oversight

The Trusts' governance arrangements include regular financial monitoring by the Board of Trustees and its committees, including the Finance & Audit Committee. The Board of Trustees and the Finance & Audit Committee receive regular financial reports, including management accounts at each meeting, and ask relevant questions as evidenced in the minutes. Key areas of oversight include:

Governance statement Year to 31 August 2021

Financial Governance and Oversight (continued)

- a) Ensuring the operation of the academy demonstrates value for money and efficient and effective use of resources:

Alexandra Park School uses competitive tendering process for ensuring value for money on a regular basis, established by the Board of Trustees and outlined in the Trust's Scheme of Financial Delegation and Finance Procedures. At least two written quotations are obtained for all orders between £5,000 and £10,000 and at least three written quotations are obtained for all orders between £10,000 and £100,000 to identify the best source of the goods/services. All items of expenditure over £50,000 are reviewed by the Finance & Audit Committee and all orders over £100,000 are put out to tender. In addition, during the year a number of contracts and purchases were reviewed and challenged to ensure existing contracts provided best value for the school.

- b) Maximising income generation:

The Trust worked within the constraints of the COVID-19 guidance to allow safe lettings, while also necessarily diversifying use of the site. During 2020-21, the Trust actively sought and applied for three substantial external funding bids totalling £200k.

- c) Reviewing controls and managing risk:

Monthly management reports are produced which results in actions being taken to address any significant variances that may have arisen and that are likely to have impact on the budget out-turn.

The Academy ensures that surplus cash balances are invested in interest bearing accounts to maximise interest-earning potential.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise risks to the achievement of 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 New River Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

Governance statement Year to 31 August 2021

The risk and control framework

The Trust's system of internal 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 board of governors;
- ◆ regular reviews by the resources committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- ◆ setting targets to measure financial and other performance;
- ◆ clearly defined purchasing (asset purchase or capital investment) guidelines;
- ◆ delegation of authority and segregation of duties;
- ◆ identification and management of risks.

The Board of Trustees considered the need for a specific internal scrutiny function and decided to appoint an external firm with effect from September 2013. It appointed Wilkins Kennedy Audit Services, a firm of accountants who specialise in the field of education, to carry out a programme of internal scrutiny testing, agreed annually on an at-risk basis by the Finance & Audit Committee. In the context of updated ESFA guidance specifying that internal and external audit functions be carried out by separate firms and following regular review of the performance of internal scrutiny provision by Wilkins Kennedy, the Board of Trustees elected to retender the contract for the provision of internal scrutiny provider in Autumn 2020/21.

Following the completion of a comprehensive tendering and interview process, Trustees appointed Baxter & Co., a firm of accountants also specialising in education, as the Trust's new internal scrutiny provider for 2020-21. Baxter & Co carried out the testing programme agreed by the Finance & Audit Committee for 2020-21, which included a range of checks on the Trust's financial systems and other compliance and risk-based checks with reference to the Trust's risk register. Baxter & Co. reported to the Finance & Audit Committee on its findings, including the operation of the systems of control and the discharge of the Board of Trustees' financial responsibilities. All work was completed as planned and actions implemented to bring about improvements where these were identified. There were no material control issues.

To ensure the required checks were completed in a timely manner following tendering and appointment in the Autumn and Spring Terms, the schedule of audit work agreed by the Finance & Audit Committee for 2020-21 was undertaken via one audit visit in the Summer Term 2021, comprising both in person (on-site) and remote testing. The programme of testing included: a benchmarked review of the Trust's Risk Register; Payroll; Purchasing; Scheme of Delegation and High Value Purchases; Census Data; and Assurance Arrangements. There were 8 management recommendations arising from the testing, 5 of which were graded 'low' - recommended as best practice and 3 graded 'medium' – recommended for consideration and action as appropriate within an agreed timeframe. All recommendations were agreed and subsequently addressed by the Trust.

