

Company Registration No. 07875164 (England and Wales)

ARCHWAY LEARNING TRUST

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

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COMPANIES HOUSE

ARCHWAY LEARNING TRUST

TRUSTEES' REPORT

Members

A Taylor (ex officio Chair of Trustees), (appointed 17 January 2020)
T Rees (ex officio Chair of Trustees) (resigned 14 January 2020)
R Eade
I Griffiths
J Hart
J Loughton
Revd Canon T Pullen
The Diocese of Southwell and Nottingham Educational Trust

Trustees

T Rees (Chair, resigned 14 January 2020)
A Taylor* (appointed Chair 17 January 2020)
N Bell (appointed 1 May 2020)
A Darby
S Hampton* (CEO and Principal Accounting Officer)
D McCauley
M Oldroyd
Dr S Rich-Mahadkar*
Dr C Rolph
S Stanyard*
P Sykes (resigned 31 December 2019)
M Trobe CBE (appointed 1 July 2019)
K Wyer*
* Members of the Audit, Finance and General Purposes committee

Executive Leadership Team

Chief Executive Officer
Regional Director
Director of Education
Director of Operations
Chief Financial Officer
Director of Corporate Affairs
Director of People Strategy

S Hampton
S Anderson
C Elder
N Jeremiah (appointed 1 June 2020)
M Lysenko
N Spraggins (appointed 1 January 2020)
D Stanley (appointed 1 September 2020)

Company secretary

N Spraggins (appointed 10 January 2020)
M Lysenko (resigned 10 January 2020)

Company registration number

07875164 (England and Wales)

Registered office

Aspley Lane
Aspley
Nottingham
Nottinghamshire
NG8 5GY

ARCHWAY LEARNING TRUST

TRUSTEES' REPORT

Academies operated

Bluecoat Aspley Academy

Bluecoat Beechdale Academy

Bluecoat Primary Academy

Bluecoat Wollaton Academy

Nottingham Emmanuel School

Location

Aspley Lane, Nottingham

Harvey Road, Nottingham

Harvey Road, Nottingham

Wollaton Park, Nottingham

Gresham Park Road

West Bridgford, Nottingham

Principal

C Rowell (to 22 November 2019)

C. McManus (from 23 November 2019); C Rowell and C. McManus job share 1 September 2020

S Bailey (appointed 1 September 2019)

S Shaw

S Anderson

D Hobbs

Independent auditor

Mazars LLP

58 The Ropewalk

Nottingham

NG1 5DW

Solicitors

Browne Jacobson

Mowbray House

Castle Meadow Road

Nottingham

NG2 1BJ

Bankers

Lloyds Bank

12-16 Parliament Street

Nottingham

NG1 3DA

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The Trust operates five academies serving a catchment area in Nottingham:

- Bluecoat Aspley Academy for students aged 11-19. It has a student capacity of 1,400 and had a roll of 1,423 in the Academy census (October 2020), and is 23 oversubscribed.
- Bluecoat Beechdale Academy for students aged 11-16. It has a student capacity of 900, and had a roll of 892 in the Academy census (October 2020).
- Bluecoat Primary Academy for students aged 3 to 11. It has a student capacity of 446 and had a roll of 412 in the Academy census (October 2020).
- Bluecoat Wollaton Academy for students aged 11-16. It has a student capacity of 750 and had a roll of 788 in the Academy census (October 2020), and is 38 oversubscribed.
- Nottingham Emmanuel School for students aged 11-19. It has a student capacity of 1,150 and had a roll of 1,148 in the Academy census (October 2020).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page one.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was £1,232 (2019: £1,250). The cost of this insurance is included in the total insurance cost.

Method of recruitment and appointment or election of Trustees

In line with the Articles of Association, Members of the Trust appoint a minimum of five Trustees so that at all times the total number of Trustees appointed by the Members represents at least 50% of the total number of Trustees.

Trustees are appointed for a period of four years. At the end of a four year term, retiring Trustees are eligible for re-election.

The Trustees have set up procedures which will enable regular reviews of the mix of skills that should be available to the Board. New Trustees are then sought with these skills as replacements when existing Trustees stand down. It is anticipated that most new Trustees will be drawn from the local community or others who have shown an interest in the future well-being of the Trust, the academies within the Trust and the students. Recruitment will be through a combination of approaches to individuals with known skills and by wider communications to those within Nottinghamshire.

Policies and procedures adopted for the induction and training of Trustees

Individual Trustees attend training courses and conferences organised by appropriate bodies in order to ensure their knowledge and understanding is up to date. Briefings for the Board of the Trust are carried out based on areas of potential interest and/or concern. In November 2019 a two day Governance and Leadership Conference was arranged across the

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TRUSTEES' REPORT

Trust. All Trustees were invited to attend the Conference and there was representation from all Academy Governing Bodies.

Organisational structure

The Trustees have responsibility for setting and monitoring the overall strategic direction of the Charitable Company, approving decisions reserved to Trustees and appointing key members of staff.

The Board of Trustees holds at least five meetings a year with the ability to hold additional meetings if required to consider specific agenda items. The Board has established three committees to consider specific issues and make recommendations to the Board:

- Curriculum and Standards Committee
- Audit, Finance and General Purposes Committee
- Policy Committee

The Board reserves the right to delegate powers to these Committees to make decisions on behalf of the Board. All decisions reserved to the Trustees are taken by the Board as a whole.

Each Academy within the Trust has an Academy Advisory Board (AAB). The full Board reviews the membership and the Terms of Reference for each AAB annually with the Chair and Vice Chair of each AAB being appointed by the full Board annually. Schemes of Delegation are in place devolving some powers and responsibilities to the AAB of each Academy. The Schemes of Delegation may vary for each Academy's AAB and are renewed by the Trust annually.

In the exercise of its delegated powers and functions, the members of each Academy AAB will ensure that their Academy's business is conducted in accordance with the objects of the Trust.

Each AAB,

- a. has delegated powers regarding student discipline and curriculum development within the policies approved by the full Board;
- b. will promptly implement and comply with any policies or procedures communicated to the AABs by the Trustees from time to time;
- c. will review its own policies and practices on a regular basis, in view of any advice or recommendations made by the Full Board;
- d. will work closely with the Full Board and act with integrity, objectivity and honesty in the best interest of the Trust and the Academy;
- e. will be open about decisions and be prepared to justify those decisions;
- f. will keep confidential all information of a confidential nature obtained by them relating to their Academy and the Trust;
- g. will adopt financial prudence in managing the financial affairs of the Trust in so far as these relate to their Academy and are delegated to them.

The AABs of all academies with a religious designation will ensure that Academy business is conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship. This will not apply to Bluecoat Beechdale Academy which is a community Academy.

Each AAB member takes part in regular self-review and is accountable for meeting their own training and development needs. It is an AAB member's responsibility to consider if, and raise any concerns where, they feel that appropriate training and development is not being provided.

AAB members are expected to report to the Trust against KPIs which have been set by the Trust for each Academy and provide such data and information regarding the business of their Academy and the students attending their Academy as the Trustees may require from time to time. The Chief Executive Officer (CEO) is the Accounting Officer and works closely with the Trustees, the AABs and the senior staff of Archway Learning Trust.

ARCHWAY LEARNING TRUST

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The day-to-day management of Archway Learning Trust rests with the CEO who has overall responsibility for the Trust. The CEO is responsible for establishing a Senior Leadership Team at each Academy as well as establishing the Executive Leadership at the Trust.

The CEO has delegated authority to appoint, discipline and dismiss staff and delegated powers are documented in the suite of Trust-wide HR policies. Financial authority is delegated in line with the Scheme of Delegation and the Finance Policy that is approved by the full Board on an annual basis. If financial or other business decisions are required between meetings then electronic authority may be sought from the members of the Board. The full Board consider and approve the Trust Improvement Plan annually. This is monitored throughout the year, in line with an agreed timetable. Each AAB monitors throughout the year the Academy Improvement Plan prepared by their respective Academy.

The Trust's AAB membership for the period was as set out below.

