Company Registration Number: 07928028 (England & Wales)

LIFE ACADEMIES TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

THURSDAY
AAZH3VGB
A04 10/03/2022 #64
COMPANIES HOUSE

LIFE ACADEMIES TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 8
Governance Statement	9 - 14
Statement on Regularity, Propriety and Compliance	15
Statement of Trustees' Responsibilities	16
Independent Auditors' Report on the Financial Statements	17 - 20
Independent Reporting Accountant's Report on Regularity	21 - 22
Statement of Financial Activities Incorporating Income and Expenditure Account	23
Balance Sheet	24
Statement of Cash Flows	25
Notes to the Financial Statements	26 - 49

LIFE ACADEMIES TRUST

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr B Briars Mrs H Redding Mrs J Bull (appointed 1 September 2020) Mrs B Dudas (appointed 29 September 2021) Dr D Byrne (appointed 21 January 2021, resigned 16 June 2021)
Trustees	Mr C Jones, Chair Miss B Dudas, Vice Chair (resigned 13 August 2021) Ms S Flynn Mrs C Mcguckian (Vice Chair from 7/10/2021) Mr D Nicol Mrs E Wyatt (appointed 22 October 2020) Mr I Hanahoe (appointed 16 March 2021)
Company Registered Number	07928028
Company name	Life Academies Trust
Registered and Principal Office	Biggleswade Academy Mead End Biggleswade Bedfordshire SG18 8JU
Accounting Officer	Ms S Flynn
Senior Leadership Team	Ms S Flynn, Academy Principal Mr M Steer, Vice Principal Mr A Whiteway, Associate Principal Mrs D Briars, Associate Principal Mr R Bilimoria-Mears, Associate Principal Mrs B Wilson, Associate Principal Mrs E Wyatt, Head of Early Years

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Independent Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Bank plc PO Box 1000 Andover BX1 1LT
Solicitors	Stone King LLP 16 St John's Lane London EC1M 4BS

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their Annual Report together with the financial statements and Auditor's Report of LIFE Academies Trust ("the Charitable Company" or "the Trust") for the year to 31 August 2021. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates one through school academy (2-13) serving catchment areas in Biggleswade (Central Bedfordshire). The Academy has a combined pupil capacity of 1,200 and had a roll of 1198 in the census from Summer 2021 (1148, Spring 2020).

Structure, Governance and Management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents. The Trustees of LIFE Academies Trust are also the Directors of the Charitable Company for the purposes of company law. Within this report the terms Trustee and Director are interchangeable.

The operation of The Academy's and employment of staff are the responsibility of the Trustees. The Trust retains control of Academy budgets and finances, and monitors these through its Finance, Resources and Estates Committee (FREC). Within this Report, the term Trustee refers to a member of the Board of Trustees.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' and Officers' Indemnities

The Trust has opted to be covered under the Government's Risk Protection Arrangements (RPA) scheme to protect Trustees and Officers, from claims arising from negligent acts, omissions or errors whilst performing Trust business.

Method of Recruitment and Appointment or Election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Chief Executive Officer (CEO) is an ex officio member of the Board of Trustees. Parent Trustees and the staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for three Trustees (including two Parents, Staff – Teaching, Staff non-teaching, and others) plus the CEO.

Policies and Procedures Adopted for the Induction and Training of Trustees and Governors

The Trust is committed to providing adequate opportunities for Trustees and Governors to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides internal training led by Trust and School staff and also links with a number of local training providers.

All new Trustees have an induction programme, according to their need, which includes introductory sessions, mentoring, formal training courses, and a tour of their School. This process will involve a meeting with the Chair of Trustees as necessary, selected students and staff. All Trustees are provided with a handbook plus copies of policies and procedures documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake.

Organisational Structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees meets on at least six occasions per year and is responsible for the strategic direction of the Trust. The Trustees are responsible for setting strategic policy, adopting an annual plan and budget, monitoring The Trust by the use of those budgets and making major decisions about the direction of The Trust, capital expenditure, senior staff appointments and executive pay. They will also ensure the appropriateness of annual budgets and capital expenditure projects for their Academy and monitoring performance against that budget and authorised capital limits. Governors are members of one or two sub-committees, the terms of reference for which are reviewed annually, who report to the Board of Trustees.

The Academy Senior Leadership Team (SLT) controls the Academy at an executive level implementing policies and reporting to the Trust Board. The SLT is responsible for the day-to-day operation of the Academy, in particular organising staff, resources and students. They are responsible for the authorisation of spending in accordance with the agreed spending limits within financial regulations and agreed budgets and for the appointment of staff, below senior leadership level i.e. Vice Principal and above, following vetting and safeguarding recruitment processes.

The CEO is the designated Accounting Officer and has overall responsibility for the day-to-day financial management of the Trust. The CEO manages the Trust on a daily basis supported by a Senior Leadership Team. The Senior Leadership Team meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Board of Trustees as required for approval.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the appropriate sub-committee and ratified by the Board of Trustees.