Governance statement Year to 31 August 2021

Review of effectiveness

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

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

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

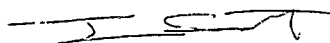
Approved by order of the Board of Trustees on 16/12/2021 and signed on its behalf by:



M McKenzie

Accounting Officer

Date: 16/12/2021



J Scott

Chair of Trustees

As Accounting Officer of New River Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the 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's Board of Trustees are able to identify any material irregular or improper use of 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.



M McKenzie

CEO and Accounting Officer

Date: 16/12/2021

Statement of Trustees responsibilities Year to 31 August 2021

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

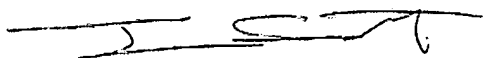
- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP (FRS 102) and the Academies Accounts Direction 2020 to 2021;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping 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 the ESFA have been applied for the purposes intended.

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

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



J Scott

Chair of the Trustees

Date: 16/12/2021

Independent auditor's report on the financial statements Year to 31 August 2021

Independent auditor's report to the members of New River Trust

Opinion

We have audited the financial statements of New River Trust (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP 2019) and the Academies Accounts Direction 2020 to 2021.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its income and expenditure, for the period then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

Conclusions relating to going concern

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 charitable company'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.

Independent auditor's report on the financial statements Year to 31 August 2021

Conclusions relating to going concern (continued)

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

Independent auditor's report on the financial statements Year to 31 August 2021

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

- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy Trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2020 to 2021, the Academies Financial Handbook 2020, and the academy Trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;

Independent auditor's report on the financial statements Year to 31 August 2021

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of Trustees' meetings and papers provided to the Trustees.
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of Trustees' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

Independent auditor's report on the financial statements Year to 31 August 2021

Auditor's responsibilities for the audit of the financial statements (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

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

Use of our report

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

Buzzacott LLP

20.12.2021

Hugh Swainson (Senior Statutory Auditor)

For and on behalf of Buzzacott LLP, Statutory Auditor

130 Wood Street

London

EC2V 6DL

Independent reporting accountant's assurance report Year to 31 August 2021

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

In accordance with the terms of our engagement letter dated 14 June 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by New River Trust during the year from 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 New River Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to New River Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than New River Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of New River Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of New River Trust's funding agreement with the Secretary of State for Education dated 16 July 2013 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 from 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.

Independent reporting accountant's assurance report Year to 31 August 2021

Approach (continued)

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

The work undertaken to draw to our conclusion includes:

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 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.

Buzzacott LLP

20.12.2021

Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Statement of financial activities Year to 31 August 2021

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Unrestricted General Fund £'000	Restricted		2021 Total funds £'000	2020 Total funds £'000
			General £'000	Fixed Assets Fund £'000		
Income from:						
Donations and capital grants	1	20	—	709	729	217
Charitable activities						
· Funding for the Trust's educational operations	2	—	12,379	—	12,379	11,438
· Funding for teaching school	26	—	54	—	54	25
Other trading activities	3	137	338	—	475	391
Investments	4	3	—	—	3	3
Total income		160	12,771	709	13,640	12,074
Expenditure on:						
Charitable activities						
· Trust's educational operations	5	—	12,282	647	12,929	12,431
· Teaching School	26	—	30	—	30	29
Total expenditure		—	12,312	647	12,959	12,460
Gains on investments	13	676	—	—	676	144
Net income (expenditure) for the year		836	459	62	1,357	(242)
Transfers between funds	17	(1,503)	(478)	1,981	—	—
Other recognised (losses) gains						
Actuarial (losses) gains on defined benefit pension schemes	19	—	(522)	—	(522)	124
Net movement in funds		(667)	(541)	2,043	835	(118)
Reconciliation of funds						
Fund balances brought forward at 1 September 2020		3,602	(2,913)	20,889	21,578	21,696
Fund balances carried forward at 31 August 2021		2,935	(3,454)	22,932	22,413	21,578


All of the Trust's activities derived from continuing activities in the above two financial periods.

All gains and losses are included in the statement of financial activities above.