Bluecoat Aspley Academy

Revd R Atkinson
P Burrell (Chair)
J Collington (Parent member)
J Hempstead (Resigned 09 September 2019)
Revd P Jones
C Miller (Parent member)
C Pearce (Staff member, resigned 30 November 2019)
C Rowell (Ex Officio)
C McManus (Ex Officio)
P McNeil (Staff member, appointed 12 December 2019)
S Hussain (Staff member, appointed 12 December 2019)

Bluecoat Primary Academy

P Burrell (Chair)
J Doar
D Gray
F Heesambee (Parent member, resigned 29 September 2019)
S Iqbal (Parent member, appointed 15 October 2019)
H Keith (Staff member)
J Moring
A Robinson
S Shaw (Ex Officio)
M Tillet (Parent member)

Nottingham Emmanuel School

N Asghar (Parent member)
A Barnaby (Staff member)
M Blakeway (Chair)
K Cole (Resigned 22 January 2020)
D Hobbs (Ex Officio)
A King (Resigned 17 October 2019)
E Prentice
M Storrar (Appointed 15 October 2019)
R Tanner
E Taylor

Bluecoat Beechdale Academy

S Bailey (Ex Officio, appointed 01 September 2019)
P Bevington (Resigned 07 October 2019)
A Butters (Staff member)
D Gray (Chair)
C Hutchinson (Parent member)
E Pagliacci (Resigned 26 September 2019)
D Stewart OBE DL
B Summers (Parent Member)

Bluecoat Wollaton Academy

S Anderson (Ex Officio)
M Barnlett
B Barber (Resigned 08 September 2019)
F Bell (Parent member)
Revd H Curran
M Goodwill-Hodgson (Chair)
A Pearson
A Rogers (Parent member)
H Shirtcliffe (Staff member)

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Arrangements for setting pay and remuneration of key management personnel

With the exception of the CEO, members of the Board of Trustees are not entitled to receive any remuneration as a result of their post as a Trustee of Archway Learning Trust.

In the Autumn term of each year, the Trustee Salary Review Committee will receive recommendations from the performance review governors about the salary of the CEO. Any recommendation for movement up the CEO's salary range, on which the CEO is currently paid, will identify the recommended number of progressed points proposed. The Board of Trustees may decide to pay additional payments to the CEO in accordance with paragraph ten of the Standard Teachers Pay and Conditions Document.

At the time of appointing a new Principal or member of the Executive Leadership Team, the Trustees shall determine the individual range for the post and the salary point on the individual range to be paid. The Salary Review Committee will be set up each year and will consider recommendations from the CEO that any Principal or member of the Executive Leadership Team be paid additional points subject to the maximum of the individual range and/or any additional payments recommended. Structures are benchmarked across the Trust and there is a regular review of salary ranges compared to national market rates.

Trade Union Facility Time for the year ended 31 March 2020

Relevant Union Officials

Number of employees who were relevant union officials	Full time equivalent employee number
6	5.2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	4
1-50%	2
51-99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time	£5,585
Total pay bill	£27,347,388
Percentage of total pay bill spent on facility time	0.02%

Paid Trade Union Activities

Time spent on paid Trade Union activity as a percentage	0%
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TRUSTEES' REPORT

Related parties and co-operation with other organisations

Archway Learning Trust works in close partnership with the Diocese of Southwell and Nottingham and the Nottingham Bluecoat School Foundation Trust. The former are the legal freehold owners of the land that Bluecoat Aspley Academy, Bluecoat Wollaton Academy and The Nottingham Emmanuel School is situated upon and the latter hold this land as custodian trustee.

Bluecoat Academy Trading Limited is a wholly owned subsidiary of Archway Learning Trust which operates the letting service of the academies facilities.

There are no related parties other than those described above which either control or significantly influence the decisions and operations of Archway Learning Trust.

Engagement with employees (including disabled persons)

Archway Learning Trust is fully engaged with its workforce. The Trust regularly communicates and engages with all staff on matters of concern to them. Archway Learning engages fully with unions supporting our staffing base. These are:

- NEU, NASUWT, ASCL, NAHT, GMB, Unison

The Trust fully communicates and engages staff in each academy's performance with regularly set inset days, Thursday afternoons dedicated to CPL, annual Festival of Learning and an annual staff awards event. We undertake bi-annual staff engagement surveys and respond to the feedback from these. A Trust wide and Academy based staff well-being group ensures that any matters of concern are raised and addressed.

Archway Learning Trust prides itself as a fully inclusive employer dedicated to ensuring equality and diversity within its workforce. The Trust works with employees to ensure reasonable adjustments to the workplace are made enabling all staff to access the workplace, relevant training, career development and promotion.

During employment, the Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

The Trust aims to ensure that there is effective communication with all employees who, subject to practical and commercial considerations, are consulted on and involved in decisions that affect their current roles and future prospects. In order to facilitate this process, the Trust has set up a staff and Trade Union consultation process in relation to all Human Resources policies. This includes a monthly Trade Union consultation meeting led by the Human Resources Director to which all recognised Trade Union colleagues are invited to attend to discuss all Human Resources policy reviews and other matters relevant for consultation. Formal staff consultation also takes place in relation to all Human Resources policy review processes. The Trust also operate a Staff Wellbeing Committee led by Human Resources to facilitate discussion in relation to all relevant health and wellbeing matters, membership of which is open to all staff across the Trust.

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

Archway Learning Trust is funded through the Education Standards Financial Authority (ESFA). The Trust works closely with the ESFA and complies with all reporting requirements laid down by the ESFA.

The Trust is fully engaged with its suppliers and ensures equality in its procurement processes. Best value is sought through obtaining quotes from multiple suppliers on all procurement in excess of £5,000. Formal competitive tenders are carried out on all procurement in excess of £50,000.

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TRUSTEES' REPORT

Objectives and Activities

For the year under review, Archway Learning Trust had the following core objectives

1. To provide educational excellence:
 - All academies provide educational excellence through outstanding curricular provision;
 - School improvement is a constant focus for leaders;
 - Behaviour, attitudes and personal development are highly effective;
 - Leadership and governance are clearly defined roles and well supported;
 - All Church schools to receive good or outstanding SIAMS inspections.
2. To provide outstanding inclusion:
 - Reduce permanent exclusions to zero across the Trust;
 - Provide outstanding ALT alternative provision;
 - Provide outstanding support for vulnerable groups
 - Provide outstanding SEND support
3. Collaborative working to serve more children:
 - Build sustainable secondary growth;
 - Develop an effective Primary offer
 - Expand Post 16 Provision
 - Open Free School
 - Develop community and business links
4. To invest in staff teams:
 - To create new teachers through the SCITT
 - To develop and enable the strongest teachers, leaders and support staff to be retained;
 - Grow and support leadership capacity across the Trust
 - To have consistency in learning, pedagogy and high standards;
 - To recruit outstanding staff;
 - To build a joint understanding for all stakeholders of Archway's Mission, Vision and Values.

Public benefit

The Trustees have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document "The Advancement of Education for the Public Benefit") into consideration in preparing their Statement on Regularity, Propriety and Compliance contained within this Annual Report.

In accordance with its charitable objectives, the Charitable Company strives to advance the education of the students attending the Academies within the Trust. The Charitable Company's primary beneficiaries are therefore the students, and benefits to students are provided through continuing to maintain a high standard of education throughout the Academies within the Trust.

In order to determine whether or not the charitable company has fulfilled its charitable objectives for public benefit, the Trustees gather evidence of the success of each Academy within Archway Learning Trust activities.

STRATEGIC REPORT

Achievements and performance

Academic Success

2019-20 has been a successful year for Archway Learning Trust:

The context of 2019-20 has been one of a global pandemic and a national lockdown including schools that lasted six months. This has made all comments about progress in the traditional sense more challenging than in a 'normal' year. Despite this much progress has been made and that is described below.

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TRUSTEES' REPORT

The Centre Assessed Grades (CAGs) used by the Trust have demonstrated that in all schools there has been upward movement. The most notable improvements took place at Bluecoat Beechdale where the measure identified to intervene with the students such as additionally staffed learning spaces, work rooms, opened after school and holiday clubs proved to be successful.

Due to the nature of these grades the Trust has taken the decision not to publish these more widely as they are not comparable with any other data sets nationally and may give inaccurate information if inaccurate comparisons are made.

During the lock down the work of the Trust proved incredibly important in both supporting students but also staff teams and the leadership of the academies. Some examples of how the Central Education Team and the Central Services teams worked is described as follows.

Trust Principals were supported by the Trust Data team who were able to ensure that data sets were as reliable and robust as possible. The Trust Teaching and Learning team ensured that there was a blended learning platform built so that students could continue their lessons on line as well as a staff CPL platform so that staff could use time to build their skill sets and learn new skills. Trust wide training continued with Virtual New Staff induction events, whole staff inset days as well as Year 6 transition events and most recently open evenings.

The staff teams were supported by the Central IT service which enabled all staff to use Teams as a way of keeping in touch with students, other staff and local leadership teams.

The Finance team has worked with the Executive Leadership team to ensure that emergency funds were applied for in a timely way and that Principals were trained and up to date with matters relating to their academies.

HR provided advice and support about safer working practices and also facilitated staff appointments over Teams being made in a safe way.

The Trust Operations Team supported Principals with safety measures, risk assessments and liaison activities with Public Health England. All sites had risk assessments signed off by Trustees and staff unions as well as staff members were fully informed about re-opening and health and safety measures at all times.