Trade Union Facility Time

The Trust has no employees that are trade union representatives, therefore have agreed to contribute to a pooled arrangement with Central Bedfordshire. Details of this arrangement are on the Central Bedfordshire Council website.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which a Trustee may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Trust did not cooperate with any related party during the academic year in pursuit of its charitable activities and does not have a formal sponsor.

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

Objectives and Activities Objects and Aims

The principal object and aim of the Trust is the operation of an Academy to provide free education and care for pupils of different abilities between the ages of 2 and 13. Specifically to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values.

Objectives, Strategies and Activities

During the year the Trust has worked towards these aims by:

- ensuring that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- raising the standard of educational achievement of all pupils;
- developing resilient, resourceful students;
- adapting and applying skills for flexible life-long learning;
- improving the effectiveness of the School by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended; and
- conducting the Trust's business in accordance with the highest standards of integrity.

Our success in fulfilling our aims can be measured by:

- Good or better pupils outcomes against national data
- Rising admissions
- A positive reputation
- To develop morally good, socially successful young people with a life long love of learning

Public Benefit

In setting our objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

Strategic Report

Achievements and Performance

The Trust continued its mission to ensure that students worked towards achieving their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the School.

Due to the Coronavirus pandemic, a number of objectives were not reached – the majority linked to pupil outcomes. However, specific achievements were as follows:

- The successful completion of a CIF bid related to boiler replacement, significantly improving our performance across these areas of energy efficiency.
- A successful Prospective Parent/Carer event resulting in the highest ever applications into Reception and Year 5 classes.
- Awarded the following commendations:
- Maintained the Music Mark
- Maintained the Stonewall School Champion accreditation
- Moved all pupil learning online and provided high quality learning and resources for all age groups, as required.
- Provided safe and essential childcare for children of key workers, vulnerable pupils and those with an EHCP.
- Maintained all staff employment throughout the lockdown period.

Key Performance Indicators (KPI)

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets.

The final financial KPI's for the period were as follows:

- Staff Costs to Income - 79%
- Government Funding to Total Income - 95%
- Cash Balances to Income - 43%
- Assets v's Liabilities - 5:1

Going Concern

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

In making this statement the Board of Trustees have taken into due consideration the effects upon the Trust of the COVID-19 pandemic, the partial closure of the School during the period and the changes in practices introduced from the 2020 Autumn term.

Financial Review

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2021 the Trust received £5,562,507 (2020: £5,649,859) of GAG and other income. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent a total of £5,754,592 (2020: £5,393,876) on general running costs. The Trust brought forward from 19/20, £281,721 of restricted funds and £1,429,919 of unrestricted. The carry forward for 20/21 is £598,599 of restricted funds and £1,411,186 of unrestricted.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £4,254,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the CFO. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £1,411,186 (2020: £1,429,919). This has been built up from a mixture of locally raised income and balances transferred from the predecessor schools.The Trusts policy is to maintain 2% of total funds in reserves which at the year end equated to £134,454 and therefore the Trust holds reserves in excess of its current policy level.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2021 was £2,009,705 (2020: £1,711,640).

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £2,402,122 (2020: £2,180,976). A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure.

Investment Policy

An Investment Policy was approved by the Board of Trustees in April 2020.

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise the Trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudency in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Trust is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Finance Committee meeting. The principal risks facing the Trust are outlined below; those facing the Trust at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a single academy trust, the level of financial risk is medium. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- the Trust has considerable reliance on continued Government funding through the ESFA and whilst there has been a small injection of additional funding this will not be enough to counteract the rise of the minimum wage, teachers pensions contribution rise and any other additional costs that the Government may choose to introduce;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the School is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the School is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - the Trustees have appointed SBM Services to carry out a programme of internal scrutiny which includes independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low;

- COVID-19 – the continued disruption to the School during the 2020/21 academic year brought a reduction in external income and a number of additional costs, not all of which were recoverable from Government. Autumn term 2020 opened with new restrictions around bubbles of pupils and staff and social distancing among other things. The risk of the School having to close due to localised infections was mitigated by extensive risk assessment planning and amended working practices; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Trust is the annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Measures taken to improve energy efficiency

As the Trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Plans for Future Periods

The Trust has 3 main areas of future focus:

1. To establish the future direction and development of the Trust, whilst recognising the change to the local and national educational landscape.
2. Fully utilising all opportunities to network with, learn from and co-develop plans and strategies for educational improvement and development with high quality local and regional MAT providers- ensuring our practice reflects the very best available at all times.
3. Continue to focus on school improvement following the latest Ofsted within the Academy and the Early Years settings.

Provision of Information to Auditors

Insofar 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 the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

Auditors

The Auditors, Price Bailey LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The Trustees' Report, incorporating a strategic report, was approved by the Board of Trustees, on 14 Dec 2021 and signed on its behalf by:

...
Mr G Jones, 2021, 9:51am)
Chair of Trustees

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that LIFE Academies 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 Principal, 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 LIFE Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year.