Balance sheet Year to 31 August 2021

	Notes	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed assets					
Tangible fixed assets	11		22,932		20,889
Current assets					
Debtors	12	723		553	
Investments	13	3,842		3,166	
Cash at bank and in hand		570		1,015	
		5,135		4,734	
Liabilities					
Creditors: amounts falling due within one year	14	(1,688)		(1,088)	
Net current assets			3,447		3,646
Total assets less current liabilities			26,379		24,535
Creditors: amounts falling due after more than one year	15		(30)		(44)
Net assets excluding pension liability			26,349		24,491
Pension scheme liability	19		(3,936)		(2,913)
Total net assets			22,413		21,578
Restricted funds					
. Fixed assets fund	18		22,932		20,889
. Restricted general fund	18		482		—
. Pension reserve	18		(3,936)		(2,913)
Total restricted funds			19,478		17,976
Unrestricted funds					
. General fund	18		2,935		3,602
Total funds			22,413		21,578

The financial statements on pages 33 to 57 were approved by the Trustees, and authorised for issue and are signed on their behalf by:

 J Scott

Chair of Trustees
Date: 16/12/2021

New River Trust
Company Limited by Guarantee
Registration Number: 07708890 (England and Wales)

Statement of cash flows Year to 31 August 2021

	Notes	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Net cash flows from operating activities					
Net cash provided by operating activities	20		2,223		1,206
Cash flows from investing activities					
Dividends, interest and rents from investments		3		3	
Capital grants from DfE and EFA		709		35	
Payments to acquire tangible fixed assets		(2,690)		(861)	
Payments to acquire investments		(676)		(744)	
			(2,654)		(1,567)
Cash flows from financing activities					
Repayment of loan		(14)		(10)	
			(14)		(10)
Change in cash and cash equivalents in the reporting period					
			(445)		(371)
Cash and cash equivalents at 1 September 2020			1,015		1,386
Cash and cash equivalents at 31 August 2021			570		1,015

Analysis of changes in net debt

	At 31 August 2020 £'000	Cash flows £'000	New loans £'000	At 31 August 2021 £'000
Cash	1,015	(445)	—	570
Loans falling due within one year	(10)	(4)	—	(14)
Loans falling due after more than one year	(44)	14	—	(30)
Total	961	(435)	—	526

Principal accounting policies Year to 31 August 2021

Statement of accounting policies

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

Basis of preparation

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements 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.

The financial statements are stated in pounds and rounded to the nearest thousand.

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.

Income

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

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

The General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Principal accounting policies Year to 31 August 2021

Statement of accounting policies (continued)

Income (continued)

Capital grants are recognised when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed assets 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 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, including the hire of facilities, is recognised in the period it is receivable and to the extent the Trust has provided the goods or services.

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.

Charitable activities are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust.

All expenditure is stated net of recoverable VAT.

Agency arrangements

The Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 25.

Tangible fixed assets

Assets costing £4,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Principal accounting policies Year to 31 August 2021

Statement of accounting policies (continued)

Tangible fixed assets (continued)

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

♦ Trust's buildings	30 years straight line
♦ Furniture, fittings and equipment	4 years straight line
♦ Computer and office equipment	3 years straight line
♦ Motor vehicles	3 years straight line

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.

Current asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Unrealised investment gains (or losses) are recognised in the statement of financial activities and are credited (or debited) in the year in which they arise.

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.

Leased assets

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

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 basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Principal accounting policies Year to 31 August 2021

Statement of accounting policies (continued)

Financial instruments (continued)

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. 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.

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.

Pensions benefits

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. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the 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.

Principal accounting policies Year to 31 August 2021

Statement of accounting policies (continued)

Fund accounting

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

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

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

Restricted other funds comprise all other restricted funds received and include grants from the Local Authority, Hertfordshire County Council.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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 for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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.

The net book value of tangible fixed assets is based on the original cost/value of the asset net of provision for depreciation. The depreciation provision to date is based on the Trustees' assessment of the estimated useful economic lives of such assets.

