

Company Registration Number: 07893665 (England & Wales)

THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020



**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

Members The Griffin Education Trust (Principal Sponsor)
L Lewis (Subscriber) (resigned 21/01/2021)
S Galvani (Subscriber)
T Edinburgh
E Cooke (appointed 21/01/2021)

Trustees A Powell, Chief Executive Officer
T Edinburgh, Chair of Trustees¹
M Upama¹
M McCreedy¹
M Davis
J Adams
M Stiasny
M Davies (resigned 07/07/2020)

¹ Audit Committee

Company registered number 07893665

Company name The Griffin Schools Trust

Principal and registered office The Talent Factory
4-14 Barmeston Road
London
SE6 3BH

Company secretary R Ramsay

Accounting Officer A Powell

Senior management team A Powell, CEO
C Foulston, School Improvement Officer
L Crook, School Improvement Officer
J Creasey, School Improvement Officer
G Sant Benson, Executive Head
C Clare, Executive Head
L Guest, Executive Head
J Denton, Executive Head
R Ramsay, Senior Accountant

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

**THE GRIFFIN SCHOOLS TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Bankers	Lloyds Bank plc 6-8 Market Square Bromley BR1 1NA
Solicitors	Veale Wasbrough Vizards 86 Fetter Lane London EC4A 1AD

**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

The Trustees present their annual report together with the Financial Statements and Auditors' Report of the charitable company for the year ended 31 August 2020. The annual report serves the purpose of both a Trustees' Report, and a Directors' Report under company law. The Trust operates 10 primary and 3 secondary schools in the Midlands and the South East of England. The Trust's combined pupil capacity is 8229 and had a roll of 6654 in August 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of The Griffin Schools Trust (GST) are also the Directors of the charitable company for the purposes of company law. Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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 s/he is a Member, or within one year after s/he ceases 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

Trustees benefit from indemnity insurance under the Department for Education's risk protection arrangement (RPA) which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Trust. This indemnity is limited to £10m.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

The Trustees are Directors of the charitable company. The term of office for a Trustee is four years but this will not apply to the Chief Executive Officer. The Chief Executive Officer serves ex officio for as long as s/he remains in office. Subject to remaining eligible, any Director may be reappointed or re-elected. There is no limit to the number of times a Trustee can be reappointed or re-elected.

Members of the charitable company are one of the following: signatories to the Memorandum of Association (nominated by the Secretary of State for Education), nominated by the Principal Sponsor (Griffin Education Trust), the Chairman of the Directors or any person nominated by the other Members.

The Trust must have at least 3 Members. The Articles of Association require there to be no fewer than three Directors and the Trust may have the following Directors: Directors appointed by the other Directors; Staff Directors; a maximum of 5 Academy Directors; the Chief Executive Officer; Parent Directors; Sponsor Directors; any Directors appointed by the Secretary of State.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training on charity, educational, legal and financial matters. All new Trustees are encouraged to visit the Trust's schools and have the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, compliance documentation, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees.

**THE GRIFFIN SCHOOLS TRUST
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Organisational Structure

From 1 September 2019 the central team comprised the Chief Executive; three School Improvement Officers, a Director of Sport, an Arts Development Associate, a Director of Music, two School Improvement Associates, a Senior Accountant (CFO), a Strategic Finance Associate, two Finance Accountants, two finance administrators, an Executive Assistant and three administrators.

The Chief Executive Officer reports directly to the Trust Board of Trustees. The Board of Trustees has approved and implemented a Scheme of Delegation that devolves roles and responsibilities to local governing bodies and individual Trust School Heads. This Scheme of Delegation is regularly reviewed to ensure it meets the needs of the Trust and the individual schools.

The Directors are responsible for strategic planning, adopting an annual plan and budget, monitoring the Trust schools and making major decisions to secure the fulfilment of the Trust's founding vision through capital expenditure, large value contracts, appointing the CEO and contributing to the appointment of Heads. The Audit Committee is responsible for actively monitoring internal control systems and risk management, including audit activities. The Finance and HR Committee is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management and HR of the Trust. The Chief Executive Officer is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trust operates a single pay policy. For teachers it adheres to the STRB and for support staff the NJC scales. All Trust staff receive the same annual cost of living increase. All are subject to the same rigorous performance management process and the Chair of the Board with two other Trustees uses that process for the performance management of the CEO. The CEO's salary is pegged to the STRB Leadership scales.

The Trustees consider the CEO and the Executive Team as the key management personnel of the Trust in charge of directing, controlling and operating the Trust on a day to day basis. The CEO reports to the Trustees who are not remunerated for their work.

The pay of key management personnel is reviewed annually and in 2019/20 increases were applied, in line with the School Teachers' Pay and Condition Document and jointly advised by the teaching unions.

Trade Union Facility time 2019-2020

Relevant union officials

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

Percentage of time spent on facility time

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

**THE GRIFFIN SCHOOLS TRUST
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Percentage of pay bill spent on facility time

	£
Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	-%

Paid Trade Union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-%
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Connected Organisations, including Related Party Relationships

GST seeks to build fruitful relationships with a whole range of partners who reflect or can help to deliver our mission and who share our values. A selection appears below:

- University of East London: Fully Funded Masters Programme.
- Manchester Metropolitan University action research across Trust schools.
- Artsmark, accredited by Arts Council England, is the only creative quality standard for schools and education settings. All GST schools are registered, reflecting the centrality of cultural education and experiences to our vision and five have achieved Arts Mark Gold.
- The Youth Sports Trust - all GST schools have membership of the Youth Sports Trust to harness the power of PE and Sport for every pupil and every school community. All schools are working towards achieving the Youth Sports Trust Quality Mark of which five have so far been awarded.
- The Music in Secondary Schools Trust - in 2019 Nicholas Chamberlaine became the first school outside of London to work in partnership with MiSST, a charity that supports secondary schools with disadvantaged student intakes by providing opportunities for all students to learn a classical musical instrument free of charge.
- The Shakespeare Schools Foundation - a cultural education charity that gives young people the confidence to succeed in life. All GST schools take part in the annual Shakespeare Schools Festival.
- The Voices Foundation – a new partnership in 2019 to enable every school to become a 'singing school'.
- Maths Mastery Secondary – as partner schools, GST secondaries have access to a KS3 curriculum designed by experts and supported by professional development and classroom resources.
- Read Write Inc – GST schools use RWI to provide a structured approach to the teaching of literacy, to create fluent readers, confident speakers and willing writers.
- Teacher Apprenticeships- Riverley Primary is an accredited teaching school.
- National Teaching and Support Staff Trade Unions: a recognition agreement is in place and regular discussions are held.
- The Trust is connected to Griffin Education Trust who is a Member and whose sole function is to appoint Directors to the Griffin Schools Trust. Note 30 to the accounts provides further information on Related Party Transactions.
- Capital Talent is a small company which owns the shared working and event space developed for and occupied by the Trust as its HQ. One of its Directors was a Member and resigned on 21 January 2021. The terms of the lease were approved by ESFA. Capital Talent also developed and owns the school improvement model which the Trust uses without charge, providing it is not for profit.

Given the recent focus in the sector on the management of related party transactions, GST is taking steps to end such relationships by the end of this calendar year.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Engagement with employees (including disabled persons)

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

- consulting with employees on key matters, such as senior appointments
- engaging all staff in the planning, delivery and review of Trust-wide events, such as the Griffin Arts Festival and Griffin Sports Festival
- involving staff in regular networking sessions in hubs and nationally
- using Give and Get to share good practice across Trust schools and beyond
- taking part in action research projects, including MA studies which are funded by the Trust
- feedback to the Trust through commissioned academic research.