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

Trustee	Meetings attended	Out of a possible
Mr C Jones, Chair	7	7
Miss B Dudas, Vice Chair	6	7
Ms S Flynn	7	7
Mrs C Mcguckian (Vice Chair from 7/10/2021)	6	7
Mr D Nicol	7	7
Mrs E Wyatt	7	7
Mr I Hanahoe	4	4

Review of year:

In response to a successful Ofsted in June 2019, but due to the reduced plans due to the outbreak of the pandemic, the Trustees and Principal consolidated findings and were required to adapt plans to move the School forwards through use of staff development and other aspects noted with the School Development Plan, with a particular focus on Early Years; Reception specifically. Strategically planned virtual staff CPD continued to take and identified areas of development in the Early Years were addressed.

There was continued development of the skills and knowledge of the Trustees across the Full Trust Board and also Finance, Risk, Resources and Audit Committee and Standards, Performance and Pay Committee, resulting in Trustees being placed in a stronger position than the previous year.

The redirection of the Trust objectives were further cemented, resulting in a change of a Member, addition of another and the number remaining at three.

Some collaboration was maintained with the CEO of CPET (Cambridge Primary Education Trust) who continued with the role of School Improvement Advisor during the Principal's performance management, completed in her role as a National Leader of Education.

Trustees completion of a pandemic reflective monitoring programme has resulted in Trustees 'knowing' the strengths and weaknesses of the Academy and being able to act effectively to support and take part in professional discussions with the Principal and Senior Leadership team.

Governance (continued)

Trustees met virtually with the Principal at scheduled meetings each half term. The primary focus for each meeting is identified via the 'Annual Governance Calendar', with further items added by Trustees or the Principal in response to the school calendar. All minutes and associated documents were shared via a collaborative website (Governor Hub). Meetings continued during the lockdown period but all took place virtually.

Trustees were unable to visit the School as part of their monitoring of the SDP, but numerous virtual meetings took place between members of the Leadership Team and Trustees. These conversations were considered a valuable opportunity for Trustees to remain up to date with the challenges and successes experienced by the Trust during such unprecedented times. Designated Trustees also 'attended' meetings with the Academy DSL, Health and Safety Lead and SENCo. Conversations were minuted and fed back to the Principal for acknowledgement or follow up. The impact of these conversations included: recognising and celebrating the success of pupils and staff, monitoring policies in action – in particular those related to provision of remote education and health and safety linked to Covid-19, informing decision making and finding out what resources were needed and prioritise them.

Teacher Assessed and robust independent summative assessment data, plus data on Rewards and Sanctions was made available to Trustees termly with verbal and written presentations followed by question and answer sessions with the Principal and members of the senior leadership team. Through the use of an external assessment provider Trustees were able to benchmark their data against similar schools nationally in English and Maths in Years 1 to 6 to ensure the School's standards and expectations are high and are able to be closely scrutinised, measure the impact of the lockdown and associated online provision offered in the previous summer and in the subsequent spring term. Scrutiny was given to the pupil outcomes and progress across all ability groups, but particularly vulnerable groups and on the effective use of the Pupil Premium and other DfE funding linked to the pandemic.

Trustees monitored how the curriculum had and would be adapted to support pupils in Covid-19 learning recovery.

Trustees reviewed all relevant policies on a programmed basis to ensure that all guidance is current and up to date. Specific attention is paid to ensure that the School complies with the Department of Education mandatory policy list and the Local Authority recommended list.

The School is in a balanced financial position; staff are used efficiently to maximise learning impact and understand the need for prudent spending and this is monitored by Trustees through half termly Finance, Resources and Estates meetings.

From 5th January and in response to the Covid-19 pandemic, once again the School moved to being a virtual/online educational provision for the majority of pupils and a childcare provision for the children of Key Workers, the vulnerable and those with an EHCP.

Thanks should be given to the Principal and her team for the high standard of support and provision to the pupils of the Academy, Pre-school and Lawns Nursery during the national lockdown period.

Phonics, KS1 and KS2 SATs did not take place and therefore DfE provided comparative data was not available. Based on the previous year's Trust Board annual review, the Trust Board identified and accepted a new Trustee with specific knowledge and experience that would further compliment and strengthen the Trust Board's current skill set.

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Governance reviews:

The challenges the Trustees have faced during 2020/21 were:

- Providing the opportunity for all pupils to access the teaching, care and welfare necessary for their continued development during a pandemic
- Ensuring that once the School was re-opened following the lockdown, risk assessments were updated and the budget was used to improve lavatory provisions.
- Creating and maintaining a safe and secure working and learning environment for staff and pupils.
- During the pandemic the Trustees have continued to address the varied and different issues arising from the continuing developments of the Central Bedfordshire Council's Schools for the Future Programme.
- Continuing to pursue sustainable solutions to address the challenges of a reducing budget and at the same time demonstrating a calculable value for money approach.