Critical areas of judgement

Other than the estimates discussed above, the Trustees do not consider that there are any key judgements made in the preparation of the financial statements.

Notes to the financial statements Year to 31 August 2021

1 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	2021 Total funds £'000
Capital grants	—	—	709	709
Other donations	20	—	—	20
	20	—	709	729

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000
Capital grants	—	35	35
Other donations	167	15	182
	167	50	217

2 Funding for the Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000	2020* Total funds £'000
ESFA revenue grants				
General Annual Grant (GAG)	—	10,265	10,265	9,707
Other ESFA grants				
• Pupil Premium	—	247	247	274
• Others	—	696	696	534
Other DfE Group grants	—	25	25	—
	—	11,233	11,233	10,515
Other government grants				
Local Authority grants	—	864	864	835
Special educational projects	—	—	—	25
	—	864	864	860
Other income from the academy Trust's educational operations	—	130	130	63
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	—	93	93	—
Other DfE/ESFA COVID-19 funding	—	59	59	—
	—	152	152	—
2021 Total funds	—	12,379	12,379	11,438

The Trust received £93k of funding for catch-up premium with all funding to be spent in 2021/22.

Notes to the financial statements Year to 31 August 2021

2 Funding for the Trust's educational operations (continued)

*Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy Trust's funding for 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.

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000
<i>ESFA revenue grants</i>			
General Annual Grant (GAG)	—	9,707	9,707
Pupil Premium	—	274	274
Other ESFA grants	—	534	534
	—	10,515	10,515
<i>Other government grants</i>			
Local Authority grants	—	835	835
Special educational projects	—	25	25
	—	860	860
<i>Other income from the academy Trust's educational operations</i>	—	63	63
2020 Total funds	—	11,438	11,438

3 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000
Hire of facilities/lettings income	27	—	27
Income from other charitable activities	—	338	338
Music services income	76	—	76
Trip income	17	—	17
Other income	17	—	17
	137	338	475
	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000
Hire of facilities/lettings income	53	—	53
Other income	184	154	338
	237	154	391

Notes to the financial statements Year to 31 August 2021

4 Investments

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000
Short term deposits	3	—	3
	<u>3</u>	<u>—</u>	<u>3</u>

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000
Short term deposits	3	—	3
	<u>3</u>	<u>—</u>	<u>3</u>

5 Expenditure

	Staff costs (note 8) £'000	Non pay expenditure		2021 Total funds £'000
		Premises £'000	Other costs £'000	
Academy's educational operations				
Direct costs	8,500	—	603	9,103
Allocated support costs	1,966	1,262	598	3,826
Teaching school				
Direct costs	28	—	—	28
Allocated support costs	—	—	2	2
	<u>10,494</u>	<u>1,262</u>	<u>1,203</u>	<u>12,959</u>

	Staff costs (note 8) £'000	Non pay expenditure		2020 Total funds £'000
		Premises £'000	Other costs £'000	
Academy's educational operations				
Direct costs	8,264	—	796	9,060
Allocated support costs	1,796	1,145	430	3,371
Teaching school				
Direct costs	21	—	6	27
Allocated support costs	—	—	2	2
	<u>10,081</u>	<u>1,145</u>	<u>1,234</u>	<u>12,460</u>

Notes to the financial statements Year to 31 August 2021

5 Expenditure (continued)

	2021 Total funds £'000	2020 Total funds £'000
Net income (expenditure) for the year includes:		
Fees payable to auditor for:		
Audit	12	10
Other services	3	6
Operating lease rentals	15	15
Depreciation of tangible fixed assets	647	603

6 Charitable activities - Trust's educational operations

	2021 Total funds £'000	2020 Total funds £'000
Direct costs – educational operations	9,103	9,060
Support costs – educational operations	3,826	3,371
	12,929	12,431

	2021 Total funds £'000	2020 Total funds £'000
Analysis of support costs		
Support costs		
Support staff costs	1,966	1,796
Depreciation and amortisation	647	603
Technology costs	80	—
Maintenance of premises and equipment	615	119
Other support costs	492	838
Legal costs	6	5
Governance costs	20	12
	3,826	3,373