Engagement with suppliers and others in a business relationship with the Trust

We engage with our suppliers first and foremost by establishing relationships built on quality service and prompt payment. Our wider engagement forges links with the communities we serve and the local authorities and charities which also serve and support them.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Company's object ("the Object") is specifically restricted to the following:

- i. To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by:
- ii. Establishing, maintaining, carrying on, managing and developing schools ("the Academies") offering a broad and balanced curriculum and;
- iii. To promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

In order to fulfil those objects, the Trust has established the following three organisational objectives:

- Providing the very best education, through a rich curriculum and broad provision in the arts and sports, for the most socially disadvantaged in order to close opportunity gaps between them and their most affluent peers.
- To prepare socially disadvantaged students for engagement with and contributions to public life, local, national and international.
- Contributing to education system improvement locally and more widely.

The Trust embraces government policies that allow the achievement of these aims.

The Trust aims to be the lead strategic education partner for each school within the Trust, enabling it to remain rooted in its local community whilst growing wider networks through the Trust.

The Trust has three sources of school improvement support as a matter of strategy:

1. A small and high-quality central team.
2. The MAT's internal capacity for school-school support, including Executive Heads based in hubs.
3. Local partners such as Teaching Schools, MATs, Local Authorities and other providers.

We also continually develop relationships on a regional and national level to underpin our drive to system improvement (see Connected Organisations).

**THE GRIFFIN SCHOOLS TRUST
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Objectives, Strategies and Activities

The Trust aims to establish and grow a network of schools in the Midlands and the South East of England, which provide the highest quality education based on proud traditions, wide horizons and high achievement. We are consciously educating the next generation of our society: its leaders, campaigners, artists, scientists, musicians, parents, innovators, volunteers, politicians and voters.

Our strategy is to have a family of schools in the Midlands and South East providing all-through education in local hubs, such that each is within an hour's travel of another. Our objective is to make a substantial and long-lasting difference to communities as well as to individual lives. Legacy and longevity are the twin drivers of our strategy and we judge that a final number of some 12,000 pupils will provide the scale to make a wide impact whilst still retaining the family resemblance and connectedness which is core to our mission. We have worked with Regional Schools Commissioners and through other contacts to identify the schools that will progress that vision.

The Trust operated the following schools in 2019/20:

- Nicholas Chamberlaine School which serves the town of Bedworth in Warwickshire
- Race Leys Junior School in Bedworth, which is a feeder school to Nicholas Chamberlaine
- Park Lane Primary School in Nuneaton Warwickshire (four miles from Bedworth)
- Chivenor Primary School in Birmingham, situated on the Castle Vale Estate
- Bramford Primary School in Dudley
- Perry Wood Primary School and Nursery in Worcester
- Riverley Primary School in Leyton, Waltham Forest
- Willow Brook Primary School in Leyton, adjacent to Riverley
- Lammas School and Sixth Form, adjacent to Riverley and Willow Brook
- Kingfisher Primary School in Walderslade, Medway
- Lordswood Primary School in Walderslade, Medway
- Saxon Way Primary School in Gillingham, Medway
- Stantonbury International School which serves Northern Milton Keynes

Public Benefit

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

STRATEGIC REPORT

Achievements and Performance

The Trustees have reviewed the significant activities undertaken by the charitable company during this period of operation to further its charitable purposes for the public benefit. The Trust's mission is to provide the highest quality education, with all the breadth and depth of experience that that implies, on the modest per capita funding available to the maintained sector.

We place strong emphasis on growing internal leadership capacity to lay the foundations of a self-improving system. A number of Heads have made exceptional progress in their schools and have had impact on others as Executive Heads and as part of our growing network of school-school support we call Give and Get. All Heads also work together in groups on strategic cross-Trust issues, in keeping with our mission to be a Head-led Trust, which continues to prove a positive force in developing and retaining excellent leaders. Our Board planning day in January 2020 engaged Trustees, Heads and the Executive Team in working together to identify the strategic agenda for 2020/21.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Key Performance Indicators

All GST schools are working towards becoming Griffin Great Schools via Ofsted Outstanding. As of August 2020, 2 schools are Outstanding, 8 are Good, 1 RI and 1 not yet inspected as a GST school. All primary schools in the Trust are now Good or Outstanding. We judge one to be Great against our published descriptors which are the touchstone for Heads. But we also faced challenges in two of our secondary schools. In November one slipped from Good to RI in two of the five areas of the Ofsted framework. Leaders from the central team have spent nine months since the inspection successfully recovering the lost ground, Covid19 notwithstanding. They have also built leadership capacity to secure the journey to Great via Ofsted Outstanding. In late January 2020 Stantonbury International School (SIS) regressed from RI to Special Measures after a turbulent period of change. Again, leaders from the central team, supported by substantial investments of time and expertise from other schools, have restored progress with the five-year recovery plan agreed with DfE when SIS joined GST, managing Covid19 confidently and continuing the huge improvements to fundamentals under way since 2016, such as a transformed curriculum and learning environment. In August 2020 a Termination Warning Notice was issued in respect of the Trust's sponsorship of SIS.

At the end of 2019/20, outcomes have again demonstrated progress and improvement with the great majority of schools showing a further increase in the combined measures for English and Maths, and building on the 2018/2019 data showing 9/10 primary schools achieved progress at or above national for English and Maths. 2020's KS4 and 5 results, arrived at by teacher assessment, were rigorously moderated in a two-stage process across our schools and beyond, benchmarked by FFT. It will be an injustice to our students at every key stage to consider their achievements anything less than accurately judged.

However, achievement in GST schools is measured much more broadly than by national attainment measures, important though these are. The vast majority of our children are regularly engaged in clubs, extra-curricular and enrichment activities with well over 700 such opportunities being provided every week. Through these our children are demonstrating their ability to excel in a wide range of areas.

School Improvement Processes

The Trust sets a clear agenda and timescale for getting first to 'Good' and then to 'Great' (which goes beyond Ofsted 'Outstanding') and gives each school targeted support through our school improvement model. Support comes from the central team, other Trust schools and selected external partners.

Developing Wide Horizons across the Trust

Our mission to provide a broad, all-round education which raises achievement and attainment and which makes fuller use of staff talents and interests continues. Children are encouraged to look beyond their schools and localities and certainly beyond the timetabled curriculum to find interests, invest in their talents and make a difference to their communities. Likewise, staff are encouraged to bring their personal as well as professional expertise to bear on the school and indeed the Trust community.

The Trust Directors of Sport and Arts have continued to have a significant impact on the quality and range of experiences open to our pupils in both primary and secondary phases. Trust-wide Arts and Sports Festivals are now well-established, as is a Founders' Day focused on community service and a Science Symposium for years 6 and 7 from all Trust schools delivered by industry and academic leaders in their fields. All these events are connected in an annual theme, which in 2019-20 was Festival. All schools took part again in the Schools' Shakespeare Festival in November 2019, a recently-added proud tradition for GST. The seventh Griffin Arts Festival was celebrated in each school and shared virtually because of Covid 19. The creativity and determination of our staff and students found expression in videos, virtual school trips and events during the months of the first 'lockdown' March - June 2020. These cross-Trust events and relationships have proven even more important as we navigated the unknown territory of a global pandemic whilst keeping our schools open for the children of key workers and others who needed to be at school at the same time as learning to provide on-line education. The communities we serve have been even further disadvantaged during the Covid period by a scarcity of computers and sufficiently strong broadband access, compounded for many by shortage of space for adults and children to work with any degree of privacy. We have done our best to buy, lease and distribute devices to alleviate these problems and of course have also provided hard copies of work for students where that was the best option.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

24.3% of our families are eligible for free school meals and we worked hard to ensure they continued to have food or vouchers delivered to them. Our staff kept in regular contact to support children in any way they could and to be aware of any issues. The long period away from the routine and security of school has been a serious challenge for some of our children whilst for a contrasting minority the ability to learn away from the social pressures that school can present for some may have been a benefit. Certainly, we are all learning a great deal which will inform our thinking and practice for years to come.

