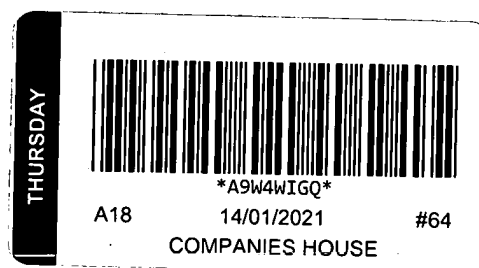


The Dean Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements
Year ended 31 August 2020



Company Registration Number:
08027943 (England and Wales)

Contents

Trustees Report	3
Governance Statement	22
Statement on Regularity, Propriety and Compliance	28
Statement of Trustees' Responsibilities	29
Independent Auditor's Report on the Financial Statements	30
Independent Reporting Accountant's Assurance Report on Regularity	33
Consolidated Statement of Financial Activities (incorporating income and expenditure account)	35
Consolidated Balance Sheet	36
Academy Trust Balance Sheet	37
Statement of Cash Flows	38
Notes to the Financial Statements	39

TRUSTEES REPORT

Reference and Administrative Details

Members

Mr B D Rigby MBE
Mrs D Lucas
Mr M J Prior

Trustees

T Kapur CBE (Chief Executive Officer and
Accounting Officer)
J T Shiels
P J Edwards (Vice Chair)
D McGann (Chair)
J Bowers
Mrs A Beaumont
Mrs S Bagshaw *

* Trustee members of the audit committee

Executive Management Team:

- Chief Executive Officer
- Academies Director
- Operations Director
- Chief Finance Officer

T Kapur CBE
B Bridgen
A Shakos
N David

Company Name

The Dean Trust

Principal and Registered Office

Ashton on Mersey School
Cecil Avenue
Sale
Cheshire
M33 5BP

Company Registration Number

08027943

Independent Auditor

Crowe UK LLP
The Lexicon
Mount Street
Manchester
M2 5NT

Bankers

Lloyds Bank PLC
PO Box 1000
BX1 1LT

Solicitors

Stone King Solicitors
13 Queen Square
Bath
BA1 2HJ

Trustees Report (continued)

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Trust currently operates 4 primary and 6 secondary academies within 3 hubs in the North West of England. These academies have a combined pupil capacity for the year groups from reception to age 16 of 7245 pupils and had 6500 pupils on roll as recorded in the census data at January 2020. In addition, there were 138 post 16 students on roll at Ashton on Mersey School at the January 2020 census date. It should however be noted that the number of pupils on roll at Dean Trust Ardwick during the year reflects the initial half year group in relation to capacity admitted in the first year of opening in September 2015.

Structure, Governance and Management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust as incorporated on 12th April 2012. The trustees of The Dean Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Dean Trust.

Members' Liability

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

Trustees' Indemnities

Professional indemnity insurance is in place to protect trustees, governors, and officers from claims arising from negligent acts, errors or omissions occurring on Trust business.

Method of Recruitment and Appointment or Election of Trustees

Trustees are assessed initially by invitation, dependent upon their expertise, experience and skills, prior to a process of recruitment and appointment. Members may appoint up to 10 trustees as referenced in the Articles of Association (Article 50) and are appointed for a maximum of 2 terms of 4 years.

Policies and Procedures Adopted for the Induction and Training of Trustees

New Trustees are interviewed and selected for the Board to maintain robust governance and oversight throughout the Trust. On all occasions, Trustees are fully inducted into the business of the Trust to provide clear understanding of their role and responsibility as a Trustee along with understanding the detailed policies and procedures underpinning the Trust's governance arrangements. Trustees are provided with appropriate training opportunities, and regular skills audits are undertaken to ensure a breadth and balance of expertise is available to the Board.