Notes to the financial statements Year to 31 August 2021

7 Comparative information

Analysis of income and expenditure in the year ended 31 August 2020 between restricted and unrestricted funds:

	Notes	Unrestricted General Fund £'000	Restricted		2020 Total funds £'000
			General £'000	Fixed Assets Fund £'000	
Income from:					
Donations and capital grants		167	15	35	217
Charitable activities					
Funding for the Trust's educational operations		—	11,438	—	11,438
Funding for teaching school		—	25	—	25
Other trading activities		262	129	—	391
Investments		3	—	—	3
Total income		432	11,607	35	12,074
Expenditure on:					
Charitable activities:					
Educational operations		580	11,248	603	12,431
Teaching school		—	29	—	29
Total expenditure		580	11,277	603	12,460
Net income (expenditure)		(148)	330	(568)	(386)
Gains on investments		144	—	—	144
Transfers between funds		—	(826)	826	—
Other recognised losses:					
Actuarial gains on defined benefit pension schemes		—	124	—	124
Net movement in funds		(4)	(372)	258	(118)
Reconciliation of funds					
Total funds brought forward		3,606	(2,541)	20,631	21,696
Total funds carried forward		3,602	(2,913)	20,889	21,578

Notes to the financial statements Year to 31 August 2021

8 Staff

Staff costs

Staff costs during the year were:

	2021 Total funds £'000	2020 Total funds £'000
Wages and salaries	7,455	7,183
Social security costs	813	763
Pension costs	2,011	1,922
	10,279	9,868
Agency staff costs	215	213
	10,494	10,081
Staff development and other staff costs	—	33
Total staff expenditure	10,494	10,114

Non statutory/non-contractual staff severance payments

There were no non-statutory/non-contractual severance payments this year (2020: £nil)

a) Staff numbers

The average number of persons employed by the Trust during the year ended 31 August 2021 was as follows:

	2021 No.	2020 No.
Teachers	119	111
Administration and support	86	83
Management	10	10
	215	204

b) Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2021 No.	2020 No.
£60,001 - £70,000	9	8
£70,001 - £80,000	4	3
£80,001 - £90,000	2	2
£180,001 - £190,000	1	1

c) Key management personnel

The key management personnel of the academy Trust comprise the Trustees and the senior management team as listed on page 1 and the finance manager. The total amount of employee benefits (including employer pension contributions and employee national insurance contributions) received by key management personnel for their services to the academy Trust was £1,090,872 (2020: £1,085,102).

Notes to the financial statements Year to 31 August 2021

9 Trustees' remuneration and expenses

The Headteacher and Staff Trustees only receive remuneration in respect of the services they provide undertaking their roles as employees of the Trust and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Trust in respect of their role as Trustees. During the year expenses no expenses were reimbursed (2020: £742 were reimbursed to one Trustee). The expenses in 202 related to travel and staff wellbeing.

The value of Trustees' annual remuneration in the year ended 31 August 2021 was as follows:

	2021 £'000	2020 £'000
M McKenzie (Headteacher)		
Remuneration	£180,000 - £185,000	£180,000 - £185,000
Pension contributions paid	£40,000 - £45,000	£40,000 - £45,000

Other related party transactions involving the Trustees are set out within the related parties note.

10 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 occurring 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.

Notes to the financial statements Year to 31 August 2021

11 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Assets under construction £'000	Furniture and fittings £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost							
At 1 September 2020	22,597	—	702	1,342	444	39	25,124
Reclassification	(22,597)	22,597	—	—	—	—	—
Additions	—	34	2,526	11	119	—	2,690
At 31 August 2021	—	22,631	3,228	1,353	563	39	27,814
Depreciation							
At 1 September 2020	2,861	—	—	1,074	290	10	4,235
Reclassification	(2,861)	2,861	—	—	—	—	—
Charge for the year	—	339	—	149	151	8	647
At 31 August 2021	—	3,200	—	1,223	441	18	4,882
Net book values							
At 31 August 2021	—	19,431	3,228	130	122	21	22,932
At 31 August 2020	19,736	—	702	268	154	29	20,889

Included in land and buildings is land valued at £5,709k (2020: £5,709k) which is not depreciated.