Key Financial Performance Indicators

The following key financial performance indicators are used by the Trust to track progress against school development plans, as follows:

- The Trust encourages the participation of all employees in the development of the business and has a policy of regular communications.
- The Heads are expected to be highly competent strategic financial managers and the Trust monitors budget management linked with successful provision and outcomes for children.
- In addition to budget management, the Trust monitors cash position, management of current assets and liabilities, procurement of contracts (e.g. payroll provider), and the planned use of restricted and unrestricted funds for all the schools. Particular attention is paid to the impact of additional funding on targeted groups.
- Covid costs and savings.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the Going Concern basis in preparing the Financial Statements. Further details regarding the adoption of the Going Concern basis can be found in the Going Concern policy.

Financial Review

The majority of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2020, total expenditure (excluding depreciation and pension fund movements) of £46,906,000 did not exceed recurrent grant funding from the ESFA together with other incoming resources. The surplus of expenditure over income for the period (excluding restricted fixed asset, pension funds and balances brought in on conversion and SCA) was £1,385,000.

At 31 August 2020 the net book value of fixed assets was £71,620,000 and movements in tangible fixed assets are shown in Note 15 to the Financial Statements. The assets were used principally for providing education and the associated support services to the pupils of the Trust schools.

The Balance Sheet also reflects the FRS102 pension scheme deficit of £25,556,000, following a scheme valuation of the Local Government Pension Scheme for Trust support staff. The pension scheme deficit is recognised against restricted funds.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Reserves Policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The reserves levels have also been set to take into account any significant planned work for the schools.

The Trustees have determined that the appropriate level of unrestricted and restricted funds less pension deficit should be equivalent to 6 weeks expenditure, approximately £2,900,000. This level is considered adequate to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

As at 31 August 2020, the Trust held spendable reserves of £7,445,000, of which £2,410,000 relates to School Condition Allocation funding and the remainder of £5,035,000 will be used to implement Trust-wide initiatives; to prioritise the Primary and Secondary strategies, to promote Sports, Arts and Music, and in asset management to deliver our vision over a 5 year period.

Investment Policy

All funds surplus to immediate requirements are invested to optimal effect. Due to the nature and timing of receipt of funding, the Trust may at times hold cash balances surplus to its short term requirements. Where appropriate, the Trust operates short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised at present.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Heads and the Senior Accountant within strict guidelines approved by the Board of Trustees.

Principal Risks and Uncertainties

The Trustees and Directors are responsible for identifying risks faced by the Trust, assessing the likelihood of the risk occurring and its potential impact, and taking steps to mitigate, manage and control these risks, and ensuring that employees are aware of any risk management procedures and of the implications of failing to implement them.

The Trust has continued to strengthen its risk management process. The risks identified are recorded at Trust and school level and kept under review. The Trust risk register is reviewed at every Audit Committee meeting. The Directors assess the major risks and uncertainties to which the Trust is exposed and set out strategies to manage, mitigate or remove these risks. Key risks and uncertainties in this year include the continuing reduction in funding to schools, the recruitment challenges of the public sector pay cap and the financial difficulties of paying better rates should they be awarded without full funding, the costs of managing Covid19, navigating Brexit related changes and the consequences of potentially losing a large secondary school from our Trust. Strategies to manage, mitigate or remove these risks include recruitment to provide additional capacity, training on key areas, strong external partnerships and maintaining effective internal financial controls. Trustees have ensured that schools have systems in place to assess risks, in areas such as health and safety, safeguarding and asset management.

There is a cumulative deficit on the local government pension scheme of £25,556,000. This does not imply an immediate crystallised liability, however it could result in a requirement for additional employer contributions to be made in the future from the Trust budget.

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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Fundraising

Under the provisions of the Charities (Protection and Social Investment) Act 2016, the Trust's approach to fundraising is to:

- establish funds (currently a Sports and Arts fund) to support pupils to further their interests
- fundraise to enable pupils to take part in trips and events free of charge

We do not use professional fundraisers.

The Trust has a formal complaints procedure accessible on school websites and the Trust website.

The Trust protects the public, including vulnerable people, from unreasonable, intrusive or persistent fundraising approaches and undue pressure to donate.

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)	2,614,335
Energy consumption break down (kWh)	
Gas	1,846,421
Electricity	760,399
Transport fuel	7,516
Scope 1 emissions in metric tonnes CO2e	
Gas consumption	1,846
Owned transport – mini-buses	2
Total Scope 1	1,848
Scope 2 emissions in metric tonnes CO2e	
Purchased electricity	760
Scope 3 emissions in metric tonnes CO2e	
Business travel in employee owned vehicles	0
Total gross emissions in metric tonnes CO2e	2,609
Intensity ratio Tonnes CO2e per pupil (Autumn 2019 Census)	0.39

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 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

The Trust will continue to focus on using its resources on the continuous raising of educational standards and provision across all of its schools. We will also continue with our growth strategy and to work in partnership with, and support the improvement of schools, beyond our Trust family. Many Senior Leaders contribute to local and national initiatives and provide valuable expertise and support beyond the MAT.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

**THE GRIFFIN SCHOOLS TRUST
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

EMPLOYEES AND DISABLED PERSONS

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Trust is committed to offering equal employment opportunities and its policies are designed to attract, retain, motivate and develop the best staff regardless of gender, sexuality, race, religion, age or disability.

All Trust sites facilitate disabled access and are fully compliant with the Disability Discrimination Act. The policy of the Trust is to support recruitment and retention of pupils and employees with disabilities. The Trust seeks to do this by adapting the physical environment, by making support resources available and through training and career developments. The Trust gives proper consideration to applications for employment when these are received from disabled persons and will employ them in posts whenever suitable vacancies arise. Employees who become disabled will be retained whenever possible through retraining, use of appropriate technology and making available suitable alternative employment.

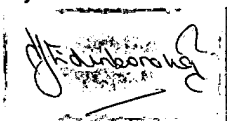
AUDITORS

In so far as the Trustees are aware:

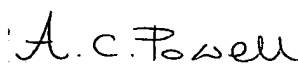
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

A resolution to appoint auditors will be proposed at the Annual General Meeting.

Approved by order of the members of the Board of Trustees on 28 January 2021 and signed on their behalf, by:



T Edinborough
Chair of Trustees



A Powell
Accounting Officer

**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Griffin Schools 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.

The Griffin Schools Trust Directors undertook its annual self-evaluation in March 2019. This self-evaluation has driven the Trust's risk register and development plan for the academic year 2019/20 and beyond. It also built on an in-depth discussion with representatives from the West Midlands RSC team in November 2019.

The Trust has hub local governance in place and has continued to develop it through training and support. It has also reviewed the minutes of all Boards and throughout the year.