Organisational Structure

The trustees are responsible for setting general policy, the strategic direction and growth of the Trust, adopting an annual plan and budget, monitoring the Trust and academies by the use of financial management and other performance information, making appointments to the Executive

Management team, and presenting the Annual Report and Financial Statements for approval by the Members.

The Chief Executive Officer is the Accounting Officer. Operational management of the Trust is delegated to the Executive Management Team (EMT). The EMT consists of the Chief Executive Officer, Academies Director, Operations Director and Chief Finance Officer. These managers control the Trust and academies at an executive level implementing the policies laid down by the Trustees and reporting to them. The EMT further delegates responsibilities to the Senior Leadership Team (SLT) of each Academy. The SLT, as appropriate to each academy, consists of the Executive Headteacher or Headteacher or Head of School Deputy Headteacher and Assistant Headteachers. The SLT is responsible for the authorisation of spending within delegated and agreed budgets including the appointment of staff. Appointment boards for posts in the EMT always contain a Trustee. Some spending control is devolved to individual members of the management team within agreed limits in the Scheme of Delegation.

The management teams include the EMT, the SLT at each academy in the Trust, the curriculum area managers and business support managers. These managers are responsible for the operational business and principal activities of all academies in the Trust, in particular organising staff, facilities and students.

The Trustees meet a minimum of 4 times a year. The Board of Trustees is supported by an Audit Committee consisting of 3 independent members and a Trustee. The Audit Committee meet at least 4 times a year. Local Governing Bodies, governance groups and sub-committees meet on at least a termly basis. Trustees make regular visits to all academies, attending and supporting functions. The Trust's present governance structure also facilitates periodic attendance by Trustees at Local Governing Body Meetings.

The Scheme of Delegation clearly sets out and defines the responsibilities of Members, Trustees, Governors, Executive and Senior Managers.

Arrangements for setting pay and remuneration of key management personnel

The remuneration of the Executive Management Team, Headteachers and other Senior Leadership Team members of each academy is set in accordance with the Trust executive pay policy and the pay and conditions documents for teachers and leaders. Thorough and rigorous performance management of executive and senior management takes place on an annual basis. The Trust Pay Committee for the Executive Management Team and Headteachers, and the Local Governing Body Pay Committees for other academy Senior Leadership team members reviews recommendations for pay progression and other remuneration. The Trust Pay Committee currently consists of 3 Trustees including the Chair, Mr J Shiels and Mrs A Beaumont.

Employees and Diversity

The Dean Trust is an equal opportunity employer and proudly discloses this throughout its recruitment processes. The Trust encourages applications for employment from people from disabled groups and from a diverse range of backgrounds.

The Trust is responsive to changes to an employee's individual circumstances through becoming disabled, which includes making appropriate adjustments to working conditions. All employees of the Trust including those with disability can expect to be afforded development and career progression that benefits their skills and expertise.

The Trust acknowledges the trade unions that represent all of its employees. A Joint Consultative Committee comprising of Trustees, senior leaders and employee union representatives is an established mechanism to consult employees on matters affecting their employment with the Trust.

Trade Union Facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Dean Trust is obliged, as an employer of sufficient size, to report information included in Schedule 2 of the Regulations in relation to

- Number of FTE employees who were relevant union officials under the definition
- Percentage of time spent by relevant union officials on union facility time
- Percentage of pay bill spent on union facility time
- Time spent on paid trade union activities as a percentage of total paid facility time hours

The Trust did not employ any relevant union officials engaged in trade union facility time during the year ended 31st August 2020 and as such incurred no direct cost on this activity. The Trust is however committed to contributing to costs associated with trade union facility time for union officials employed by others in Local Authority areas in which the Trust operates. The Trust has signed a Trade Union Recognition Agreement with the unions representing Trust employees, namely ASCL, NEU, NASUWT and UNISON.

Moving forward the Trust plans to create a role for 2 local trade union employee representatives in our schools to support in the coordination of the Trust's health and safety management plan. Representatives will benefit from union funded training to develop their role and support them in fulfilling their duties.