12 Debtors

	2021 £'000	2020 £'000
Trade debtors	80	22
VAT recoverable	141	167
Other debtors	—	31
Prepayments and accrued income	502	333
	723	553

13 Current asset investments

	2021 £'000	2020 £'000
Balance brought forward	3,166	2,422
Additions	—	600
Gains in year	676	144
Balance carried forward	3,842	3,166
Cost of investments at 31 August 2021	2,286	2,286

The investment is in COIF Charities Investment Fund and valued at bid-market value.

Notes to the financial statements Year to 31 August 2021

14 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Other loans	14	10
Trade creditors	522	706
Taxation and social security	807	64
Accruals and deferred income	345	308
	1,688	1,088

Included within other creditors is a loan of £44k (2020: £54k) from Salix which is repayable over 8 years and which is interest free.

	2021 £'000	2020 £'000
Analysis of loans		
Wholly repayable within five years	44	54
Less: included in current liabilities	(14)	(10)
Amounts included above	30	44
Loan maturity		
Debt due in one year or less	10	10
Due in more than one year but not more than two years	34	10
Due in more than two years but not more than five years	—	34
	44	54

15 Creditors: amounts falling due in greater than one year

	2021 £'000	2020 £'000
Loans	30	44
	30	44

16 Deferred income

	2021 £'000	2020 £'000
Deferred income at 1 September 2020	159	166
Released from previous years	(159)	(166)
Resourced deferred in the year	142	159
Deferred income at 31 August 2021	142	159

At the balance sheet date, the Academy Trust was holding funds received in advance for school trips, rates, relief, insurance, music lessons and devolved formula capital grant.

Notes to the financial statements Year to 31 August 2021

17 Funds

	At 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	At 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	—	10,265	(9,422)	(478)	365
Pupil Premium	—	247	(247)	—	—
Teaching School	—	54	(30)	—	24
Catch-up premium	—	93	—	—	93
Other COVID-19 funding	—	59	(59)	—	—
Other grants	—	2,053	(2,053)	—	—
Pension reserve	(2,913)	—	(501)	(522)	(3,936)
	<u>(2,913)</u>	<u>12,771</u>	<u>(12,312)</u>	<u>(1,000)</u>	<u>(3,454)</u>
Restricted fixed assets funds					
DfE/ESFA capital grants	(6)	709	—	—	703
General fixed assets	20,895	—	(647)	1,981	22,229
	<u>20,889</u>	<u>709</u>	<u>(647)</u>	<u>1,981</u>	<u>22,932</u>
Total restricted funds	<u>17,976</u>	<u>13,480</u>	<u>(12,959)</u>	<u>981</u>	<u>19,478</u>
Unrestricted funds					
General fund	3,602	160	—	(827)	2,935
Total unrestricted funds	<u>3,602</u>	<u>160</u>	<u>—</u>	<u>(827)</u>	<u>2,935</u>
Total funds	<u>21,578</u>	<u>13,640</u>	<u>(12,959)</u>	<u>154</u>	<u>22,413</u>

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

ESFA revenue grant fund and other restricted funds

These grants relate to the Trust's educational and operational activities, including the General Annual Grant.

General Annual Grant (GAG)

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

Other DfE/ESFA grants

This includes funding received from National College and ESFA restricted to the relevant use for Schools Direct, Insurance, Pupil Premium and Devolved Formula Capital expenditure.

LA and other grants

This includes SEN funding and looked after children funding received from London Borough of Haringey.

Other restricted funds include Confucius & Mandarin grants for the teaching of Mandarin and Ogden Trust grant for specific local science partnership.

Transfer of funds: this relates to the purchase of fixed assets during the year.