Safeguarding was made a priority for the Trust during and post lock down with a total of over 65,000 telephone calls made to students to ensure their safety. Free school meals were provided for all the holidays using the Local Authority and then Edenreds voucher scheme. During the summer additional facilities were made available for families on two of the four secondary sites so that they could access hot meals and meet with agencies such as Family Support and Social Care.

Shortly before the national lock down in March 2020, The Nottingham Emmanuel School received its Ofsted good judgment through a Section 8 inspection.

Key performance indicators

The Trustees use the following key measures, along with financial measures further discussed in the financial review section of this report, to assess the success of the activities of the charitable company:

Trustees have accepted that this year the KPIs of national data sets will not be applicable in the same way as in previous years. They have seen the Centre Assessed overviews and are content that the schools have made progress. In addition report have been provided to them on safeguarding, curriculum developments and blended learning. Last year's attendance data again does not provide accurate data about attendance.

Trustees have been kept fully informed about the activity of the trust through regular Trustee meetings, regular Academy Advisory Board meetings and most recently a Virtual Leadership Conference where the key note speaker was John Edwards, the most recent RSC for East Midlands and Humber

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The Trust is delighted with the achievement of the staff teams during what has been an extraordinary year. The work of the Operations Team, IT Teams, Finance Teams, HR and Educational Leadership teams has allowed the 'lockdown' impact to be minimised and provided strong and clear leadership through this unprecedented period. This clarity of purpose and direction has continued to be evidenced as the challenges of working in the second wave of Covid become clearer.

Other achievements in the year included:

- The Department for Education have approved a new Free School in the City of Nottingham which is expected to open in September 2021. Nottingham Trent Academy will admit its first year of learners in 1 September 2021.
- The Central Education Team is now a highly flexible and responsive team which has many of its members working on national platforms such as Ofqual, Early Career Framework, Assessment and national data teams.
- A Corporate Affairs Director has been appointed to oversee governance at all levels within the Trust as well as compliance.
- A review of the Central Service Team has been completed which has allowed for the role of COO and CFO to be separated allowing more capacity and focus in those roles of the priorities of the trust as it grows.
- The Trust Board itself has been strengthened by the additional of new members and with the stability of the chair.
- The changes implemented in the curriculum have allowed most teaching staff to use Thursday afternoons to receive high quality training as well as to provide time to work on schemes of work and lesson plans. There is a new training offer this year in conjunction with Sheffield University where several members of Trust staff are undertaking MA qualifications. In addition almost 40 staff are completed NPQ programmes at differing levels across the Trust. There have also been opportunities for peer led training in small support groups to raise the profile of outstanding teaching and learning. Staff training has been shared across Bluecoat Aspley Academy, Bluecoat Wollaton Academy and Bluecoat Beechdale Academy with many staff receiving coaching at Bluecoat Beechdale Academy to support their continuous professional training. The CPD package has now been refined to allow for staff to access training for their level of leadership and experience. In addition we have added the expectation that staff will seek best practice from other schools and academies. We hold an annual Festival of Learning for all members of the Trust and this year there were key note addresses from the CEO and James Nottingham. The development of an online platform for training has also enabled many more staff to access learning opportunities at a time that suits them.
- Archway Learning Trust has been asked by Go4Schools to be a lead school in the region. This has involved hosting visits from other schools, staff leading training sessions as well as presenting at national conferences.
- Bluecoat SCITT has successfully recruited its allocated number of trainee teachers. A full programme is now running across both primary and secondary phases to train up to 44 teachers. Bluecoat SCITT is working alongside 27 partner schools to provide this programme. Our SCITT Head teacher sits on NASBTT (National Association of School Based Teacher Training) which advises the Department of Education on teacher training and progress into the future. We have been heavily involved in advising on the group setting up the Early Year Framework for new teachers.

Going Concern

After making appropriate enquiries, 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, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies. The Trust has reserves to ensure that it will continue in operation as a Going Concern. As at 31st August 2020 the Trust held £1,105,000 in unrestricted reserves and £789,000 in restricted reserves (excluding pension). It is not envisaged that the pension fund liability will materialise in the foreseeable future. As at 31st August 2020 the Trust held £3,850,000 in its bank accounts. These bank balances are adequate to meet the needs of the Trust for the foreseeable future. Funding has remained constant throughout the pandemic, all academies within the Trust have recruited up to PAN and the current COVID climate has not had a significant impact on the Trust's financial position.

FINANCIAL REVIEW

Most of the Trust's income in the year was obtained from the DfE (Department of Education) and the ESFA in the form of recurring grants, the use of which is restricted to particular purposes. The grants received for the year and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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In accordance with the Charities SORP Accounting by Charities, grants and donations for capital are shown in the Statement of Financial Activities as restricted fixed asset funds. The balance sheet restricted fixed asset fund is reduced by transfers of amounts equivalent to any depreciation charges over the expected useful life of the assets concerned.

Total incoming resources amounted to £35,978,000 (2019: £35,875,000) and total resources expended amounted to £36,177,000 (2019: £34,133,000) leading to a net deficit for the year of £199,000 (2019: net income of £1,742,000). The level of funding the Trust receives is based on student numbers, and all academies in the Trust are now either at full capacity or, as in the case of Bluecoat Beechdale Academy, The Nottingham Emmanuel School and Bluecoat Primary Academy, are at full capacity in the year of entry and are expected to grow year on year to full capacity.

The Trust's cash flow position is good with an increase in the year-end cash balance for the period of £771,000. Cash balances are earmarked to be used in the future year for the construction of a new sports hall at the Bluecoat Wollaton Academy.

As at 31 August 2020, the net assets and total funds of the Trust were £70,727,000 (2019: £78,562,000), including fixed assets of £92,409,000 (2019: £90,896,000) and a pension scheme liability of £23,576,000 (2019: £14,060,000). The assets were used exclusively for providing education and the associated support services to the students of the academies within the Trust. The Trustees consider that the overall balance sheet position represents a strong and stable platform from which the Trust can develop and grow.

As at the 31 August 2020, the Trust had net current assets of £1,894,000 (2019: £1,859,000) including cash at bank of £3,850,000 (2019: £3,079,000). Net cash provided by operating activities was positive at £683,000 (2019: £645,000) and as such, the Trust continues to generate sufficient resources to cover its liabilities.

The predecessor school to Bluecoat Aspley Academy had entered into loan arrangements with the Bluecoat Foundation Trust. The balance of these loans (£2,063,999) was transferred to the Academy on conversion. During the year the Academy made capital repayments against outstanding loans to the Bluecoat Foundation Trust amounting to £133,333 and the balance remaining at year end was £133,333.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management and limits of delegated authority for spending. Other policies reviewed and updated included the Lettings Policy, the Health and Safety Policy and a variety of Human Resource policies.

Key financial performance indicators

	2020 £'000	2019 £'000
Total incoming resources	35,978	35,875
Net income/(expenditure)	(199)	1,742
Net current assets	1,894	1,859
Cash at bank	3,850	3,079
Net cash provided from operations	683	645

Reserves policy

The Trustees' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the Trust and to fund future projects. The Trustees will ensure that the levels of Reserves that can be carried forward at the end of the financial year will be in line with the guidance received from the DfE on the treatment of GAG income and other grants. Archway Learning Trust will try to match income with expenditure in the current year and will only carry forward reserves that it considers are necessary for future year's expenditure having regard for:

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TRUSTEES' REPORT

- Forecasts of levels of income in future years
- Forecasts for expenditure in future years
- Analysis of any future development needs and opportunities that could not be met out of annual income
- Analysis and forecast of cash flow and fund management

The Trust aims to maintain reserves at 5% of annual general grant funding, which for 19/20 would be £1,276,000, the actual amount that is being retained is £1,894,000. Additional reserves may be held to fund a future project which cannot be funded from income in year. Currently the Trust plans to construct a new sports hall at the Bluecoat Wollaton Academy. It is expected that this work will commence during the 2020/21 academic year.

At the balance sheet date, the charitable company had total reserves amounting to £70,727,000 of which £1,105,000 were unrestricted reserves and £789,000 related to GAG carry forward.

The Trustees intend to continue to utilise reserves during the forthcoming year to improve the infrastructure of the Trust's premises that were inherited from the local authority.

As at 31 August 2020, The Fixed Asset Reserve amounted to £92,409,000. This reserve can only be realised by disposing of the Trust's fixed assets, which the Trust cannot do without approval from the Secretary of State.

As at 31 August 2020, The Restricted Pension Reserve amounted to a deficit £23,576,000. It should be noted that this does not present the Trust with any current liquidity problems.

Investment Policy

The Trustees' investment powers are set down in the charitable company's Memorandum and Articles of Association, which permit the investment of monies of the charitable company that are not immediately required for its purposes in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

The charitable company's current policy is to invest surplus funds in short-term cash deposits.