Related Parties and other Connected Charities and Organisations

The Chief Executive Officer, Mr Tarun Kapur C.B.E, acts as an independent Director providing educational advice to the Board of Manchester United Foundation. Mr Kapur also acts as Chair of the FA and Premier League facilities funding panel for the Football Foundation. The Football Foundation is the UK's largest sports' charity funded by the Premier League, The Football Association and the Government. The Foundation directs £63m every year into grassroots sport. Their mission is to improve facilities, create opportunities and build communities throughout England. He also acts as a non-executive director to The Christie NHS Foundation Trust Hospital in Manchester.

Councillor Brian Rigby M.B.E. is a Trafford Councillor serving the Ashton upon Mersey ward in the Borough. Councillor Rigby is now a Member and previously acted as Chair of Trustees. He was Chair of Ashton on Mersey School Governing Body for 26 years overseeing the growth and development of the school, leading the Governors through 4 consecutive Outstanding OFSTED inspections and acting as a National Leader of Governance supporting and advising several Governing Bodies.

Mr J T Shiels is Chief Executive of Manchester United Foundation. The goal of the Foundation is to educate, motivate and inspire future generations to build better communities for all. Part of the work involves partnerships with schools to create community hubs and to deliver a range of educational programmes to primary and secondary schools.

Mr J Bowers resigned from his role as joint managing director of UKFAST on 14th May 2020.

Mr P Edwards is a director of Ashton on Mersey Teaching School Limited. (AOMTSL). AOMTSL is a wholly owned subsidiary of The Dean Trust and operates as a company limited by guarantee managing the business of the Teaching School. The Teaching School can commission support from any of the Trust's academies to undertake Teaching School contracts.

This mainly involves collaborative working across a range of disciplines, primarily School to School Support, Initial Teacher Training and Professional Learning.

Section 172(1) Statement and Stakeholder Engagement

The Board of Trustees consider that they have adhered to the requirements of section 172 of the Companies Act 2006 and has, in good faith, acted in a way that they consider would be most likely to promote the success of the Trust for the benefit of its stakeholders. In doing so, they have recognised the importance of considering all stakeholders in its decision-making.

The new reporting legislation around stakeholder engagement is welcomed by the Board and the commentary and table below sets out our s.172(1) statement. This statement provides details of key stakeholder engagement undertaken by the Board during the year and how this helps the Board to factor potential impacts on stakeholders in the decision making process.

The Dean Trust promotes the highest standards of governance. Guiding principles are in place for the relationship between the Board of Trustees and the Local Governing Boards of the Trust's academies. This framework promotes full and effective interaction across all levels of the Trust to support the delivery of strategy and business objectives within a framework of best corporate governance practice.

Corporate governance underpins how we conduct ourselves as a Board, our culture, values, behaviours and how we do business. As a Board we are conscious of the impact that our business and decisions have on our direct stakeholders as well as our wider societal impact.

As part of the director induction process, directors are briefed on their duties, including their duty under s. 172 of the Act. The directors are entitled to request from the Company all such information they may reasonably require in order to be able to perform their duties as directors, including professional advice from either the Company Secretary or from an independent advisor at the Company's expense. On-going training is provided to the directors, as required, to ensure that their knowledge remains up to date and they continue to be able to discharge their duties as directors.

Principal decisions

For the year ending 31 August 2020, the Trustees consider that the following are examples of principal decisions that it made in the year:

- The Trust made the decision to agree a facilities expansion programme for one of its schools with Manchester City Council. The Trust was able to allocate £0.75 million from its capital funding allocation which resulted in a £3.75 million contribution from Manchester City Council to build a new two storey building of 15 classrooms and new dining facilities.
- Recognising the changing landscape for Teaching Schools, the Trust has redirected investment in its Teaching School to an inward-facing School Improvement facility. This has ensured that the Trust has increased capacity and become agile in responding to both internal and external school improvement priorities.
- An existing successful model of governance adopted by the Trust was extended to create joint Local Governing Bodies across two of the Trust's primary schools in Knowsley and 2 of the Trust's other secondary schools in Wigan. This has improved consistency in the quality of governance, challenge and support to those schools.
- The Trust reviewed and accelerated greater convergence of policies, systems and processes in the areas of health & safety management, human resources, curriculum, teaching and learning, and assessment, recording and reporting.