Notes to the financial statements Year to 31 August 2021

17 Funds (continued)

Fixed assets fund

These grants relate to funding received from the ESFA to carry out works of a capital nature. Transfers have been made from the ESFA capital grant funds to other revenue funds in respect of the expenditure on refurbishment of the Trust, which has been expensed in the year.

Pension reserve

The pension reserve relates to the Trust's Local Government Pension Scheme liability for support staff.

Comparative information

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

	At 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	At 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	—	9,707	(8,877)	(830)	—
Teaching School	—	25	(29)	4	—
Other DfE/ESFA COVID-19 funding	—	808	(808)	—	—
Other grants	—	861	(861)	—	—
Other restricted income	12	206	(218)	—	—
Pension reserve	(2,553)	—	(484)	124	(2,913)
	<u>(2,541)</u>	<u>11,607</u>	<u>(11,277)</u>	<u>(702)</u>	<u>(2,913)</u>
Restricted fixed assets funds					
DfE/ESFA capital grants	—	35	—	(41)	(6)
General fixed assets	20,631	—	(603)	867	20,895
	<u>20,631</u>	<u>35</u>	<u>(603)</u>	<u>826</u>	<u>20,889</u>
Total restricted funds	<u>18,090</u>	<u>11,642</u>	<u>(11,880)</u>	<u>124</u>	<u>17,976</u>
Unrestricted funds					
General fund	3,606	432	(580)	144	3,602
Total unrestricted funds					
	<u>3,606</u>	<u>432</u>	<u>(580)</u>	<u>144</u>	<u>3,602</u>
Total funds	<u>21,696</u>	<u>12,074</u>	<u>(12,460)</u>	<u>268</u>	<u>21,578</u>

Notes to the financial statements Year to 31 August 2021

18 Analysis of net assets between funds

		Restricted funds		
	Unrestricted fund £'000	General fund £'000	Fixed assets fund £'000	2021 Total funds £'000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	—	—	22,932	22,932
Current assets	2,935	2,200	—	5,135
Creditors falling due within one year	—	(1,688)	—	(1,688)
Creditors falling due after one year	—	(30)	—	(30)
Defined benefit pension liability	—	(3,936)	—	(3,936)
Total net assets	2,935	(3,454)	22,932	22,413

		Restricted funds		
	Unrestricted fund £'000	General fund £'000	Fixed assets fund £'000	2020 Total funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	—	—	20,889	20,889
Current assets	3,602	1,132	—	4,734
Creditors falling due within one year	—	(1,088)	—	(1,088)
Creditors falling due after one year	—	(44)	—	(44)
Defined benefit pension liability	—	(2,913)	—	(2,913)
Total net assets	3,602	(2,913)	20,889	21,578

19 Pension and similar obligations

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hertfordshire County Council. 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.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

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

Notes to the financial statements Year to 31 August 2021

19 Pension and similar obligations (continued)

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; and
- ◆ the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the period amounted to £1,775k (2020 – £1,193k).

A copy of the valuation report and supporting documentation is on the [Teachers' Pension Scheme website](#).

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

Notes to the financial statements Year to 31 August 2021

19 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

The LGPS is a funded defined-benefit scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £413k (2020 – £399k) of which employer's contributions totalled £307k (2020 – £299k) and employees' contributions totalled £106k (2020 – £100k).

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

Principal Actuarial Assumptions	At 31 August 2021	At 31 August 2020
Rate of increase in salaries	3.9%	3.2%
Rate of increase for pensions in payment / inflation	2.9%	2.2%
Discount rate for scheme liabilities	1.7%	1.7%

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

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	21.7	21.5
Females	24.2	23.7
<i>Retiring in 20 years</i>		
Males	23.7	22.7
Females	26.0	25.3

Sensitivity analysis – Resultant net pension liability from a change in actuarial assumptions	At 31 August 2021 £'000	At 31 August 2020 £'000
Discount rate -0.1%	276	224
Rate of increase in salaries +0.1%	24	24
Pension increase +0.1%	244	196