Financial and risk management objectives and policies

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 is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that have been in place for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Board of Trustees actively review the cash flow position of the Trust both in the short and medium term and aim to maintain a level of cash resources designed to ensure that the Trust has sufficient funds for its operations. The Trust makes little use of other financial instruments and the Trustees consider that price risk, liquidity risk, and credit risk is not material for the assessment of assets, liabilities, financial position or financial performance of the Trust.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed. The Trustees are satisfied that systems and procedures are in place to mitigate the exposure to major risks. Systems and procedures have been implemented covering both operational (e.g. in relation to teaching, health and safety, trips, vetting of new staff, supervision of Trust

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TRUSTEES' REPORT

grounds) and financial risks (comprehensive system of internal controls explained in more detail in the Governance Statement). Where significant financial risk still remains, Trustees have ensured they have adequate insurance cover.

The Trust has undertaken a full review of the main areas of risks which it faces. This includes all health and safety and child protection policies and procedures. In addition, a review of all financial risks is undertaken on a regular basis.

The Trust has a formal risk management process to assess business risks and to implement risk management strategies. The process involves identifying the types of risk the Trust faces, scoring and prioritising the risks in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating the risks. A risk register is maintained and reviewed on a regular basis.

The principal risks and uncertainties facing the Trust are as follows:

- The Trust has considerable reliance on continued Government funding through the Education and Skills Funding Agency and whilst the current level of funding is expected to continue there is no assurance that government policy or practice will remain the same or that public funding will continue at the same level or on the same terms. 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, health & safety and discipline to ensure standards are high, student numbers are buoyant and funding is maximised.
- The success of the Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning
- Failures in governance/management and in particular the risk that arises from the potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees, supported by the Audit, Finance and General Purposes Committee continue to review and ensure that appropriate measures are in place to mitigate these risks. The Trust has appointed internal Auditors to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.
- The continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and attainment are closely monitored and reviewed
- During the year the Trust has operated its five schools against the backdrop of the global COVID-19 pandemic. The Trust is managing this risk and has introduced a blended learning approach to teaching to ensure continuing education for all its students.

FUNDRAISING

In July 2020 the Trust launched a crowdfunding campaign across all of its academies in order to raise money from parents and other members of the local community, Reader Pens.

We understand that 'crowd funding is the practice of funding a project or venture by raising small amounts of money from a large number of people, typically via the Internet. Crowd funding is a form of crowd sourcing and alternative finance'.

Crowd funding is a new fundraising venture for us and we are hopeful that it will be a major success in raising much needed extra funds for the benefits of our pupils.

Whilst all of the work associated with the campaign is undertaken by staff it sits on 'DonateMySchool' which is a dedicated crowdfunding platform for state schools. It is a trading platform of Karadoo Finance Limited which is authorised and regulated by the Financial Conduct Authority and registered with The Fundraising Regulator"

ARCHWAY LEARNING TRUST

TRUSTEES' REPORT

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	
Energy consumption used to calculate emissions (kWh)	8,082,326
Energy consumption break down (kWh) (optional) • gas, • electricity, • transport fuel	5,186,510 2,762,973 24,878
Scope 1 emissions in metric tonnes CO2e Gas consumption Owned transport – mini-buses Total scope 1	953.6 1.9 955.5
Scope 2 emissions in metric tonnes CO2e Purchased electricity	644.2
Scope 3 emissions in metric tonnes CO2e Business travel in employee owned vehicles	4.2
Total gross emissions in metric tonnes CO2e	1,603.9
Intensity ratio Tonnes CO2e per pupil	0.347
Quantification and Reporting Methodology:- • We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting. Intensity measurement The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector. Measures taken to improve energy efficiency We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.	

Plans for future periods

Having established itself as a multi academy trust, Archway Learning Trust plans to continue to ensure an excellent educational provision is provided at its current academies and plans to continue to share its expertise to develop staff training opportunities across the Trust by supporting other schools and academies in Nottingham and beyond.

ARCHWAY LEARNING TRUST

TRUSTEES' REPORT

The key priorities for Archway Learning Trust into the future is to continue to strive for educational excellence across all the academies in the Trust, ensuring that all academies are good or outstanding. The Trust is committed to providing an inclusive and nurturing environment for all students. Archway Learning Trust plans to reduce permanent exclusions and provide outstanding alternative provision and outstanding support for SEN and other vulnerable groups.

Archway Learning Trust has been successful in its bid to open a free school in Nottingham. The Bluecoat Trent Academy plans to be an 8 form entry secondary school with a PAN of 240 students in each year group.

Growth has continued to be a priority this year and in February 2021 it is planned that three new secondary schools will join the Archway Learning Trust.

To achieve its priorities Archway Learning Trust will invest in developing the strongest teachers, leaders and support staff, ensure high staff retention rates and will provide consistency in learning and pedagogy to achieve high standards.

Funds held as custodian trustee on behalf of others

Archway Learning Trust received £99,667 from the Education and Skills Funding Agency in respect of Sixth Form Bursary allocations. The Trust withholds 5% to pay for the administration of these funds and the remaining funds are distributed to Sixth Form students. As at 31 August 2020 there were £51,070 remaining funds payable to students. A further agency arrangement is maintained in respect of the Bluecoat SCITT Trainee Teacher Bursary. Archway Learning Trust received £306,970 from NCTL. As at 31 August 2020 there was an amount of £500 still payable to Trainee Teachers. All balances repayable are included within other creditors.

Auditor

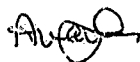
The Trust has appointed Mazars to act as their auditor for the year ending 31 August 2020.

Statement as to disclosure of information to auditor

In so far as the Trustees are aware:

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

The Trustees' report is approved by order of the Board of Trustees and the strategic report (included therein) is approved by the Board of Trustees in their capacity as the Directors at a meeting on 8 December 2020 and signed on its behalf by:



A. Taylor
Chair

ARCHWAY LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Archway Learning 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 has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
N Bell (appointed 1 May 2020)	2	3
A Darby	6	6
S Hampton (CEO and Accounting Officer)	6	6
D McCauley	5	6
M Oldroyd	6	6
T Rees (Chair, resigned 14 January 2020)	2	2
Dr S Rich-Mahadkar	4	6
Dr C Rolph	5	6
S Stanyard	6	6
P Sykes (Resigned 31 December 2019)	2	2
A Taylor (Chair from 17 January 2020)	5	6
M Trobe	6	6
K Wyer	4	6

Alison Taylor was appointed as Chair to the Board of Trustees on the 17th January 2020 and has served continuously since that date.

Working groups comprising Trustees and local governors, reporting directly to the Board of Trustees, met as follows:

Audit, Finance & General Purposes

The primary purpose of the Audit Finance & General Purposes (AFGP) committee is to assist the Trust Board in fulfilling its oversight responsibilities of the Trust's financial management; to assist the Board in ensuring risks facing the Trust are effectively assessed and reviewed; and to assist the Board to ensure that the annual financial statements give a true and fair view of the Trust and its activities. The CEO is a member of the AFGP however does not participate in matters relating to audit.

ARCHWAY LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

Trustees/AAB members	Meetings attended	Out of possible
S Hampton (CEO and Accounting Officer)	5	5
Dr S Rich-Mahadkar	3	5
S Stanyard	5	5
A Taylor	5	5
K Wyer	4	5

Policies

The primary purpose of the Policy Committee is to review the policies operational across the Trust, ensure adequate consultation is carried out with all stakeholders including trade unions and recommend updates and policy drafts to the Board of Trustees for approval.

Trustees/AAB members	Meetings attended	Out of possible
A Darby (Chair, appointed 1 st January 2020)	3	3
S Hampton (CEO and Accounting Officer)	3	3
Rev P Jones	3	3
M Oldroyd	2	3
P Sykes (Chair, resigned 31 st December 2019)	2	2

Curriculum and Standards

The primary purposes of the Curriculum and Standards Committee are to assist the Board of Trustees in fulfilling its oversight responsibilities for the educational provision across the Trust in line with the Trust's Vision & Ethos statement, its policies and its Strategic Plan; to assist the Board in monitoring student progress and driving improvement; and to assist the Board to ensure the safety and wellbeing of all learners and staff across the Trust.

Trustees/AAB members	Meetings attended	Out of Possible
S Hampton (CEO and Accounting Officer)	3	3
D McCauley	3	3
T Rees (Resigned 16 January 2020)	1	1
C Rolph (Chair)	3	3
P Sykes (resigned 31 st December 2019)	1	1
M Trobe	2	3

ARCHWAY LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

Governance review

The Trust and each AAB, working with Senior Leaders, will review its effectiveness during the course of each academic year. These reviews will also examine the effectiveness of individual Governors to ensure that the Board of Trustees and each AAB possesses the necessary mix of skills to maximise their effectiveness. This has been carried out throughout the year and new Trustees and Academy Advisory Board members have been appointed where deficits in skills were identified. Changes to the composition of the Board have been made where required. The Trust holds a Leadership Conference annually in the Autumn Term providing high level training to Trustees, AAB Chairs and Principals, the Executive Leadership Team and members of Academy Senior Leadership Teams.