Despite the unusual operating situation created by the pandemic, Trustees have had ready access to quality data which is accurate, relevant and up-to-date. As a consequence, Trustees continue to be confident in their financial planning in the short, medium and long term.

The annual governance review did take place in Autumn 2021.

The Finance, Resources and Estates Committee is a sub-committee of the Board of Trustees. Its purpose is to be a delegated committee of the Board of Trustees and consists of an experienced team of Trustees with appropriate business and financial skills to support and challenge the work of the Academy leaders. The Chair of this Committee reports half termly to the Trust Board on all matters relating to financial policy and the financial arrangements, policies and arrangements for general resourcing, and on all matters relating to the staffing resources of LIFE Academies Trust.

The Trustees have approved the annual budget forecast of the Academy and through the FREC have reviewed our admission numbers/forecasts, cash flow forecast and a five year budget on a termly basis ensuring that we remain a 'going concern'. There is a clear strategy including limited earmarked reserves to address known future funding reductions, facilitating future financial stability. The FREC received and approved the 2020 financial statements and the external Auditor's management report and has taken action on any recommendations and have met half termly to review the budget monitoring reports and to approve larger expenditure items and compliance with the tender arrangements.

The Academy has appointed Price Bailey external audit team and SBM Services internal audit team who have undertaken system and accounting checks and reported the findings to the Trust Board.

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr C Jones	5	6
Miss B Dudas	4	6
Mr D Nicol, Chair	6	6
Ms S Flynn	6	6

Review of value for money

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

The Accounting Officer considers how the 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 has delivered improved value for money during the year by:

- The Academy has ensured a continual focus on best value and understands the value of our assets and how they can be used effectively to support student achievement.
- The Academy robustly supports fair competition through quotations and tenders, overseen by the FRRAC in accordance with its Financial Regulations. This ensures that goods and services are secured in the most economic, efficient and effective way. The Academy has introduced a formal process to ensure that there is no automatic renewal of cyclic contracts and Service Level Agreements in excess of £500.. Specific areas of saving this year have included IT contracts and maintenance expenditure.
- The Academy operates within an environment of continual change and is responsive to national directives and policy changes and also to local demands from our wider community. As such we acknowledge that there will always be valuable lessons to be learnt and a constant need to review our procedures and systems to ensure that value for money is at the heart of everything we do to enhance the learning opportunities for our pupils. This statement refers to many examples of what we consider to be good practice to help us secure value for money at every opportunity. This in turn supports the work towards our School Development Plan that sets out clearly our specific objectives and the future direction of the academy. The SDP overview can be viewed on the Academy's website.

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 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 LIFE Academies Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the Annual Report and financial statements.

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has decided to employ SBM Services as Internal Auditor.

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

- Administration
- Finance and management system
- Governance
- Bank and cash
- VAT

On an annual basis, the Internal Auditor reports to the Board of Trustees through the Resources and Facilities Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of the their work.

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

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

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

Approved by the Board of Trustees on 14 Dec 2021 and signed on their behalf by:

C Jones (Dec 14, 2021, 9:51am)

Mr C Jones
Chair of Trustees

S Flynn (Dec 14, 2021, 9:59am)

Ms S Flynn
Accounting Officer

LIFE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of LIFE Academies Trust I have considered my responsibility to notify 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 Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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

S Flynn (Dec 14, 2021, 9:59am)

Ms S Flynn
Accounting Officer
Date: 14 Dec 2021

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring 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 the Board of Trustees on 14 Dec 2021 and signed on its behalf by:

C Jones (Dec 14, 2021, 9:51am)

Mr C Jones
Chair of Trustees

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LIFE ACADEMIES TRUST

Opinion

We have audited the financial statements of LIFE Academies Trust (the 'Trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including 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 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LIFE ACADEMIES TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report 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 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.

Responsibilities of Trustees

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LIFE ACADEMIES TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the Academy Trust and the sector in which it operates and considered the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations. This included those regulations directly related to the financial statements, including financial reporting and tax legislation and academy sector regulations including GDPR, employment law, health and safety and safeguarding.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

• We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of any large or unusual transactions to determine whether they were significant to our assessment.

• We reviewed key controls, authorisation procedures and decision making processes for any unusual or one-off transactions.

• We reviewed minutes of Trustee meetings and other relevant sub-committees of the Board and agreed the financial statement disclosures to underlying supporting documentation.

• We have made enquiries of the Accounting Officer and senior management team to identify laws and regulations applicable to the Trust. We assessed details of any breaches where applicable in order to assess the impact upon the Trust.

• We reviewed the risk management processes and procedures in place including a review of the Risk Register and Internal Scrutiny Reports.

• We have reviewed any correspondence with the ESFA / DfE and the procedures in place for the reporting of incidents to the Trustees including reporting of any serious incidents to the Regulator if necessary.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF LIFE ACADEMIES TRUST (CONTINUED)

Use of our report

This Report is made solely to the 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 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 Trust and its Members, as a body, for our audit work, for this Report, or for the opinions we have formed.