The table below sets out our key stakeholders and provides examples of how the Trust has engaged with them in the year, as well as demonstrating stakeholder consideration in the decision making process.

Stakeholders	Approach to stakeholder engagement	Stakeholder consideration in the Board's decision making
<p>Employees</p> <p>Our employees are vital to the future success of our business, providing our pupils with rich learning opportunities and equipping them to achieve their maximum potential</p>	<p>All Trust schools have embedded formal and informal forums for collecting, considering and responding to the views of their workforce. Examples include the use of an annual Staff Audit and the use of a mechanism for 'Staff Voice'. The Trust actively encourages each governing body and senior leadership team to engage with staff on issues of school improvement, working conditions and wellbeing.</p>	<p>As a Board, we aim to listen to the views of and provide clear information to employees, being honest and transparent as to the performance of the business. Value is generated for employees by supporting the Trust to deliver on the strategic plan.</p>
<p>Pupils and families of Dean Trust schools</p> <p>Listening to our pupils and their families helps us to better understand their needs and provide them with suitable support.</p>	<p>The Trust uses a forum of Pupil Voice to understand the needs, aspirations and concerns of our pupils. The Trust also engages with the families of Dean Trust pupils via regular progress evenings and periodic surveys</p> <p>Throughout the period of the COVID-19 pandemic, the Trust has communicated in depth with our families to ensure that they are fully informed of Trust, local and national information, guidance and support. These communications have most importantly ensured that we can safeguard our pupils, provide Free School Meals to those in need, and support the effective delivery of remote learning, including where possible, providing digital devices to pupils.</p>	<p>There is ordinarily an expectation from the Trust Board that the Executive Management Board provide regular and robust reports regarding our communications to our pupils and their families. The Trust Board's intensity of scrutiny was heightened due to coronavirus and its impact on schools and the communities we serve. The Trust Board has requested regular updates and reports regarding how our Trust schools have supported our pupils and families, particularly the most vulnerable, so that human and financial resource could be directed to areas of most need and greatest impact.</p>

Objectives and Activities

Objectives, Strategies and Activities

The Trust's vision is to develop and maintain a culture of excellence across our organisation that provides a breadth of aspirational opportunities for the children and students in our primary and secondary academies.

The Trust embraces the local communities in which it operates to ensure that each academy is at the heart and aims for these communities to be proud of their local Dean Trust academy.

As the Trust continues to grow, we are determined to remain an organisation of 'first choice' for our staff and the communities we serve. We believe it is important for children to attend a 'Good' local school.

The Trust's approach to this strategy includes:

- A broad and inspirational and curriculum offer. High quality teaching and learning provision enabling our pupils to attain the qualifications that will equip them to be successful within aspirational learning and career pathways.
- Creating a culture of lifelong learning through high quality continued professional development opportunities for all Trust employees.
- A careers education, information, advice and guidance programme that supports our pupils to make informed learning and career choices and prepares them for future employment.
- A wide range of enrichment opportunities including a programme of pre and after school activities.

Public Benefit

The Trust's purpose is to advance, for public benefit, education in the UK, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing the academies, offering a broad and balanced curriculum. The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their duties.

Strategic Report

Strategic Objectives 2019-20

Objects and Aims

The main objectives of the Trust during the year ended 31st August 2020 are summarised below. Trustees are pleased to report that significant progress has been achieved.