Review of value for money

As Accounting Officer, the CEO has responsibility for ensuring that Archway Learning 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 the use of benchmarking data where available. The Accounting Officer for Archway Learning Trust has delivered improved value for money during the year as follows:

- The establishment of the Central Education Team is now a highly flexible and responsive team delivering and supporting local academy leaders to deliver improved outcomes.
- The Trust has established a strong Executive leadership by creating a new structure including new posts such as Director of People Strategy, Director of Operations and Director of Corporate Affairs and Governance. These posts have been recruited to and have proved effective in managed the challenging period since March 2020 when our students were in lockdown. The Trust provided continuous provision for our vulnerable students, students of key workers throughout the summer term and during the school holidays.
- The Trust continues to deliver its CPL offer across all academies in the Trust. Due to our size the Trust is able to deliver this CPL not only to a very high standard but also in a cost effective manner. Thursdays afternoons continue to provide capacity in the timetable for continued professional development. In addition a highly successful festival of Learning is organised annually enabling key note addresses from high profile experts such as James Nottingham.
- The integrated IT platforms across the Trust have enabled a seamless transition from face to face CPL for staff to delivery of highly effective CPL online ranging from MA qualifications, various NPQ programmes, peer led training and coaching programmes.
- Roll out of a blended learning approach for students enabling minimal disruption to teaching and learning despite the challenges of operating during a pandemic.
- Robust risk assessments have been completed and are continuously monitored and updated in managing the risks of working and teaching students during the pandemic. Risk assessments were robustly quality assured by both our Board of Trustees and by external evaluators.
- All safeguarding processes are up to date including training for both staff and students on Prevent to counter radicalisation. The Trust wide team for safeguarding has grown to provide further capacity to maintain continuous profile and training in respect of safeguarding. Further focus on safeguarding was put in place during the lockdown with regular contact being made with students to ensure their safety and wellbeing. Free school meals were provided throughout the holiday periods as well as additional provision on 2 sites for students to access hot meals and families to access support agencies such as Family Support and Social Care.
- Sixth Form students continue to obtain places at Oxford, Cambridge and medical schools
- The Bluecoat School Centred Initial Teacher Training School continues to flourish and recruits approximately 30 trainees annually. It supports a partnership in excess of 30 schools and academies in Nottingham City and neighbouring counties.

ARCHWAY LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the 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 at Archway Learning Trust for the year-ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees 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 is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The Board of Trustees have considered the need for a specific internal audit function and have appointed Smith Cooper LLP as internal auditors. A termly report is prepared by internal audit and is presented to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. In particular the checks carried out in the current year to 31 August 2020 included testing over the following areas:

- Fixed assets
- Purchasing
- Payroll – joiners and leavers
- Expense claims
- Bank & cash
- Grant income
- Financial Reporting and control account reconciliations

Three audit visits have taken place for the Autumn 2018, Spring 2019 terms and Summer 2019 terms. Trustees have received the reports which did not contain any matters of significance. All recommendations made have been noted and actioned.

Review of Effectiveness

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

- the work of Smith Cooper LLP (internal auditor);
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the resource tool self-assessment


ARCHWAY LEARNING TRUST

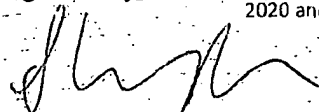
GOVERNANCE STATEMENT (CONTINUED)

- the work of Senior Leaders within the 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 Trustees 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 8th DECEMBER 2020 and signed on its behalf by:


A. Taylor
Chair


S. E. Hampton
Chief Executive Officer and Accounting Officer

ARCHWAY LEARNING TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Archway Learning Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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



S. E. Hampton
Accounting Officer

8th DECEMBER 2020

ARCHWAY LEARNING TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees who are also the Directors of Archway Learning Trust for the purposes of company law are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including 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 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 8th December 2020 and signed on its behalf by:



A. Taylor

Chair

ARCHWAY LEARNING TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE MEMBERS OF ARCHWAY LEARNING TRUST

Opinion

We have audited the financial statements of Archway Learning Trust (the 'Academy Trust') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash-Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 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 (Charities SORP 2019) and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

In our opinion, the financial statements:

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

Basis for opinion

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditors' reports 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.

ARCHWAY LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARCHWAY LEARNING TRUST (CONTINUED)

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 including the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
 - the Trustees' Report including the incorporated Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 23, the Trustees (who are 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 Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

ARCHWAY LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARCHWAY LEARNING TRUST (CONTINUED)

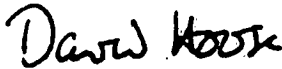
Auditor's responsibilities for the audit of the financial statements

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 JSAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of the audit report

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



David Hoose (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

58 The Ropewalk
Park View House
Nottingham
NG1 5DW

Date: 16/12/2020

ARCHWAY LEARNING TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE MEMBERS OF ARCHWAY LEARNING TRUST

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

This report is made solely to Archway Learning Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Archway Learning Trust and the ESFA those matters we are required to state to it 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 Archway Learning Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The Accounting Officer is responsible, under the requirements of Archway Learning Trust's funding agreement with the Secretary of State for Education dated 26 March 2014 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

Conclusion

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

Mazars LLP

Reporting Accountant
Mazars LLP
58 The Ropewalk
Park View House
Nottingham
NG1 5DW

Date:

16/12/2020

ARCHWAY LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Funds £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:						
Donations and capital grants	2	2	178	604	784	904
Donation – Buildings at Bluecoat Aspley Academy PSP	2	-	-	3,832	3,832	5,686
Charitable activities:						
- Funding for educational operations	3	361	30,146	-	30,507	27,777
Other trading activities	4	419	409	-	828	1,489
Investments	5	27	-	-	27	19
Total		809	30,733	4,436	35,978	35,875
Expenditure on:						
Raising Funds	6	-	654	-	654	-
Charitable activities:						
- Educational operations	7	397	32,397	2,729	35,523	34,133
Total		397	33,051	2,729	36,177	34,133
Net income/(expenditure)		412	(2,318)	1,707	(199)	1,742
Transfers between funds	18	-	194	(194)	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	27	-	(7,636)	-	(7,636)	(2,180)
Net movement in funds		412	(9,760)	1,513	(7,835)	(438)
Reconciliation of funds						
Total funds brought forward		693	(13,027)	90,896	78,562	79,000
Total funds carried forward		1,105	(22,787)	92,409	70,727	78,562

ARCHWAY LEARNING TRUST**BALANCE SHEET****AS AT 31 AUGUST 2020**

		2020	2019
	Notes	£'000	£'000
Fixed assets			
Tangible assets	11	92,409	90,896
Investments	12		
		<u>92,409</u>	<u>90,896</u>
Current assets			
Debtors	13	957	998
Cash at bank and in hand		3,850	3,079
		<u>4,807</u>	<u>4,077</u>
Current liabilities			
Creditors: amounts falling due within one year	14	(2,913)	(2,218)
Net current assets		<u>1,894</u>	<u>1,859</u>
Total assets less current liabilities		<u>94,303</u>	<u>92,755</u>
Creditors: amounts falling due after more than one year	15	(-)	(133)
Net assets excluding pension liability		<u>94,303</u>	<u>92,622</u>
Defined benefit pension liability	27	(23,576)	(14,060)
Net assets		<u>70,727</u>	<u>78,562</u>
Funds of the Academy Trust:			
Restricted funds	18		
- Restricted fixed asset funds		92,409	90,896
- Restricted general funds		789	1,033
- Pension reserve		(23,576)	(14,060)
Total restricted funds		<u>69,622</u>	<u>77,869</u>
Unrestricted income funds	18	<u>1,105</u>	<u>693</u>
Total funds		<u>70,727</u>	<u>78,562</u>

The financial statements set out on pages 31 to 56 were approved by the Board of Trustees and authorised for issue on 8 December 2020 and are signed on its behalf by:



A Taylor
Chair

ARCHWAY LEARNING TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

		2020	2019
	Notes	£'000	£'000
Cash flows from operating activities			
Net cash generated/(absorbed) by operating activities	21	683	645
Cash flows from investing activities	23	221	102
Cash flows from financing activities	22	(133)	(133)
Net increase/(decrease) in cash and cash equivalents in the reporting period		<u>771</u>	<u>614</u>
Cash and cash equivalents at 1 September 2020		3,079	2,465
Cash and cash equivalents at 31 August 2020	24	<u>3,850</u>	<u>3,079</u>

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 August 2020

1 Accounting policies

Archway Learning Trust is a charitable company ('The Trust'). The address of its principal place of business is given on page 2 and the nature of its operations are set out in the Trustees' report.