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 7 times during the year and additional meetings have been held to respond to the demands of Covid 19. The Board brings depth of experience in Primary, Secondary and Higher education and commercial and wider public sector expertise. A recruitment campaign in 2021 will enable the Board to build capacity and we expect an additional two Trustees to join following a short period of induction. During 2019-2020, the full Board undertook the duty of fulfilling its responsibility to ensure sound management of the Trust's finances and resources, including proper planning, monitoring and probity.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
A Powell, Chief Executive Officer	7	7
T Edinborough, Chair of Trustees	7	7
M Upama	7	7
M McCreedy	7	7
M Davis	4	7
J Adams	6	7
M Stiasny	4	6
M Davies	4	6

**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

The Audit Committee is a sub-committee of the Board of Trustees. Its purpose is to advise the Trust Board on audit and risk matters, including proper planning, monitoring and probity in order to achieve best value for the Trust.

The Audit Committee has met 4 times during the year and attendance is as follows:

Trustee	Meetings attended	Out of a possible
M McCreedy	4	4
M Upama	2	4
T Edinborough	4	4

REVIEW OF VALUE FOR MONEY

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

The Accounting Officer considers how the Academy 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 appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by further developing the Griffin Schools Trust Procurement Policy. This remains a key process for ensuring value for money and rigour in Griffin Schools Trust purchasing controls. Implemented across the whole Trust, this policy was reviewed by the Griffin Schools Trust Procurement Group in October 2019, with amendments proposed, and was approved by the Finance & HR Committee and Board.

In 2019/20, the Trust further developed the triangular structure of Heads, Operations Managers and Finance Business Partners to increase efficiencies, share knowledge, identify income generation opportunities and review contracts and costs, among other things. The schools are better able to compare costs and the levels of service received in similar contracts and are better placed to negotiate deals with suppliers through potential bulk discounts and economies of scale such as IT, HR and payroll.

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 Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Griffin Schools Trust for the year 1 September 2019 to 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 Academy 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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2019 to 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.

GOVERNANCE STATEMENT (CONTINUED)

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews 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 engaged a bought-in internal audit service to complete the internal audit process for the 2019/20 academic year as required in the Academies Financial Handbook 2019. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems.

The objectives of the internal audit programme were to:

- evaluate the suitability of, and level of compliance with, financial and other controls;
- offering advice and insight to the Board on how to address weaknesses in financial and other controls, acting as a catalyst for improvement, but without diluting management's responsibility for day to day running of the Trust;
- ensure all categories of risk are being adequately identified, reported to management and thus managed.

On an annual basis, the internal reviewer reports to the Board of Trustees through the Audit Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

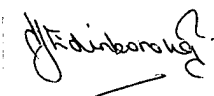
- the work of the internal reviewer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

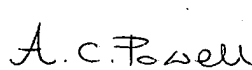
Approved by order of the members of the Board of Trustees on
their behalf by:

28 January 2021

and signed on



T Edinborough
Chair of Trustees



A Powell
Accounting Officer

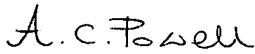
**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Griffin Schools Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & 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.



A Powell
Accounting Officer
Date: 28 January 2021

**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

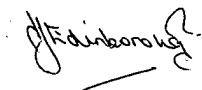
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



T Edinborough
Chair of Trustees
Date: 28 January 2021

**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
GRIFFIN SCHOOLS TRUST**

OPINION

We have audited the financial statements of The Griffin Schools 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 the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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.

**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
GRIFFIN SCHOOLS TRUST (CONTINUED)**

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
GRIFFIN SCHOOLS TRUST (CONTINUED)**

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the 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.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

This report is made solely to the 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Pamela Tuckett FCA DChA (Senior Statutory Auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 28 January 2021

**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE GRIFFIN SCHOOLS TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 21 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Griffin Schools Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF THE GRIFFIN SCHOOLS TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of The Griffin Schools Trust's funding agreement with the Secretary of State for Education dated 31 May 2013 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 year 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 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.

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

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

**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE GRIFFIN
SCHOOLS TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.



Pamela Tuckett FCA DChA (Reporting Accountant)

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: 28 January 2021

THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

		Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
	Note					
INCOME FROM:						
Donations and capital grants:	3					
Transfer from Local Authority on Conversion		-	-	-	-	(160)
Other donations and capital grants		31	2,720	18,053	20,804	2,341
Charitable activities	4	1,764	40,864	-	42,628	39,554
Other trading activities	6	823	-	-	823	901
Investments	7	9	-	-	9	12
TOTAL INCOME		2,627	43,584	18,053	64,264	42,648
EXPENDITURE ON:						
Raising funds		743	-	-	743	686
Charitable activities		1,723	42,360	5,531	49,614	44,423
TOTAL EXPENDITURE	8	2,466	42,360	5,531	50,357	45,109
NET INCOME/ (EXPENDITURE)		161	1,224	12,522	13,907	(2,461)
Transfers between funds	19	(36)	(1,097)	1,133	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)						
		125	127	13,655	13,907	(2,461)
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	26	-	(3,051)	-	(3,051)	(4,631)
NET MOVEMENT IN FUNDS		125	(2,924)	13,655	10,856	(7,092)
RECONCILIATION OF FUNDS:						
Total funds brought forward		2,421	(17,733)	57,965	42,653	49,745
Net movement in funds		125	(2,924)	13,655	10,856	(7,092)
TOTAL FUNDS CARRIED FORWARD		2,546	(20,657)	71,620	53,509	42,653

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

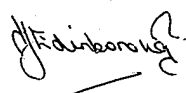
The notes on pages 26 to 60 form part of these financial statements.

THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07893665

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £000	2019 £000
FIXED ASSETS			
Tangible assets	15	71,620	57,965
CURRENT ASSETS			
Debtors	16	2,026	2,210
Cash at bank and in hand	23	9,966	7,857
		<u>11,992</u>	<u>10,067</u>
Creditors: amounts falling due within one year	17	(4,244)	(4,134)
NET CURRENT ASSETS		<u>7,748</u>	<u>5,933</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>79,368</u>	<u>63,898</u>
Creditors: amounts falling due after more than one year	18	(303)	(354)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>79,065</u>	<u>63,544</u>
Defined benefit pension scheme liability	26	(25,556)	(20,891)
TOTAL NET ASSETS		<u><u>53,509</u></u>	<u><u>42,653</u></u>
FUNDS OF THE ACADEMY TRUST			
Restricted funds:			
Restricted fixed asset funds	19	71,620	57,965
General funds	19	4,898	3,158
		<u>76,518</u>	<u>61,123</u>
Restricted funds excluding pension liability	19	76,518	61,123
Pension reserve	19	(25,556)	(20,891)
Total restricted funds	19	<u>50,962</u>	<u>40,232</u>
Unrestricted funds	19	<u>2,547</u>	<u>2,421</u>
TOTAL FUNDS		<u><u>53,509</u></u>	<u><u>42,653</u></u>

The financial statements on pages 23 to 60 were approved by the Trustees, and authorised for issue on 28 January 2021 and are signed on their behalf, by:



T Edinborough
Chair of Trustees

The notes on pages 26 to 60 form part of these financial statements.

**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £000	2019 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by/(used in) operating activities	21	914	(437)
CASH FLOWS FROM INVESTING ACTIVITIES	22	1,195	1,227
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		2,109	790
Cash and cash equivalents at the beginning of the year		7,857	7,067
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	23, 24	9,966	7,857

The notes on pages 26 to 60 form part of these financial statements

**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Griffin Schools Trust meets the definition of a public benefit entity under FRS 102.