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

	Fair value at 31 August 2021 £'000	Fair value at 31 August 2020 £'000
Equities	6,184	4,767
Corporate bonds	1,910	1,760
Property	909	660
Cash and other liquid assets	91	147
Total market value of assets	9,094	7,334

Notes to the financial statements Year to 31 August 2021

19 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Amounts recognised in statement of financial activities	2021 £'000	2020 £'000
Current service cost	755	733
Interest income	(127)	(134)
Net interest cost	180	184
Total operating charge	808	783

Changes in the present value of defined benefit obligations were as follows:	2021 £'000	2020 £'000
At 1 September 2020	10,247	9,817
Current service cost	755	733
Interest cost	180	184
Employee contributions	106	100
Actuarial (gain)/loss	1,876	(496)
Benefits paid	(134)	(91)
At 31 August 2021	13,030	10,247

Changes in the fair value of the academy Trust's share of scheme assets	2021 £'000	2020 £'000
At 1 September 2020	7,334	7,264
Interest income	127	134
Actuarial loss/ (gain)	1,354	(372)
Employer contributions	307	299
Employee contributions	106	100
Benefits paid	(134)	(91)
At 31 August 2021	9,094	7,334

20 Reconciliation of net income (expenditure) to net cash flow from operating activities

	2021 £'000	2020 £'000
Net income (expenditure) for the period	1,357	(242)
Adjustments for:		
Depreciation	647	603
Capital grants from DfE and other capital income	(709)	(35)
Interest receivable	(3)	(3)
Defined benefit pension scheme cost less contributions payable	448	434
Defined benefit pension scheme finance cost	53	50
Increase in debtors	(170)	(81)
Increase in creditors	600	480
Net cash provided by operating activities	2,223	1,206

Notes to the financial statements Year to 31 August 2021

21 Commitments under operating leases

At 31 August 2021, the total of the Trust's future minimum lease payments under non-cancellable operating leases was as follows:

	2021 £'000	2020 £'000
Amounts due within one year	16	16
Amounts due between one and five years inclusive	—	17
	16	33

22 Capital commitments

	2021 £'000	2020 £'000
Expenditure contracted for but not provided in the accounts	25	1,300

23 Related party transactions

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

No related party transactions took place in the period of account, other than certain Trustees' remuneration already disclosed in note 9.

24 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 £1 for the debts and liabilities contracted before he/she ceases to be a member

25 Agency arrangements

The academy has acted as an agent for the Network Learning Community. The academy had a brought forward creditor balance of £41,020 (2020 - £43,405) relating to undistributed funds. During the year, the academy received an additional £12,100 (2020 - £17,100) which was added to the fund balance and disbursed £25,387 (2020 - £19,485) from the fund, which includes an administration fee of £2,100 (2020 - £2,100) payable to the academy. An amount of £26,732 (2020 - £41,020) is included in other creditors relating to undistributed funds.

The academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2021, the Trust received £58,608 (2020 - £54,405) and distributed £46,609 (2020 - £48,609) from the fund. An amount of £5,650 (2020 - £5,796) is included in other creditors relating to undistributed funds.

Notes to the financial statements Year to 31 August 2021

25 Agency arrangements (continued)

The academy Trust has also acted as agent with respect to NCTL Schools Direct Income. In the accounting period 31 August 2021, the Trust received £88,000 (2020 - £91,950) and distributed £75,960 (2020 - £91,950). An amount of £12,040 (2020 - £nil) is included in other creditors relating to undistributed funds.

26 Teaching School trading account

	Notes	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Direct income					
Teaching School grants		40		25	
Other income					
Fundraising and other trading activities		14		—	
Total income			54		25
Expenditure					
Staff costs		28		21	
Staff development		—		6	
Total direct costs			(28)		(27)
Other costs					
Other support costs		2		2	
			(2)		(2)
Total expenditure			(30)		(29)
Transfers between funds excluding depreciation			—		4
Surplus (deficit) from teaching school			24		—
Teaching school balances			24		—