Basis of preparation

The financial statements of the Trust 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Trust owns 100% of the share capital of Bluecoat Academy Trading Limited. The Trust and its subsidiary constitute a medium-sized group, however consolidated group accounts have not been prepared as it is considered that the subsidiary is not material for the purpose of providing a true and fair view. The accounts therefore show information about the Trust as an individual entity only.

Archway Learning Trust meets the definition of a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently, in dealing with items which are considered material in relation to the financial statements, to all the years presented, unless otherwise stated.

The financial statements are presented in sterling which is also the functional currency of the Academy Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated

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 charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the 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 incoming resources are recognised when the Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

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

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 August 2020

1 Accounting policies (Continued)

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

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

Sponsorship income

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

Other income, including the hire of facilities, is recognised at the fair value of the consideration received or receivable in the period it is receivable and to the extent the Trust has provided the goods or services.

Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

Transfer of existing academies into the Trust

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within Donations and capital grant income to the net assets acquired.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use. All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

Tangible fixed assets and depreciation

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the statement of financial activities as incurred.

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

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

Freehold buildings	50 years straight line per annum
Long leasehold land and buildings	50-125 years straight line per annum
Fixtures, fittings and equipment	10% -25% straight line per annum

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.

Assets in the course of construction are included at cost less any identified impairment loss. Cost includes professional fees and other directly attributable costs that are necessary to bring the property to its operating condition. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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 payable under operating leases are charged against income on a straight line basis over the period of the lease.

Investments

The academy's shareholding in the wholly owned subsidiary, Bluecoat Academy Trading Limited, is initially measured at cost and subsequently measured at cost less any impairment. An assessment for impairment is made at each reporting date.

Financial Instruments

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

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

Financial assets and liabilities

Financial assets and liabilities are recognised when the academy becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

De-recognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

Short-term employment benefits

Short term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the Academy Trust. The cost of any unused holiday entitlement the Academy Trust expects to pay in future periods is recognised in the period the employees' services are rendered.

Pension benefits

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies (Continued)

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 net income are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

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

Agency arrangements

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the ESFA. Related payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in Statement of Financial Activities. Where funds have not been fully applied in the year then an amount will be included as amounts due to the ESFA.

Critical accounting estimates and areas of judgement

Accounting 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. Bluecoat Aspley Academy, Bluecoat All Church of England Academies (Bluecoat Aspley Academy, Bluecoat Wollaton Academy, The Nottingham Emmanuel School and Bluecoat Primary Academy) have entered into church supplemental agreements for the use of the land and buildings they operate on, and as a result this land and buildings is included on the balance sheet under Fixed Asset Leasehold Land and Buildings.

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.

Pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

31 August 2020. Any differences between the figures derived from the roll-forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Depreciation

The assessment of the useful economic lives and the method of depreciating fixed assets requires judgement. Depreciation is charged to profit or loss based on the useful economic life selected, which requires an estimation of the period and profile over which the Trust expects to consume the future economic benefits embodied in the assets.

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Private sponsorship	-	175	175	138
Capital grants	-	604	604	701
Capital donation – Science block	-	3,832	3,832	5,686
Other donations	2	3	5	65
	<u>2</u>	<u>4,614</u>	<u>4,616</u>	<u>6,590</u>

3 Funding for the Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	25,528	25,528	24,550
Start Up Grants	-	30	30	-
Other DfE / ESFA grants	-	3,173	3,173	1,533
	<u>-</u>	<u>28,731</u>	<u>28,731</u>	<u>26,083</u>
Other government grants				
Local authority grants	-	806	806	1,179
Special education grants	-	609	609	515
	<u>-</u>	<u>1,415</u>	<u>1,415</u>	<u>1,694</u>
Other income from the academy trust's educational operations	361	-	361	-
	<u>361</u>	<u>30,146</u>	<u>30,507</u>	<u>27,777</u>

4 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Gift Aided & Associated income	110	-	110	174
Catering income	13	-	13	530
Sales of goods/services	-	34	34	114
Trip income	-	65	65	225
Workplace parking income	47	-	47	71
Student teacher income	-	306	306	240
Other income	249	4	253	135
	<u>419</u>	<u>409</u>	<u>828</u>	<u>1,489</u>

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

5	Investment income	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
	Short term deposits	27		27	19
		<hr/>	<hr/>	<hr/>	<hr/>

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

6 Expenditure	Staff costs £'000	Premises & equipment £'000	Other costs £'000	Total 2020 £'000	Total 2019 £'000
Expenditure on raising funds:					
- Direct Costs	234			234	-
- Allocated Support Costs			420	420	-
Academy's educational operations					
- Direct costs	21,876		2,691	24,568	22,587
- Allocated support costs	5,964	4,476	516	10,956	11,546
Total expenditure	28,074	4,476	3,627	36,177	34,133
Net income/(expenditure) for the year includes:				2020 £'000	2019 £'000
Fees payable to auditor					
- Audit				22	27
- Other services				3	5
Operating lease rentals				84	91
Net interest on defined benefit pension liability				254	256
Depreciation of tangible fixed assets				2,711	3,928
Loss on disposal of fixed-assets				18	45
Interest on other loans				10	16

Central services

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

- human resources
- financial services
- legal services
- educational support services
- IT network management services
- facilities services
- admissions services
- alternative provision for off-site education
- safeguarding support services
- special educational needs support services

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Central charges, such as Human Resources, Finance costs, etc., were recharged to Bluecoat Aspley Academy, Bluecoat Beechdale Academy, Bluecoat Primary Academy, Bluecoat Wollaton Academy and The Nottingham Emmanuel School on a 5% recharge of GAG funded income.

The amounts charged during the year were as follows:	Total £'000
Bluecoat Aspley Academy	415
Bluecoat Beechdale Academy	280
Bluecoat Primary School	217
Bluecoat Wollaton Academy	291
The Nottingham Emmanuel School	85
	<u>1,288</u>

7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Direct costs - educational operations	-	24,568	24,568	22,587
Support costs - educational operations	397	10,558	10,955	11,546
	<u>397</u>	<u>35,126</u>	<u>35,523</u>	<u>34,133</u>

	2020 £'000	2019 £'000
Analysis of support costs		
Support staff costs	5,964	5,295
Depreciation (and disposal)	2,729	3,928
Premises Costs	1,747	1,516
Other support costs	393	642
Governance costs	122	165
	<u>10,955</u>	<u>11,546</u>

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 a: Staff costs

	2020 £'000	2019 £'000
Wages and Salaries	19,649	17,873
Social security costs	1,885	1,650
Operating costs of defined benefit schemes	6,009	4,604
Total staff costs	27,543	24,127
Agency staff costs	473	383
Staff restructuring costs	58	43
Total	28,074	24,553

Staff restructuring costs comprise:

Severance payments	58	43
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b: Non statutory/non-contractual staff severance payments

Included within staff costs are non-statutory severance payments totalling £58,000 (2019: £43,000). This was for two members of staff (both paid in November; £19,000, and £39,000).

c: Staff numbers

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

	2020 Number	2019 Number
Teachers	290	301
Administration and support	413	335
Management	29	34
	732	670

d: Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	8	9
£70,001 - £80,000	8	6
£80,001 - £90,000	1	1
£90,001 - £100,000	1	-
£100,001 - £110,000	1	1
£120,001 - £130,000	-	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
	1	-

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Staff Costs (Continued)

e: Key management personnel

The key management personnel of the Trust comprise the Trustees and the Executive Leadership Team as listed on page 2; The total amount of employee benefits (including employer pension contributions and employers national insurance) received by key management personnel for their services to the Trust was £965,000 (2019: £795,000). The members of this group changed on 1 June and prior to this date included the individual academy Principals (the cost for September to May was £773,000). After 1 June the Business Service Directors were added to this group and the Principals removed (the cost for June to August was £192,000).

9 Trustees' remuneration and expenses

One of the Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The CEO only receives remuneration in respect of services they provide undertaking the role of CEO under their contract of employment, and not in respect of their services as Trustees. Other Trustees were not paid any remuneration nor received any benefits from employment with the Trust.

The value of Trustees' remuneration and other benefits was as follows:

S E Hampton, the CEO and Trustee; Remuneration paid; £140,001 - £145,000 (2019: £130,001 - £135,000)
Employer's pension contribution paid; £30,001-£35,000 (2019: £25,001-£30,000).

During the year ended 31 August 2020, three Trustees claimed expenses or had their expenses met by the Trust. The expenses incurred were in respect of travel and subsistence and an amount of £747 (2019: £990) was reimbursed or paid by the Trust.

10 Trustees and officers insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 and the cost for the year ended 31 August 2020 was £1,200 (2019: £1,250). The cost of this insurance is included in the total insurance cost.