Gary Miller (Senior Statutory Auditor)
for and on behalf of
Price Bailey LLP

Chartered Accountants
Statutory Auditors
Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

Date: 15 December 2021

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LIFE ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 19 September 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by LIFE Academies Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This Report is made solely to LIFE Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to LIFE Academies 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 LIFE Academies Trust and ESFA, for our work, for this Report, or for the conclusion we have formed.

Respective responsibilities of LIFE Academies Trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of LIFE Academies Trust's funding agreement with the Secretary of State for Education dated 1 March 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity, propriety and compliance
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

Conclusion

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

Price Bailey LLP
Chartered Accountants
Statutory Auditors
Date: 15 December 2021

LIFE ACADEMIES TRUST

(A Company Limited by Guarantee)

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

		Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 Restated £
Income from:						
Donations and capital grants	3	14,347	10,131	(26,844)	(2,366)	311,843
Charitable activities		86,691	5,263,052	-	5,349,743	5,162,009
Other trading activities	5	214,114	-	-	214,114	171,686
Investments	6	1,016	-	-	1,016	4,321
Total income		316,168	5,273,183	(26,844)	5,562,507	5,649,859
Expenditure on:						
Charitable activities		44,948	5,425,453	284,191	5,754,592	5,393,876
Total expenditure		44,948	5,425,453	284,191	5,754,592	5,393,876
Net income/ (expenditure)		271,220	(152,270)	(311,035)	(192,085)	255,983
Transfers between funds	17	(289,953)	68	289,885	-	-
Net movement in funds before other recognised gains/(losses)		(18,733)	(152,202)	(21,150)	(192,085)	255,983
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(659,000)	-	(659,000)	(1,052,000)
Net movement in funds		(18,733)	(811,202)	(21,150)	(851,085)	(796,017)
Reconciliation of funds:						
Total funds brought forward		1,429,919	(2,844,279)	8,988,150	7,573,790	8,369,807
Net movement in funds		(18,733)	(811,202)	(21,150)	(851,085)	(796,017)
Total funds carried forward		1,411,186	(3,655,481)	8,967,000	6,722,705	7,573,790

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

The notes on pages 26 to 49 form part of these financial statements.

LIFE ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07928028

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £		2020 £	
Fixed assets					
Tangible assets	13		8,967,000		8,772,529
Current assets					
Debtors	14	158,352		271,379	
Cash at bank and in hand		2,402,122		2,180,977	
		2,560,474		2,452,356	
Creditors: amounts falling due within one year	15	(489,906)		(457,081)	
Net current assets			2,070,568		1,995,275
Total assets less current liabilities			11,037,568		10,767,804
Creditors: amounts falling due after more than one year	16		(60,863)		(68,014)
Net assets excluding pension liability			10,976,705		10,699,790
Defined benefit pension scheme liability	24		(4,254,000)		(3,126,000)
Total net assets			6,722,705		7,573,790
Funds of the Trust					
Restricted funds:					
Fixed asset funds	17	8,967,000		8,988,150	
Restricted income funds	17	598,519		281,721	
Pension reserve	17	(4,254,000)		(3,126,000)	
Total restricted funds	17		5,311,519		6,143,871
Unrestricted income funds	17		1,411,186		1,429,919
Total funds			6,722,705		7,573,790

The financial statements on pages 23 to 49 were approved by the Trustees, and authorised for issue on 14 Dec 2021 and are signed on their behalf, by:

.....

Mr C Jones
C Jones (Dec 14, 2021, 9:51am)
Chair of Trustees

The notes on pages 26 to 49 form part of these financial statements.

LIFE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	19	738,594	543,761
Cash flows from investing activities	20	(517,449)	97,166
Change in cash and cash equivalents in the year		221,145	640,927
Cash and cash equivalents at the beginning of the year		2,180,977	1,540,050
Cash and cash equivalents at the end of the year	21, 22	2,402,122	2,180,977

The notes on pages 26 to 49 form part of these financial statements

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

The functional currency of the financial statements is Pounds Sterling. The level of rounding is to the nearest £.

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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Academy derives the majority of its income from local and national Government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Academy can continue operating for a period of at least 12 months following the date of this Report. The financial statements do not contain any adjustments that would be required if the Academy were not able to continue as a going concern.

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

- **Donated fixed assets (excluding transfers on conversion or into the 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 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.

- **Charitable activities**

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

1. Accounting policies (continued)

1.4 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

1.5 Taxation

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

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

1.6 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long-term leasehold property	-	2%
Furniture and equipment	-	20%
Plant and machinery	-	20%
Computer equipment	-	33%

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 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.

1. Accounting policies (continued)

1.9 Liabilities

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

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. 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 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

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. Accounting policies (continued)

1.12 Pensions

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

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

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

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

1.13 Fund accounting

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Trustees make 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 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the Actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	14,347	10,131	-	24,478	67,367
Capital grants	-	-	(26,844)	(26,844)	244,476
Total 2021	14,347	10,131	(26,844)	(2,366)	311,843
Total 2020	2,523	64,844	244,476	311,843	

In 2020, income from donations was £67,367 of which £64,844 was restricted and £2,523 was unrestricted.