1.2 GOING CONCERN

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

1.3 INCOME

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

• **Grants**

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

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

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

• **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.3 INCOME (CONTINUED)

- **Other income**

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

- **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

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 Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

1.4 EXPENDITURE

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 TANGIBLE FIXED ASSETS

Tangible fixed assets costing £2,500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

On conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the Local Authority school. On conversion the freehold property and long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES (continued)

1.5 TANGIBLE FIXED ASSETS (CONTINUED)

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

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.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold land	- over the length of the lease
Freehold and long-term leasehold buildings	- straight line over 50 years
Furniture and equipment	- straight line over 4 - 5 years
Computer equipment	- straight line over 3 years

1.6 DEBTORS

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

1.7 CASH AT BANK AND IN HAND

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

1.8 LIABILITIES

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

1.9 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**THE GRIFFIN SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.10 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.

1.11 OPERATING LEASES

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

1.12 PENSIONS

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

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.13 FUND ACCOUNTING

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

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

1.14 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in note 31.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

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

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
DONATIONS				
Transfer from Local Authority on Conversion	-	-	-	-
Donations	31	2,720	18,053	20,804
TOTAL 2020	31	2,720	18,053	20,804

Included within restricted fixed asset fund donations is £18m in respect of a new building at Nicholas Chamberlaine School supplied by the ESFA under the Priority School Building Programme.

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
DONATIONS				
Transfer from Local Authority on Conversion	626	(786)	-	(160)
Donations	92	2,249	-	2,341
TOTAL 2019	718	1,463	-	2,181

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Education	659	40,864	41,523
Nursery	1,105	-	1,105
TOTAL 2020	1,764	40,864	42,628

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. INCOME FROM CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000
Education	499	38,092	38,591
Nursery	963	-	963
TOTAL 2019	1,462	38,092	39,554

5. FUNDING FOR THE ACADEMY TRUST'S EDUCATION

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
DfE/ESFA GRANTS			
General Annual Grant (GAG)	-	34,642	34,642
Other DfE/ESFA grants	-	5,042	5,042
	-	39,684	39,684
OTHER GOVERNMENT GRANTS			
High Needs	-	360	360
Other government grants - non capital	-	625	625
	-	985	985
OTHER FUNDING			
Internal catering income	388	-	388
Income for hosting trainee teachers	-	30	30
Sales to students	6	-	6
Other curriculum income	265	-	265
	659	30	689
EXCEPTIONAL GOVERNMENT FUNDING			
Coronavirus Job Retention Scheme grant	-	165	165
TOTAL 2020	659	40,864	41,523

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. FUNDING FOR THE ACADEMY TRUST'S EDUCATION (CONTINUED)

The Academy Trust has been eligible to claim additional funding in year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under 'Exceptional government funding'.

The Academy Trust furloughed some of its leisure centre, catering and administration support staff under the government's CJRS. The funding received of £165k relates to staff costs in respect of 85 staff which are included within note 11 below as appropriate.

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Total funds 2019 £000
DfE/ESFA GRANTS			
General Annual Grant	-	32,465	32,465
Start up Grants	-	27	27
Other DfE/ESFA grants	-	3,988	3,988
	-	36,480	36,480
OTHER GOVERNMENT GRANTS			
High Needs	-	440	440
Other government grants - non capital	-	489	489
	-	929	929
OTHER FUNDING			
Internal catering income	-	638	638
Income for hosting trainee teachers	-	1	1
Sales to students	11	-	11
Other curriculum income	488	44	532
	499	683	1,182
TOTAL 2019	499	38,092	38,591

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2020 £000	Total funds 2020 £000
Lettings	165	165
Fees received	108	108
Leisure centre and theatre	550	550
TOTAL 2020	823	823

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NOTES TO THE FINANCIAL STATEMENTS
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6. INCOME FROM OTHER TRADING ACTIVITIES (CONTINUED)

	Unrestricted funds 2019 £000	Total funds 2019 £000
Lettings	82	82
Fees received	133	133
Leisure centre and theatre	686	686
TOTAL 2019	901	901

7. INVESTMENT INCOME

	Unrestricted funds 2020 £000	Total funds 2020 £000
Bank interest	9	9

	Unrestricted funds 2019 £000	Total funds 2019 £000
Bank interest	12	12

THE GRIFFIN SCHOOLS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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8. EXPENDITURE

	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000
Expenditure on fundraising trading activities:				
Direct costs	526	131	86	743
Education:				
Direct costs	25,623	1,157	7,461	34,241
Support costs	5,137	5,684	3,448	14,269
Nursery:				
Direct costs	732	47	293	1,072
Support costs	-	26	7	33
TOTAL 2020	32,018	7,045	11,295	50,358

	Staff Costs 2019 £000	Premises 2019 £000	Other 2019 £000	Total 2019 £000
Expenditure on fundraising trading activities:				
Direct costs	593	-	93	686
Education:				
Direct costs	26,370	918	2,940	30,228
Support costs	4,420	4,757	4,054	13,231
Nursery:				
Direct costs	687	41	207	935
Support costs	-	23	6	29
TOTAL 2019	32,070	5,739	7,300	45,109

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9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Direct costs	Support costs	Total funds
	2020	2020	2020
	£000	£000	£000
Education	34,241	14,269	48,510
Nursery	1,072	33	1,105
TOTAL 2020	35,313	14,302	49,614

	Direct costs	Support costs	Total funds
	2019	2019	2019
	£000	£000	£000
Education	30,228	13,231	43,459
Nursery	935	29	964
TOTAL 2019	31,163	13,260	44,423

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9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Education	Nursery	Total
	2020	2020	funds
	£000	£000	2020
			£000
Pension finance cost	118	-	118
Staff costs	5,245	-	5,245
Depreciation	230	-	230
Supply staff	249	-	249
Recruitment and support	126	1	127
Maintenance of premises and equipment	2,985	3	2,988
Cleaning	275	3	278
Rent and rates	1,418	2	1,420
Energy costs	623	18	641
Insurance	121	-	121
Security and transport	173	-	173
Catering	1,151	4	1,155
Technology costs	514	-	514
Office overheads	449	-	449
Other legal and professional	491	2	493
Bank charges	13	-	13
Governance	88	-	88
TOTAL 2020	14,269	33	14,302

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs (continued)

	As restated Education 2019 £000	As restated Nursery 2019 £000	As restated Total funds 2019 £000
Pension finance cost	114	-	114
Staff costs	4,330	-	4,330
Depreciation	210	-	210
Supply teachers	409	-	409
Recruitment and support	189	1	190
Maintenance of premises and equipment	2,343	2	2,345
Cleaning	250	3	253
Rent and rates	1,202	1	1,203
Energy costs	642	17	659
Insurance	148	-	148
Security and transport	187	-	187
Catering	1,501	3	1,504
Technology costs	542	-	542
Office overheads	476	-	476
Other legal and professional	577	2	579
Bank charges	14	-	14
Governance	97	-	97
TOTAL 2019	13,231	29	13,260

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NOTES TO THE FINANCIAL STATEMENTS
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10. NET INCOME

Net income for the year includes:

	2020 £000	As restated 2019 £000
Operating lease rentals	2,064	1,675
Depreciation of tangible fixed assets	1,837	1,473
Loss on disposal of fixed assets	3,695	-
Fees paid to auditors for:		
- audit	41	50
- other services	10	18
	<u> </u>	<u> </u>

During the year a loss of £3.7m was recognised in respect of a building at Nicholas Chamberlaine School that was transferred to the ESFA under the Priority School Building Programme. At this date, a new building was supplied to the Trust under the programme, the donation for which is recognised in note 3.