Strategic objective	Progress and outcome
To revisit the growth strategy in light of the changing education sector landscape particularly around free school provision, continuing to develop the excellent working relationships already enjoyed with Manchester City Council to explore opportunities in the city addressing their burgeoning growth in school place demand.	The Trust engaged with the process undertaken by Manchester City Council to become the sponsor of a new secondary school. The Trust submitted a detailed application and was successfully shortlisted to move to stage 2 of the Council's selection process. Regrettably the Trust was not selected but has received positive feedback from the Council on the quality of our application. This outcome allows the Trust to direct its attention towards other opportunities for growth
To continue to work closely with the Manchester City Council, the ESFA and their agents to source and secure a suitable site for the new Dean Trust secondary free school.	Work has taken place throughout the year. Sourcing available sites in the right location for the development of the school has been challenging.
To strive for continuous improvement in examinations results and all indicators of performance in all of the Trust's academies	Notwithstanding the effect of COVID-19, the examination results achieved by pupils have been strong with improvements in key measures evident at all Trust schools as shown by the Achievements and Performance tables on page 12
To work with Knowsley Council in taking forward the Trust's plan to grow Blacklow Brow School to a 2-form entry intake.	Discussions with Knowsley Council took place to explore the opportunity. In the short term this objective cannot be taken forward as the local demography in the area of the school does not show an immediate requirement for additional school places.
To keep under review the Executive Management Team structure and composition to ensure sufficient capacity to meet growth demands and is entirely robust across the Trust.	Trustees paused the growth strategy in the short term to focus on a period of consolidation having brought Dean Trust Rosebridge on board in February 2019. As such, the current executive management structure is appropriate but will continue to be reviewed when the growth plan recommences.
To continue to strengthen governance across the Trust via recruitment of high-quality Trustees and Governors.	The recruitment of Governors as vacancies have arisen has fulfilled this objective. The Trust undertakes a robust assessment of applications and expressions of interest for roles on governing boards. A total of 16 new governors have joined the Local Governing Bodies at Trust schools during the reporting period
To achieve at least "Good" in the anticipated OFSTED inspection at Dean Trust Wigan	The OFSTED inspection at Dean Trust Wigan took place in February 2020. The result was

	disappointing and the Trust did not meet its aspiration for the school to be graded as "Good". Steps have already been taken to address the shortcomings identified in the OFSTED report.
To move further towards full electronic communication and media for Governing Body and Trust Board meetings and to develop a suitable portal in order to facilitate	The Trust researched and trialled a number of electronic meeting platforms. A suitable portal has been implemented. All agendas and papers for Members, Trustees and Local Governing Bodies are distributed electronically through the portal and meetings conducted with reference thereto.
To develop a joint Local Governing Body between Dean Trust Rose Bridge and Dean Trust Wigan	The joint Local Governing Body has been formed and additional high quality governors recruited
To utilise the strategic capital plan to maximise the opportunities afforded by the MAT allocation of capital funding to the Trust for improvement in the condition of the Trust estate across all academies.	The school condition capital allocation of £1.26m has enabled numerous projects to be completed across the Trust estate. Additional capital funding of £3.75m was secured from Manchester City Council to support the construction of additional teaching accommodation at Dean Trust Ardwick to expand the school from 1200 to 1350 pupils.
To grow pupil numbers at Park View Academy, Dean Trust Wigan and Dean Trust Rosebridge	Pupil number growth has been achieved at all 3 schools, Park View Academy, 22 pupils (6.9% increase), Dean Trust Wigan, 24 pupils (3.3%), Dean Trust Rosebridge, 19 pupils (2.8%)
To continue to develop robust, sustainable integrated curriculum and financial plans to align the operational costs of the Trust with available funding streams	Integrated curriculum and financial planning has become a feature of the Trust's short to medium term forecasting. Key data and metrics have been considered by governors and Trustees

Achievements and Performance

OFSTED inspections

- The Trust was expecting an OFSTED inspection at Dean Trust Wigan during the year and a Section 5 inspection took place in February 2020.