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

11 Tangible fixed assets	Freehold land and buildings	Long leasehold land and buildings	Fixtures, fittings and equipment	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 September 2019	21,371	78,634	7,254	-	107,259
Transfers	-	-	-	-	-
Additions	-	3,870	353	19	4,242
Disposals	-	(1,700)	(72)	-	(1,773)
At 31 August 2020	21,371	80,804	7,535	19	109,728
Depreciation					
At 1 September 2019	2,047	8,881	5,435	-	16,363
On disposal	-	(1,700)	(54)	-	(1,755)
Charge for the year	379	1,843	489	-	2,711
At 31 August 2020	2,426	9,024	5,870	-	17,319
Net book value					
At 31 August 2019	19,324	69,753	1,819	-	90,896
At 31 August 2020	18,945	71,780	1,665	19	92,409

The building addition relates to a donation by the Department of Education of a new Central Block; this sits on land leased from Nottingham City Council. This replaces part of the existing buildings that were disposed of during the year.

12 Fixed asset investments	Total £
Cost	
At 31 August 2019 and 2020	1

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

12 Fixed asset investments (Continued)

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Bluecoat Academy Trading Limited	England & Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

Principal activities	Capital and reserves	Profit for the year
	£'000	£'000
Bluecoat Academy Trading Limited Lettings service	-	<u>76</u>

Bluecoat Academy Trading Limited is not consolidated into the academy accounts on the grounds that their results and balance sheet are immaterial to the group as a whole. The registered office of Bluecoat Academy Trading Limited is the same as that of the Trust.

13 Debtors	2020	2019
	£'000	£'000
Trade debtors	36	43
Group debtors	76	107
VAT recoverable	66	67
Other debtors	289	146
Prepayments and accrued income	490	635
	<u>957</u>	<u>998</u>
14 Creditors: amounts falling due within one year	2020	2019
	£'000	£'000
Other loans	133	133
Trade creditors	53	373
Other taxation & social security	456	435
Other creditors	633	183
Accruals and deferred income	1,638	1,094
	<u>2,913</u>	<u>2,218</u>

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15	Creditors: amounts falling due after more than one year	2020 £'000	2019 £'000
	Other loans	-	133
	Analysis of loans		
	Wholly repayable within five years	133	266
	Less: included in current liabilities	(133)	(133)
	Amounts included above	-	133
	Loan maturity		
	Debt due in one year or less	133	133
	Due in more than one year but not more than two years	-	133
	Due in more than two years but not more than five years	-	-
		<u>133</u>	<u>266</u>

There are two loans from Nottingham Bluecoat School Foundation which have back to back loans secured on the freehold land & buildings of the Trust. Interest is charged at Base+1.25% and Libor+1.25% respectively. This is charged to charitable expenditure in the Statement of Financial Activities.

16	Deferred income	2020 £'000	2019 £'000
	Deferred income is included within:		
	Creditors due within one year	671	582
	Deferred income at 1 September 2019	582	424
	Released from previous years	(582)	(424)
	Amounts deferred in the year	671	582
	Deferred income at 31 August 2020	671	582

At the reporting date, the Trust was holding funds for the following:

	£'000's
Special Educational Needs Funding from Nottingham City Council	423
Trip/activity income received 2019/20 for trips taking place in 2020/21, or where refunds are still to be made for 2019/20 trips	37
ESFA Reimbursements Rates	71
Other ESFA grants	108
Specific unspent project/grant monies	<u>32</u>
	<u>671</u>

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17. Financial instruments

	2020 £'000	2019 £'000
Carrying amount of financial assets		
Financial assets measured at amortised cost	<u>427</u>	<u>503</u>
Carrying amount of financial liabilities		
Financial liabilities measured at amortised cost	<u>(1,895)</u>	<u>(1,357)</u>

18. Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses & transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant	-	25,528	(24,738)		789
Other DfE / ESFA grants	-	3,203	(3,203)		-
Other government grants	-	1,415	(1,415)		-
Other restricted funds	<u>1,033</u>	<u>587</u>	<u>(1,815)</u>	<u>194</u>	<u>-</u>
Funds excluding pensions	<u>1,033</u>	<u>30,733</u>	<u>(31,171)</u>	<u>194</u>	<u>789</u>
Pension reserve	<u>(14,060)</u>	<u>-</u>	<u>(1,880)</u>	<u>(7,636)</u>	<u>(23,576)</u>
	<u>(13,027)</u>	<u>30,734</u>	<u>(33,051)</u>	<u>(7,442)</u>	<u>(22,786)</u>
Restricted fixed asset funds					
DfE / ESFA capital grants	3,015	4,436	(91)	-	7,360
Inherited funds	71,029	-	(2,133)		68,896
Capital expenditure from GAG	6,398	-	(192)	-	6,206
Capital expenditure from unrestricted reserves	<u>1,070</u>	<u>-</u>	<u>(32)</u>	<u>(194)</u>	<u>844</u>
Private sector capital	<u>9,384</u>	<u>-</u>	<u>(282)</u>	<u>-</u>	<u>9,102</u>
	<u>90,896</u>	<u>4,436</u>	<u>(2,729)</u>	<u>(194)</u>	<u>92,409</u>
Total restricted funds	<u>77,869</u>	<u>35,170</u>	<u>(35,780)</u>	<u>(7,636)</u>	<u>69,623</u>
Unrestricted funds					
General funds	<u>693</u>	<u>809</u>	<u>(397)</u>	<u>-</u>	<u>1,105</u>
Total funds	<u>78,562</u>	<u>35,978</u>	<u>(36,177)</u>	<u>(7,636)</u>	<u>70,727</u>

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Funds prior year	Balance at 1 September 2018	Income	Expenditure	Gains, losses & transfers	Balance at 31 August 2019
	£'000	£'000	£'000	£'000	£'000
Restricted general funds					
General Annual Grant	-	24,550	(24,550)	-	-
Other DfE / ESFA grants	-	1,534	(1,534)	-	-
Other government grants	-	1,179	(1,179)	-	-
Other restricted funds	-	1,882	(931)	82	1,033
	<u>-</u>	<u>29,145</u>	<u>(28,194)</u>	<u>82</u>	<u>1,033</u>
Funds excluding pensions	-	29,145	(28,194)	82	1,033
Pension reserve	(9,948)	-	(1,932)	(2,180)	(14,060)
	<u>(9,948)</u>	<u>29,145</u>	<u>(30,126)</u>	<u>(2,098)</u>	<u>(13,027)</u>
Restricted fixed asset funds					
DfE / ESFA capital grants	58	6,387	(3,430)	-	3,015
Inherited funds	71,573	-	(544)	-	71,029
Capital expenditure from GAG	6,398	-	-	-	6,398
Capital expenditure from unrestricted reserves	1,152	-	-	(82)	1,070
Private sector capital	9,384	-	-	-	9,384
	<u>88,565</u>	<u>6,387</u>	<u>(3,974)</u>	<u>(82)</u>	<u>90,896</u>
Total restricted funds	<u>78,617</u>	<u>35,532</u>	<u>(34,100)</u>	<u>(2,180)</u>	<u>77,869</u>
Unrestricted funds					
General funds	383	343	(33)	-	693
	<u>383</u>	<u>343</u>	<u>(33)</u>	<u>-</u>	<u>693</u>
Total funds	<u>79,000</u>	<u>35,875</u>	<u>(34,133)</u>	<u>(2,180)</u>	<u>78,562</u>

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds (Continued)

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

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

The inherited fixed assets fund has been set up to recognise the tangible assets gifted to the academy upon conversion which represent the school site including the leasehold land and buildings and all material items of plant and machinery included therein. This fund also includes any subsequent assets inherited on transfer in of academy trusts. Depreciation charged on those inherited assets is allocated to the fund.

Other capital grant fixed assets funds have been set up to recognise the tangible assets purchased by the Trust that have been funded by capital grants received by the Trust, as well as any capital donations received post conversion. Depreciation charged on those tangible assets is allocated to the fund.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to each Academy within the Trust via the Education and Skills Funding Agency (formerly the Young People's Learning Agency) by the Department for Education. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the academies within the Trust.

Transfers have been made to the restricted fixed asset fund amounting to £194,000 to cover the purchase of assets required for the provision of education of students across Archway Learning Trust.

The Pension Reserve deficit fund has been created to separately identify the pension deficit inherited from the local authority upon conversion of each Academy, and through which all the pension scheme movements are recognised.

Total funds analysis by academy

	Total 2020	Total 2019
	£'000	£'000
Fund balances at 31 August 2020 were allocated as follows:		
Bluecoat Aspley Academy	(162)	(198)
Bluecoat Wollaton Academy	(19)	(17)
Bluecoat Primary Academy	227	159
Bluecoat Beechdale Academy	1,144	934
The Nottingham Emmanuel School	451	568
Archway Learning Trust	253	280
Total before fixed assets fund and pension reserve	1,894	1,726
Restricted fixed assets fund and pension reserve	92,409	90,896
Pension reserve	(23,576)	(14,060)
Total funds	70,227	78,562

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds (Continued)

Bluecoat Aspley Academy and Bluecoat Wollaton Academy are showing ring-fenced deficits in their reserves. This is as a result of large capital investments (Bluecoat Aspley Academy 6th form centre extension, Bluecoat Wollaton Academy ancillary capital works to the BSF funded new building) which were funded by the academies. Archway Learning Trust manages its capital investment programme across the Trust. Trust wide reserves before the Fixed Asset Fund and Pension Reserve are £1,894,000.