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2020 £000	2019 £000
Wages and salaries	23,624	23,504
Social security costs	2,188	2,186
Pension costs	6,171	4,982
	<u>31,983</u>	<u>30,672</u>
Agency staff costs	1,146	1,354
Staff restructuring costs	101	44
	<u>33,230</u>	<u>32,070</u>

Staff restructuring costs comprise:

	2020 £000	2019 £000
Redundancy payments	-	6
Severance payments	101	38
	<u>101</u>	<u>44</u>

**THE GRIFFIN SCHOOLS TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. STAFF (CONTINUED)

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

Included in staff restructuring costs are non-statutory/non-contractual payments totalling £2k (2019: £Nil) relating to one payment.

c. STAFF NUMBERS

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

	2020 No.	2019 No.
Teachers	402	376
Administration and support	774	783
Management	67	76
	1,243	1,235

d. HIGHER PAID STAFF

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £60,001 - £70,000	17	16
In the band £70,001 - £80,000	7	6
In the band £80,001 - £90,000	2	1
In the band £90,001 - £100,000	2	2
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £876k for 9 personnel (2019: £604k for 7 personnel).

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**NOTES TO THE FINANCIAL STATEMENTS
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12. CENTRAL SERVICES

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

- Educational support services
- Financial services
- Human resources
- Leadership management

The Academy Trust charges for these services on the following basis:

Flat percentage of income of 5% as agreed with individual schools.

The actual amounts charged during the year were as follows:

	2020 £000	2019 £000
Bramford Primary School	97	94
Chivenor Primary School	97	94
Kingfisher Primary School	50	48
Lammas School and Sixth Form	288	200
Lordswood Primary School	77	77
Nicholas Chamberlaine School	313	289
Park Lane Primary School	84	74
Perry Wood Primary and Nursery School	86	86
Race Leys Junior School	56	55
Riverley Primary School	115	105
Saxon Way Primary School	92	82
Stantonbury International School	472	442
Willow Brook Primary Academy	140	128
TOTAL	1,967	1,774

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

13. TRUSTEES' REMUNERATION AND EXPENSES

The Chief Executive Officer only receives remuneration in respect of services they provide undertaking the role of Chief Executive Officer under their contract of employment and not in respect of their services as a Trustee. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: A Powell, remuneration between one hundred and ten thousand and one hundred and fifteen thousand pounds (2019: one hundred and five thousand and one hundred and ten thousand pounds), employer's pension contributions between twenty five thousand pounds and thirty thousand pounds (2019: fifteen thousand and twenty thousand pounds).

Other related party transactions involving the Trustees are set out in note 30.

During the year ended 31 August 2020, expenses totalling £NIL were reimbursed or paid directly to Trustees (2019: £210 to 1 Trustee). These reimbursements relate to hotel and travel expenses.

14. TRUSTEES' AND OFFICERS' INSURANCE

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

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15. TANGIBLE FIXED ASSETS

	Freehold property £000	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Total £000
COST					
At 1 September 2019	22,511	39,828	1,767	984	65,090
Additions	395	18,341	164	287	19,187
Disposals	-	(4,199)	-	-	(4,199)
At 31 August 2020	22,906	53,970	1,931	1,271	80,078
DEPRECIATION					
At 1 September 2019	620	4,793	902	810	7,125
Charge for the year	225	1,206	280	126	1,837
On disposals	-	(504)	-	-	(504)
At 31 August 2020	845	5,495	1,182	936	8,458
NET BOOK VALUE					
At 31 August 2020	22,061	48,475	749	335	71,620
At 31 August 2019	21,891	35,035	865	174	57,965

The Academy Trust's transactions relating to land and buildings included the following under the Priority School Building Programme:

- the part-disposal of a leasehold property at Nicholas Chamberlaine School resulting in a loss of £3.7m; and,
- the acquisition of a leasehold property at Nicholas Chamberlaine School which was donated to the Academy Trust at a value of £18m.

Included in freehold property is land of £11.8m (2019: £11.8m) that is not depreciated.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. DEBTORS

	2020	2019
	£000	£000
DUE WITHIN ONE YEAR		
Trade debtors	198	129
Other debtors	18	86
Prepayments and accrued income	1,512	1,338
VAT recoverable	298	657
	2,026	2,210

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£000	£000
ESFA/LA loans	68	63
Trade creditors	1,150	1,087
Other taxation and social security	611	553
Other creditors	677	519
Accruals and deferred income	1,738	1,912
	4,244	4,134

To ensure all staff within Dudley Local Authority schools were on equal pay, the Local Authority performed a pre-conversion review. This review established that certain staff in Bramford Primary School were owed additional pay, which was settled by the Local Authority on behalf of the School. At the year end £288k remains outstanding, of which £48k is due within 1 year. The loan is unsecured and is being repaid by instalments at a minimum rate of 4% reducing balance per annum, at an interest rate of 2.5%.

At the year end £83k remains outstanding in respect of a Salix loan, of which £20k is due within 1 year. The loan is unsecured and is being repaid by instalments over 5 years, at an interest rate of 0%.

	2020	2019
	£000	£000
DEFERRED INCOME		
Deferred income at 1 September 2019	295	265
Resources deferred during the year	367	295
Amounts released from previous periods	(295)	(265)
Deferred income at 31 August	367	295

At the Balance Sheet date the Academy Trust was holding funds received in advance for the provision of Universal Infant Free School Meals (UIFSM), Trip Income and Rates Relief during the 2020/21 academic year.

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18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £000	2019 £000
ESFA/LA loans	303	354

Included within ESFA/LA loans is a Salix loan and equal pay loan. Further details of these loans are included in Note 17.

19. STATEMENT OF FUNDS

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
UNRESTRICTED FUNDS						
Unrestricted funds	2,421	2,628	(2,466)	(36)	-	2,547
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	1,208	34,642	(33,235)	25	-	2,640
Other DfE/ESFA grants	-	2,151	(2,033)	-	-	118
Pupil Premium	-	2,891	(2,891)	-	-	-
Other government grants	-	1,149	(1,130)	-	-	19
Other restricted funds	-	30	(30)	-	-	-
Equal Pay settlement liability	(293)	-	4	-	-	(289)
SCA/ DFC	2,243	2,720	(1,431)	(1,122)	-	2,410
Pension reserve	(20,891)	-	(1,614)	-	(3,051)	(25,556)
	(17,733)	43,583	(42,360)	(1,097)	(3,051)	(20,658)

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**NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	54,381	-	(4,468)	-	-	49,913
Fixed assets purchased from GAG and other restricted funds	517	-	(90)	-	-	427
DfE/ESFA capital grants	3,067	18,053	(973)	1,133	-	21,280
	<u>57,965</u>	<u>18,053</u>	<u>(5,531)</u>	<u>1,133</u>	<u>-</u>	<u>71,620</u>
TOTAL RESTRICTED FUNDS	<u>40,232</u>	<u>61,636</u>	<u>(47,891)</u>	<u>36</u>	<u>(3,051)</u>	<u>50,962</u>
TOTAL FUNDS	<u>42,653</u>	<u>64,264</u>	<u>(50,357)</u>	<u>-</u>	<u>(3,051)</u>	<u>53,509</u>

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

Restricted Funds

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Other DfE/ESFA Grants - This represents other revenue grants received from the DfE/ESFA including PE and Sports grant to be used for various restricted activities.