In 2020, income from capital grants was £244,476 of which all was in relatoon to restricted fixed assets.

4. Funding for the Trust's provision of education

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 Restated £
DfE/ESFA grants				
General Annual Grant (GAG)	-	3,673,333	3,673,333	3,538,105
UIFSM	-	78,695	78,695	76,257
Pupil Premium	-	167,032	167,032	165,177
PE and Sports Grant	-	21,660	21,660	21,600
Teachers' Pay Grant	-	221,704	221,704	221,195
Rates Relief	-	23,859	23,859	23,639
Covid-19 Catch up Premium	-	75,120	75,120	-
Other DfE grants	-	23,120	23,120	14,767
	-	4,284,523	4,284,523	4,060,740
Other Government grants				
Local Authority grant	-	978,529	978,529	1,018,531
	-	978,529	978,529	1,018,531
Other income				
Catering income	86,691	-	86,691	82,738
	86,691	5,263,052	5,349,743	5,162,009
Total 2020	138,945	5,079,271	5,218,216	

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

During the year the Trust received £75,120 of Covid-19 Catch Up funding of which £53,800 was spent on teaching and resources and £21,320 has been carried forward at the year end and included within restricted funds.

In 2020, income from DfE/ESFA grants was £4,060,740 of which all was restricted.

In 2020, income from Other Government grants was £1,018,531 of which all was restricted.

In 2020, Other income of £82,738 of which all was unrestricted.

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Hire of facilities	79,882	79,882	67,732
Other income	134,232	134,232	103,954
Total 2021	214,114	214,114	171,686
Total 2020	171,686	171,686	

In 2020, all income from trading activities was unrestricted.

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	1,016	1,016	4,321
Total 2020	4,321	4,321	

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Provision of Education:					
Direct costs	3,596,869	-	98,497	3,695,366	3,738,693
Allocated support costs	1,180,279	453,909	425,038	2,059,226	1,655,183
Total 2021	4,777,148	453,909	523,535	5,754,592	5,393,876
Total 2020	4,477,306	290,849	625,721	5,393,876	

7. Expenditure (continued)

Of total expenditure, £44,948 (2020: £7,796) related to unrestricted funds, £5,425,453 (2020: £5,140,017) related to restricted funds and £284,191 (2020: £246,063) related to restricted fixed assets funds.

8. Charitable activities

	2021 £	2020 £
Direct costs	3,695,366	3,738,693
Support costs	2,059,226	1,655,183
Total	5,754,592	5,393,876

	2021 £	2020 £
Analysis of support costs		
Support staff costs	1,180,279	1,008,057
Depreciation	284,191	212,328
Technology costs	38,588	10,500
Premises costs	206,888	273,427
Other support costs	293,041	137,391
Governance costs	56,239	13,480
Total support costs	2,059,226	1,655,183

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Depreciation of tangible fixed assets	284,191	246,063
Fees paid to Auditors for:		
- audit	8,175	8,175
- other services	5,305	5,305

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	3,379,588	3,249,440
Social security costs	271,466	257,647
Pension costs	1,122,762	959,660
	4,773,816	4,466,747
Agency staff costs	3,332	10,559
	4,777,148	4,477,306

b. Staff numbers

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

	2021 No.	2020 No.
Teachers	51	43
Management	1	6
Administration and support	130	132
	182	181

c. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-

10. Staff (continued)

d. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £546,915 (2020 £540,026).

11. Trustees' remuneration and expenses

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

		2021 £	2020 £
Ms S Flynn	Remuneration	85,000 - 90,000	75,000 - 80,000
	Pension contributions paid	20,000 - 25,000	15,000 - 20,000
Mrs J Bull (resigned 31 August 2020)	Remuneration		10,000 - 15,000
Mrs E Wyatt (appointed 22 October 2020)	Remuneration	45,000 - 50,000	45,000 - 50,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000

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

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was included in the total insurance cost.

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2020	9,659,181	385,500	359,483	10,404,164
Additions	-	445,421	33,241	478,662
At 31 August 2021	9,659,181	830,921	392,724	10,882,826
Depreciation				
At 1 September 2020	1,142,449	178,818	310,368	1,631,635
Charge for the year	165,010	82,011	37,170	284,191
At 31 August 2021	1,307,459	260,829	347,538	1,915,826
Net book value				
At 31 August 2021	8,351,722	570,092	45,186	8,967,000
At 31 August 2020	8,516,732	206,682	49,115	8,772,529

14. Debtors

	2021 £	2020 £
Trade debtors	9,621	1,190
Other debtors	72,534	212,633
Prepayments and accrued income	76,197	57,556
	158,352	271,379

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Salix loan	14,310	20,118
Trade creditors	76,879	91,338
Other taxation and social security	141,467	134,460
Accruals and deferred income	257,250	211,165
	489,906	457,081

	2021 £	2020 £
Deferred income at 1 September 2020	48,674	147,898
Resources deferred during the year	108,650	48,674
Amounts released from previous periods	(48,674)	(147,898)
	108,650	48,674

At the balance sheet date the majority of deferred income related to amounts received in advance in relation to trips, UFISM income and lettings income.

16. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Salix loan	60,863	68,014

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2021 £	2020 £
Repayable by instalments	3,625	10,780

The amount provided for in other loans are three Salix loans provided to the Trust by the Department for Education. One loan is repayable within 5 years and the total outstanding is £Nil (2020 - £6,414). The loan is repayable in instalments every 6 months and bears no interest. The second Salix loan is repayable within 6 years and the total outstanding is £65,507 (2020 - £72,057). The loan is repayable in instalments every 6 months and bears no interest. The final Salix loan is repayable within 7 years and the total outstanding is £9,666 (2020 - £9,666). The loan is repayable in instalments every 6 months and bears no interest.

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

17. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General funds	1,429,919	316,168	(44,948)	(289,953)	-	1,411,186
Restricted general funds						
General Annual Grant (GAG)	260,490	3,673,333	(3,366,908)	-	-	566,915
Pupil Premium	-	167,032	(167,032)	-	-	-
SEN funding	-	293,130	(293,130)	-	-	-
Other Government grants	-	90,783	(90,783)	-	-	-
Other DfE and ESFA	21,231	444,158	(433,785)	-	-	31,604
Trips donations	-	10,131	(10,199)	68	-	-
Early years funding	-	594,616	(594,616)	-	-	-
Pension reserve	(3,126,000)	-	(469,000)	-	(659,000)	(4,254,000)
	(2,844,279)	5,273,183	(5,425,453)	68	(659,000)	(3,655,481)
Restricted fixed asset funds						
Restricted fixed asset funds	8,772,529	-	(284,191)	478,662	-	8,967,000
DFC	-	17,159	-	(17,159)	-	-
CIF	215,621	(44,003)	-	(171,618)	-	-
	8,988,150	(26,844)	(284,191)	289,885	-	8,967,000
Total Restricted funds	6,143,871	5,246,339	(5,709,644)	289,953	(659,000)	5,311,519
Total funds	7,573,790	5,562,507	(5,754,592)	-	(659,000)	6,722,705

17. **Statement of funds (continued)**

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

General Annual Grant (GAG)

This represents funding from the ESFA to cover the costs of recurrent expenditure.

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

Pupil Premium

This funding is to be used to raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Special Educational Needs (SEN)

This represents allocated funding for special education needs pupils.

Other Government grants

This represents various small grants from local and national government bodies for the provision of specific services to pupils of the Academy.

Other DfE and ESFA

This represents funding received towards specific purposes, including contributions towards school trips.

Trip Donations

This represents contributions made by parents to the running of educational visits for the pupils of the Academy and the associated costs of running the trips.

Early years funding

This represents funding from the ESFA to provide funding for all 3-4 year old childern to attend early years.

Pensions reserve

This fund represents the Trusts share of the deficit on the Local Government Pensions Scheme (LGPS) transferred to the Trust on conversion from a state controlled school.

Restricted fixed asset fund

Restricted fixed asset fund are resources which are to be applied to specific capital purposes imposed by the DfE where the asset acquired or created is held for a purpose. Additions acquired during the year have been transferred to this fund.

Devolved formula capital (DFC)

The trust is to use the DFC allocation to maintain and improve its buildings and facilities.

Condition Improvement Fund (CIF)

This represents grants received or receivable for building improvements.

17. Statement of funds (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds - all funds	1,297,881	261,268	(7,796)	(121,434)	-	1,429,919
Restricted general funds						
General Annual Grant (GAG)	-	3,538,105	(3,289,238)	11,623	-	260,490
Pupil Premium	-	165,177	(165,177)	-	-	-
SEN funding	-	285,991	(285,991)	-	-	-
Other Government grants	-	84,667	(84,667)	-	-	-
Other DfE and ESFA	-	357,458	(336,227)	-	-	21,231
Trips donations	-	64,844	(64,844)	-	-	-
Early years funding	-	647,873	(647,873)	-	-	-
Pension reserve	(1,808,000)	-	(266,000)	-	(1,052,000)	(3,126,000)
	(1,808,000)	5,144,115	(5,140,017)	11,623	(1,052,000)	(2,844,279)
Restricted fixed asset funds						
Restricted fixed asset funds	8,879,926	-	(246,063)	138,666	-	8,772,529
DFC	-	17,232	-	(17,232)	-	-
CIF	-	227,244	-	(11,623)	-	215,621
	8,879,926	244,476	(246,063)	109,811	-	8,988,150
Total Restricted funds	7,071,926	5,388,591	(5,386,080)	121,434	(1,052,000)	6,143,871
Total funds	8,369,807	5,649,859	(5,393,876)	-	(1,052,000)	7,573,790