Total cost analysis by academy

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

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2020	Total 2019
	£'000	£'000	£'000	£'000	£'000	£'000
Bluecoat Aspley Academy	6,572	1,491	609	979	9,651	9,962
Bluecoat Wollaton	3,411	883	289	518	5,101	4,966
Bluecoat Primary Academy	1,403	257	159	213	2,032	1,717
Bluecoat Beechdale	3,923	927	314	588	5,752	5,913
The Nottingham Emmanuel School	4,660	982	390	708	6,740	6,662
Archway Learning Trust	2,138	1,428	244	362	4,172	939
	<u>22,107</u>	<u>5,968</u>	<u>2,005</u>	<u>3,368</u>	<u>33,448</u>	<u>30,159</u>

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Analysis of net assets between funds

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset	2020
	£'000	£'000	£'000	£'000
Fund balances at 31 August 2020 are represented by				
Tangible fixed assets	-	-	92,409	92,409
Current assets	1,105	3,702	-	4,807
Creditors falling due within one year	-	(2,913)	-	(2,913)
Defined benefit pension liability	-	(23,576)	-	(23,576)
	<u>1,105</u>	<u>(22,787)</u>	<u>92,409</u>	<u>70,727</u>

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2019
	£'000	£'000	£'000	£'000
Fund balances at 31 August 2019 are represented by				
Tangible fixed assets	-	-	90,896	90,896
Current assets	693	3,384	-	4,077
Creditors falling due within one year	-	(2,218)	-	(2,218)
Creditors falling due after one year	-	(133)	-	(133)
Defined benefit pension liability	-	(14,060)	-	(14,060)
	<u>693</u>	<u>(13,027)</u>	<u>90,896</u>	<u>78,562</u>

20 Commitments under operating leases

	2020 £'000	2019 £'000
Amounts due within one year	64	84
Amounts due between one and five years	152	204
Amounts due later than five years	-	38
	<u>216</u>	<u>326</u>

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

21 Reconciliation of net expenditure to net cash flows from operating activities

	2020 £'000	2019 £'000
Net income for the reporting period	(199)	1,741
Adjusted for:-		
Depreciation	2,711	3,928
Capital grants from DfE/ESFA and other capital income	(4,436)	(6,387)
Interest receivable	(27)	(19)
Defined benefit pension scheme cost less contributions payable	1,626	1,676
Defined benefit pension scheme finance costs	254	256
Loss on disposals of fixed assets	18	45
Decrease/(Increase) in debtors	40	(331)
(Decrease)/Increase in creditors	696	(264)
Net cash (utilised)/provided by operating activities	683	645

22 Cash flows from financing activities

	2020 £'000	2019 £'000
Repayments of borrowing		
Repayments of borrowing	(133)	(133)

23 Cash flows from investing activities

	2020 £'000	2019 £'000
Dividends, interest and rents from investments	27	19
Purchase of tangible assets	(410)	(618)
Capital grants from DfE	604	701
Capital funding received from sponsors and other		
	221	102

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

24 Analysis of cash and cash equivalent

	2020 £'000	2019 £'000
Cash in hand and at bank	3,250	2,379
Notice deposits (less than three months)	600	700
Total cash and cash equivalents	<u>3,850</u>	<u>3,079</u>

24a Analysis of changes in net debt

	At 1 September 2019 £'000's	Cash flows £'000's	Acquisition/ disposal of subsidiaries £'000's	New finance leases £'000's	Other non- cash changes £'000's	At 31 August 2020 £'000's
Cash	3079	771	-	-	-	3850
Cash Equivalents	-	-	-	-	-	0
	<u>3079</u>	<u>771</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3850</u>
Loans Falling due within one year	(133)	-	-	-	-	(133)
Loans falling due after more than one year	(133)	(133)	-	-	-	0
Finance lease obligations	-	-	-	-	-	0
Total	<u>(266)</u>	<u>(133)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(133)</u>

25 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

26 Pensions 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 Nottinghamshire 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 that of the LGPS related to the period ended 31 March 2016

There were outstanding contributions at the end of the financial year of £486,000, these were due and were paid on 1 September 2020.

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

27 Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer.

Valuation of the Teacher's 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. 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 except it has been prepared following the Government's decision to pause the operation of the cost control mechanisms at the time when legal challenges were still pending.

The valuation report was published in April 2019. The key results of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI

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

The employer's pension costs paid to TPS in the period amounted to £2,712,215 (2018: £1,797,000). The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee administered funds. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Total contributions made	2020 £'000	2019 £'000
Employer's contributions	1,363	1,135
Employees' contributions	<u>439</u>	<u>398</u>
Total contributions	<u>1,802</u>	<u>1,533</u>

The agreed contribution rates for future years are 20.8% for employers and 5.5 to 12.5% for employees.

Principal actuarial assumptions	2020 %	2019 %
Rate of increases in salaries	3.20	3.65

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Rate of increase for pensions in payment	2.20	2.15
Discount rate	1.65	1.90

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

	2020 Years	2019 Years
Retiring today		
- Males	21.8	21.7
- Females	24.4	24.4
Retiring in 20 years		
- Males	23.2	23.3
- Females	25.9	26.2

Sensitivity Analysis	£'000's	£'000's
Discount Rate + 0.1%	1,187	760
Discount Rate - 0.1%	1,226	784
Mortality assumption - 1 year increase	1,326	951
Mortality assumption - 1 year decrease	1,075	918
CPI rate + 0.1%	108	91
CPI rate - 0.1%	107	90

ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

27 Pensions and similar obligations (Continued)

The Trust's share of the assets in the scheme

	2020	2019
	Fair value	Fair value
	£'000	£'000
Equities	8,610	7,839
Gilts and other bonds	1,793	1,494
Cash	566	368
Inflation-linked pooled fund	542	451
Property	1,896	1,661
Other assets	998	752

Total fair value of assets	14,405	12,565
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Actual return on scheme assets	463	539
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Amounts recognised in the statement of financial activities

	2020	2019
	£'000	£'000
Current service cost	2,984	2,308
Past service cost	-	349
Net interest cost	254	257
Admin expenses	5	4
Net costs on settlements	-	150

Changes in the present value of defined benefit obligations

	2020
	£'000
Obligations at 1 September 2019	26,625
Current service cost	2,984
Interest cost	507
Employee contributions	439
Benefits paid plus unfunded net of transfers in	(303)
Experience loss on defined benefit obligation	5,900
Change in assumptions	1,829

At 31 August 2020	37,981
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Changes in the fair value of the Trust's share of scheme assets

	2020
	£'000
Assets at 1 September 2019	12,565
Interest income	253
Return on plan assets (excluding net interest on the net defined pension liability)	210
Employer contributions	1,363
Employee contributions	439
Admin expenses	(5)
Benefits paid plus unfunded net of transfers in	(303)
Other actuarial gains/(losses)	(117)

At 31 August 2020	14,405
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ARCHWAY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

28 Related party transactions

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 9, loan repayments to Bluecoat Foundation Trust and recharges to Bluecoat Academy Trading Limited.

The predecessor school to Bluecoat Academy had entered into loan arrangements with the Bluecoat Foundation Trust. The balance of these loans (£2,064,000) was transferred to the Academy on conversion. During the year the Academy made capital repayments against outstanding loans to the Bluecoat Foundation Trust amounting to £133,333 and the balance remaining at year end was £133,333.

During the year recharges of £34,000 (2019: £67,000) were made to Bluecoat Academy Trading Limited relating to salaries and professional services supplied by the Trust. At the year-end Enil (2019: Enil) was owed to the Academy Trust in respect of these services. During the year an amount of £83,000 (2019: £106,000) was gift aided to the Trust from Bluecoat Academy Trading Limited. At the year-end £76,000 (2019: £106,000) was owed to the Academy trust in respect of this donation.

29 Agency arrangements

Archway Learning Trust received £99,000 from the Education and Skills Funding Agency in respect of Sixth Form Bursary allocations. The Trust withholds 5% to pay for the administration of these funds and the remaining funds are distributed to Sixth Form students. As at 31 August 2020 there was £51,000 of funds payable to students. A further agency arrangement is maintained in respect of the Bluecoat SCITT Trainee Teacher Bursary. Archway Learning Trust received £620,000 from NCTL. As at 31 August 2020 there was an amount of £500 still payable to Trainee Teachers. Both of these liabilities are included within other creditor