Pupil Premium - Pupil Premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers. This also includes Yr7 Catch Up Grant.

Other Government Grants - This represents funding from the government including High Needs, exceptional coronavirus funding and other non-capital government grants.

Other Restricted Funds - This represents restricted income received from other entities; including Local Authorities and communities connected to the schools.

Equal Pay Settlement Liability - To ensure all staff within Dudley Local Authority schools were on equal pay the Local Authority performed a pre-conversion pay review. This review established that certain staff in Bramford Primary School were owed additional pay, which was settled by the Local Authority on behalf of the School. A loan of £428,179 was transferred to the Trust on conversion. Since this date the loan has been repaid by annual instalments.

19. STATEMENT OF FUNDS (CONTINUED)

SCA/DFC - These funds are received for direct expenditure on the maintenance and purchase of the Academy Trust's assets. Transfers recorded from this fund represent expenditure incurred on the purchase of capital items.

Pension reserve - This represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy Trust is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Restricted Fixed Asset Funds

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG and other restricted funds - This represents the NBV of fixed assets purchased from GAG and other restricted funds.

DfE/ESFA capital grants - This represents the NBV of fixed assets purchased from DfE/ESFA capital grants.

Other Information

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

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**NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS (CONTINUED)

Total Funds Analysis by Academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £000	2019 £000
Bramford Primary School	(165)	(197)
Chivenor Primary School	509	412
Kingfisher Primary School	56	48
Lammas School and Sixth Form	336	301
Lordswood Primary School	248	246
Nicholas Chamberlaine School	518	473
Park Lane Primary School	264	243
Perry Wood Primary and Nursery School	631	615
Race Leys Junior School	273	257
Riverley Primary School	360	87
Saxon Way Primary School	180	119
Stantonbury International School	(380)	(451)
Willow Brook Primary Academy	937	594
Central	1,268	590
Central SCA/DFC	2,410	2,242
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	7,445	5,579
Restricted fixed asset fund	71,620	57,965
Pension reserve	(25,556)	(20,891)
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TOTAL	53,509	42,653
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19. STATEMENT OF FUNDS (CONTINUED)

The following Academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £000
Bramford Primary School	(165)
Stantonbury International School	(380)
	<hr/> <hr/>

Bramford Primary School - This deficit is due to the Academy inheriting from Dudley Local Authority a share of a liability in relation to a historic council-wide equities claim. Without this share of liability, the school maintains a surplus and continues to serve its pupils and local community.

Stantonbury International School - During the year Stantonbury International School has made repayments of the historical deficit in line with the deficit recovery plan. During this year there has been a £71k surplus before fixed asset funds and pension reserve.

The Academy Trust is taking the following action to return the academies to surplus:

The Trust has taken rapid action to return this to a surplus position and secured long term financial liability.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000
Bramford Primary School	1,538	210	152	256	2,156
Chivenor Primary School	1,153	183	161	296	1,793
Kingfisher Primary School	640	67	120	211	1,038
Lammas School and Sixth Form	3,556	155	134	1,690	5,535
Lordswood Primary School	1,218	148	79	242	1,687
Nicholas Chamberlaine School	4,296	655	557	4,374	9,882
Park Lane Primary School	1,276	171	98	299	1,844
Perry Wood Primary and Nursery School	1,525	193	80	246	2,044
Race Leys Junior School	744	129	93	165	1,131
Riverley Primary School	1,385	231	31	617	2,264
Saxon Way Primary School	1,300	209	136	260	1,905
Stantonbury International School	5,427	2,640	783	1,088	9,938
Willow Brook Primary Academy	1,870	498	145	333	2,846
Central	427	173	515	1,728	2,843
ACADEMY TRUST	26,355	5,662	3,084	11,805	46,906

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. STATEMENT OF FUNDS (CONTINUED)

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2019 £000
Bramford Primary School	1,443	213	218	272	2,146
Chivenor Primary School	1,081	163	228	330	1,802
Kingfisher Primary School	635	88	114	151	988
Lammas School and Sixth Form	2,571	223	220	1,307	4,321
Lordswood Primary School	1,145	157	132	248	1,682
Nicholas Chamberlaine School	3,925	767	672	928	6,292
Park Lane Primary School	1,024	195	122	319	1,660
Perry Wood Primary and Nursery School	1,466	201	118	283	2,068
Race Leys Junior School	742	123	98	183	1,146
Riverley Primary School	1,172	152	250	665	2,239
Saxon Way Primary School	1,076	265	210	308	1,859
Stantonbury International School	6,713	1,395	1,038	1,036	10,182
Willow Brook Primary Academy	1,312	420	551	448	2,731
Central	739	592	388	1,274	2,993
ACADEMY TRUST	25,044	4,954	4,359	7,752	42,109

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19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
UNRESTRICTED FUNDS						
Unrestricted funds	1,868	3,093	(1,482)	(1,058)	-	2,421
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	1,716	32,463	(32,914)	(57)	-	1,208
Other DfE/ESFA grants	-	1,195	(1,200)	5	-	-
Pupil Premium	-	2,793	(2,793)	-	-	-
Other government grants	-	929	(919)	(10)	-	-
Start Up grant	-	27	(27)	-	-	-
Other restricted funds	35	685	(1,554)	834	-	-
Equal Pay settlement liability	(293)	-	-	-	-	(293)
SCA/ DFC	1,962	2,249	(1,219)	(749)	-	2,243
Pension reserve	(13,947)	(786)	(1,527)	-	(4,631)	(20,891)
	<u>(10,527)</u>	<u>39,555</u>	<u>(42,153)</u>	<u>23</u>	<u>(4,631)</u>	<u>(17,733)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	55,232	-	(851)	-	-	54,381
Fixed assets purchased from GAG and other restricted funds	377	-	(146)	286	-	517
DfE/ESFA capital grants	2,795	-	(477)	749	-	3,067
	<u>58,404</u>	<u>-</u>	<u>(1,474)</u>	<u>1,035</u>	<u>-</u>	<u>57,965</u>
TOTAL RESTRICTED FUNDS	<u>47,877</u>	<u>39,555</u>	<u>(43,627)</u>	<u>1,058</u>	<u>(4,631)</u>	<u>40,232</u>
TOTAL FUNDS	<u>49,745</u>	<u>42,648</u>	<u>(45,109)</u>	<u>-</u>	<u>(4,631)</u>	<u>42,653</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	71,620	71,620
Current assets	2,547	9,446	-	11,993
Creditors due within one year	-	(4,245)	-	(4,245)
Creditors due in more than one year	-	(303)	-	(303)
Pension scheme liability	-	(25,556)	-	(25,556)
TOTAL	<u>2,547</u>	<u>(20,658)</u>	<u>71,620</u>	<u>53,509</u>

THE GRIFFIN SCHOOLS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	57,965	57,965
Current assets	2,421	7,646	-	10,067
Creditors due within one year	-	(4,134)	-	(4,134)
Creditors due in more than one year	-	(354)	-	(354)
Pension scheme liability	-	(20,891)	-	(20,891)
TOTAL	2,421	(17,733)	57,965	42,653