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

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	8,967,000	8,967,000
Current assets	1,411,186	1,074,115	75,173	2,560,474
Creditors due within one year	-	(475,596)	(14,310)	(489,906)
Creditors due in more than one year	-	-	(60,863)	(60,863)
Provisions for liabilities and charges	-	(4,254,000)	-	(4,254,000)
Total	1,411,186	(3,655,481)	8,967,000	6,722,705

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	8,772,529	8,772,529
Current assets	1,429,919	724,492	297,945	2,452,356
Creditors due within one year	-	(442,771)	(14,310)	(457,081)
Creditors due in more than one year	-	-	(68,014)	(68,014)
Provisions for liabilities and charges	-	(3,126,000)	-	(3,126,000)
Total	1,429,919	(2,844,279)	8,988,150	7,573,790

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

19. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(192,085)	255,983
Adjustments for:		
Depreciation	284,191	246,063
Capital grants from DfE and other capital income	26,844	(244,476)
Interest receivable	(1,016)	(4,321)
Decrease/(increase) in debtors	113,027	(98,525)
Increase in creditors	25,674	110,072
Pension adjustment	469,000	266,000
Loan repayments	12,959	12,965
Net cash provided by operating activities	738,594	543,761

20. Cash flows from investing activities

	2021 £	2020 £
Interest	1,016	4,321
Purchase of tangible fixed assets	(478,662)	(138,666)
Capital grants from DfE Group	(26,844)	244,476
Loan repayments	(12,959)	(12,965)
Net cash (used in)/provided by investing activities	(517,449)	97,166

21. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	2,402,122	2,180,977

22. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	2,180,977	221,145	2,402,122
Debt due within 1 year - Salix loans	(20,118)	5,808	(14,310)
Debt due after 1 year - Salix loans	(68,014)	7,151	(60,863)
	2,092,845	234,104	2,326,949

23. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	215,788

24. Pension commitments

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

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

Contributions amounting to £701,762 were payable to the schemes at 31 August 2021 (2020 - £80,509) 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; and
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the year amounted to £359,420 (2020 - £359,498).

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

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

24. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £333,000 (2020 - £386,000), of which employer's contributions totalled £258,000 (2020 - £313,000) and employees' contributions totalled £ 75,000 (2020 - £73,000). The agreed contribution rates for future years are 19.4 per cent for employers and 5.5 - 7.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.9	3.3
Rate of increase for pensions in payment/inflation	2.9	2.3
Discount rate for scheme liabilities	1.65	1.6

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

	2021 Years	2020 Years
Retiring today		
Males	22.2	22.2
Females	24.3	24.3
Retiring in 20 years		
Males	23.4	23.4
Females	26.1	26.1

24. Pension commitments (continued)

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	(247,000)	(202,000)
Discount rate -0.1%	266,000	208,000
Mortality assumption - 1 year increase	416,000	259,000
Mortality assumption - 1 year decrease	(387,000)	(250,000)
CPI rate +0.1%	29,000	187,000
CPI rate -0.1%	(16,000)	(182,000)

Share of scheme assets

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

	2021 £	2020 £
Equities	3,837,000	3,169,000
Corporate bonds	1,025,000	751,000
Property	511,000	441,000
Cash and other liquid assets	121,000	280,000
Total market value of assets	5,494,000	4,641,000

The actual return on scheme assets was £552,000 (2020 - £232,000).

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

	2021 £	2020 £
Current service cost	(675,000)	(548,000)
Interest income	77,000	71,000
Interest cost	(125,000)	(102,000)
Administrative expenses	(4,000)	-
Total amount recognised in the Statement of Financial Activities	(727,000)	(579,000)

24. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	7,767,000	5,565,000
Current service cost	675,000	548,000
Interest cost	125,000	102,000
Employee contributions	75,000	73,000
Actuarial losses	1,134,000	1,676,000
Benefits paid	(34,000)	(197,000)
At 31 August	9,742,000	7,767,000

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

	2021 £	2020 £
At 1 September	4,641,000	3,757,000
Interest income	77,000	71,000
Actuarial gains	475,000	624,000
Employer contributions	258,000	313,000
Employee contributions	75,000	73,000
Benefits paid	(34,000)	(197,000)
Settlement prices received / (Paid)	6,000	-
Administrative expenses	(4,000)	-
At 31 August	5,494,000	4,641,000

25. Operating lease commitments

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

	2021 £	2020 £
Not later than 1 year	3,098	3,644
Later than 1 year and not later than 5 years	3,098	6,197
	6,196	9,841

26. 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.

27. 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. The following related party transactions took place in the financial period.

D Briars (Associate Principal) and K Briars (Preschool Practitioner) are daughters of B Briars, a trustee, and are employed by the academy trust in the roles stated.

L Jones, spouse of C Jones, a trustee, is a Learning Support Assistant employed by the academy trust.

All appointments were made in open competition and B Briars and C Jones were not involved in the process regarding appointment. D Briars, K Briars and L Jones are all paid within the normal pay scale for their roles and receive no special treatment as a result of their relationship to a trustee.

No other related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 11.