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

	2020 £000	2019 £000
Net income/(expenditure) for the period (as per Statement of Financial Activities)	13,907	(2,461)
ADJUSTMENTS FOR:		
Depreciation	1,837	1,473
Capital grants/donations from DfE and other capital income	(20,773)	(2,249)
Interest received	(9)	(12)
Defined benefit pension scheme obligation inherited	-	786
Defined benefit pension scheme cost less contributions payable	1,212	1,125
Defined benefit pension scheme finance cost	402	402
Decrease/(increase) in debtors	584	(674)
Increase in creditors	59	1,173
Loss on disposal	3,695	-
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	914	(437)

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NOTES TO THE FINANCIAL STATEMENTS
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22. CASH FLOWS FROM INVESTING ACTIVITIES

	2020 £000	2019 £000
Interest received	9	12
Purchase of tangible assets	(1,134)	(1,034)
Capital grants from DfE Group	2,320	2,249
NET CASH PROVIDED BY INVESTING ACTIVITIES	1,195	1,227

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £000	2019 £000
Cash in hand	4,903	2,667
Notice deposits (less than 3 months)	4,541	4,669
Notice deposits (more than 3 months)	522	521
TOTAL CASH AND CASH EQUIVALENTS	9,966	7,857

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash at bank and in hand	7,857	2,109	9,966
Debt due within 1 year	(63)	(5)	(68)
Debt due after 1 year	(354)	51	(303)
	7,440	2,155	9,595

25. CAPITAL COMMITMENTS

	2020 £000	2019 £000
Contracted for but not provided in these financial statements	-	279

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

26. PENSION COMMITMENTS

The Academy 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 West Midlands Pension Fund, Kent County Council Pension Fund, Worcestershire County Council Pension Fund, London Borough of Waltham Forest Pension Fund, Warwickshire County Council Pension Fund and Buckinghamshire County Council Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £161,170 were payable to the schemes at 31 August 2020 (2019 - £153,647) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £3,287,325 (2019 - £1,704,215).

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

26. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £2,019,000 (2019 - £1,842,000), of which employer's contributions totalled £1,629,000 (2019 - £1,461,000) and employees' contributions totalled £ 390,000 (2019 - £381,000). The agreed contribution rates for future years are 15.3 per cent for employers and 5.5-12.5 per cent for employees.

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

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	3.18	3.40
Rate of increase for pensions in payment/inflation	2.23	2.20
Discount rate for scheme liabilities	1.66	1.88
Inflation assumption (CPI)	2.22	2.18

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
<i>RETIRING TODAY</i>		
Males	22.0	22.0
Females	24.3	24.4
<i>RETIRING IN 20 YEARS</i>		
Males	23.4	23.7
Females	26.0	26.3

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

	2020 £000	2019 £000
Equities	11,543	10,865
Gilts	895	3,375
Corporate bonds	3,003	1,669
Property	1,861	405
Cash	631	-
Other	1,520	1,289
Total market value of assets	19,453	17,603

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26. PENSION COMMITMENTS (CONTINUED)

The actual return on scheme assets was £1,408,000 (2019 - £1,029,000).

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

	2020 £000	2019 £000
Current service cost	(2,784)	(2,243)
Past service cost	(57)	(343)
Interest income	330	412
Interest cost	(732)	(814)
Total amount recognised in the Statement of Financial Activities	(3,243)	(2,988)

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

	2020 £000	2019 £000
At 1 September	38,494	28,847
Transferred in on conversion	-	786
Current service cost	2,784	2,243
Interest cost	732	814
Employee contributions	390	381
Actuarial losses	2,859	5,230
Benefits paid	(307)	(150)
Past service cost	57	343
At 31 August	45,009	38,494

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

	2020 £000	2019 £000
At 1 September	17,603	14,900
Interest income	347	429
Return on assets less interest	(192)	599
Employer contributions	1,629	1,461
Employee contributions	390	381
Benefits paid	(307)	(150)
Administration expenses	(17)	(17)
At 31 August	19,453	17,603

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**NOTES TO THE FINANCIAL STATEMENTS
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27. OPERATING LEASE COMMITMENTS

At 31 August 2020 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £000	As restated 2019 £000
Amounts payable:		
Not later than 1 year	2,091	2,064
Later than 1 year and not later than 5 years	8,807	8,607
Later than 5 years	8,987	11,278
	<u>19,885</u>	<u>21,949</u>

Included above are future minimum lease payments under non-cancellable operating leases relating to the Trust's obligation under Private Finance Initiative (PFI) agreements. The Trust has given due regard to the guidance in the Academies Accounts Direction 2019/20 and FRS 102 and has determined that the schools which have PFI contracts are not required to account for any assets held under service concession arrangements.

28. MEMBERS' LIABILITY

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

29. GENERAL INFORMATION

The Griffin Schools Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is The Talent Factory, 4-14 Barmeston Road, London, SE6 3BH.

30. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

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**NOTES TO THE FINANCIAL STATEMENTS
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30. RELATED PARTY TRANSACTIONS (CONTINUED)

Connected organisations, including related party relationships

The Trust is connected to Griffin Education Trust who is a member and whose sole function is to appoint Directors to the Griffin Schools Trust.

The following related party transactions have been robustly benchmarked against the ESFA Handbook and Nolan's principles of public life. They arise from the history of the Trust's foundation by a small group of educational experts with limited resource to attract or retain permanent or PAYE staff and who were dependent on the goodwill and voluntary contributions of colleagues committed to The Griffin Schools Trust vision of broad educational opportunities for the most socially disadvantaged.

Capital Talent Ltd

Capital Talent Ltd is a company which owns the Talent Factory. L Lewis is a Director and 50% shareholder of the company and was a member of The Griffin Schools Trust to 21 January 2021. A Tyler (partner of L Lewis) is also a Director and 50% shareholder of Capital Talent Ltd.

The Griffin Schools Trust rents part of the Talent Factory from Capital Talent Ltd at cost and below market value. The Board has benchmarked the rent against other available properties in the area and more broadly in London. The original license, for 4 years (to 22 September 2018) was approved by the Board on 22 September 2014 and confirmed by the ESFA on 8 October 2014. The license was extended by the Board on 3 July 2017 to 31 August 2023.

Capital Talent Ltd provides work space for 21 full or part-time office-based colleagues, meeting rooms and space for larger school meetings and regular Trust-wide training seminars.

Capital Talent Ltd also owns the school improvement model which the Trust uses and which it allows the Trust to use and develop without charge, providing it is not for profit.

During the year £71,996 (2019: £70,892) was paid for the rent, insurance and related services of the Trust's head office and £165,381 (2019: £150,999) paid for school improvement service contracts. L Lewis did not get paid for her role as a Member of the Trust, nor as Chair of a Local Governing Body.

At the Balance Sheet date the amount due to Capital Talent Ltd was £6,600 (2019: £6,600).

A connected party statement of assurance has been obtained in respect of the above transactions, confirming compliance with the Academies Financial Handbook, with all purchases being delivered at cost, with no element of profit.

A Tyler (partner of L Lewis, a member of the Trust) is employed as Senior Leadership Capacity for GST (from 1 May 2020). A Tyler's appointment was made following the Trust's recruitment policy and L Lewis was not involved in the decision making process. A Tyler is paid within the normal pay scale for her role and received no special treatment as a result of her relationship with a member of the Trust.

31. AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2020 the Academy Trust received £38,021 and disbursed £38,021 from the fund. An amount of £Nil is included in other creditors relating to undistributed funds that is repayable to ESFA.