Dean Trust Wigan joined the Trust at the end of the academic year in 2017 following a re-brokerage. The school is situated in the Pemberton area of Wigan which is categorised as being one of the most severely deprived in the Wigan Authority.

In Autumn 2019, the Trust conducted a peer review using the OFSTED framework to assess the school's readiness for inspection, which identified some concerns. It was evident that senior leaders at the school had drifted from Dean Trust beliefs, customs and practices and this was having a detrimental effect on the school's improvement.

The Trust therefore reacted quickly, recognising the need to strengthen leadership capacity. It therefore appointed an Executive Headteacher, who took up the post on 1st January 2020, to lead across both Dean Trust Wigan and Dean Trust Rosebridge. A key focus in the short term at Dean Trust Wigan was to accelerate the findings of the Trust's peer review.

Following the OFSTED inspection in early February 2020, the school was found to have serious weaknesses, with many of the Trust's concerns from the peer review the previous Autumn being flagged. Although expected, the timing of the inspection meant that the Trust's actions had limited time to develop.

Soon after the inspection, the newly appointed executive leader took steps to restructure the school's senior leadership team, resulting a new and talented team being in place by the end of the academic year. School improvement under the new senior team has begun at pace, despite the difficulties surrounding the impact of Covid-19, with positive strides already being evident. The Trust can look forward with some confidence to the first Ofsted monitoring visit in Spring 2021.

Examinations

Dean Trust Primary School Results

	ENGLISH				MATHS	
	2019-20		2018-19		2019-20	2018-19
Forest Gate Academy	R 86%	W 68%	R 67%	W 60%	82%	83%
Partington Central	R 71%	W 67%	R 63%	W 70%	67%	73%
Blacklow Brow	R 77%	W 70%	R 66%	W 80%	66%	73%
Park View Academy	R 70%	W 63%	R 64%	W 61%	65%	82%

Dean Trust Secondary School Results

	Progress	Progress	Attain.7	Attain.7	Basics	Basics	Basics	Basics	Key Stage 5	Key Stage 5	Key Stage 5	Key Stage 5
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	19-20	18-19	19-20	18-19
Ashton on Mersey School	-0.02	-0.48	52.24	46.2	79.6%	74.3%	57.3%	48.2%	100%	100%	25.5%	49%
Broad Oak School	0.21	-0.15	47.94	40.71	67.6%	53%	38%	28%	N/A	N/A	N/A	N/A
Dean Trust Ardwick	0.2	N/A	48.08	N/A	67.5%	N/A	47.5%	N/A	N/A	N/A	N/A	N/A
Lord Derby Academy	-0.33	-0.284	43.01	37.44	57.4%	44%	30.7%	22%	N/A	N/A	N/A	N/A
Dean Trust Wigan	-0.53	-0.71	40.57	40.33	52.3%	47%	33.1%	31%	N/A	N/A	N/A	N/A
Dean Trust Rose Bridge	-0.6	-0.782	38.94	37.54	48.4%	45%	24.6%	23.7%	N/A	N/A	N/A	N/A

The GCSE and post 16 examinations for the summer 2020 series were cancelled by the Department for Education due to the COVID-19 pandemic. Secondary schools and post 16 providers nationally were asked to use professional knowledge and experience to make a fair and objective assessment and judgement of examination grades a pupil would have achieved had they taken the examination in each subject. Schools then submitted Centre Assessed Grades to the examination boards, along with a 'ranking' of pupils and students by grade in each subject.

At each Trust secondary school, teachers and leaders interrogated a range of past performance data and, using their knowledge of each pupil's learning and progress, determined a 'Centre Assessed Grade'. A range of available evidence was carefully and rigorously considered such as internal assessments, end of Year 10 examination results, internally assessed GCSE mock examinations in November 2019 and externally assessed mock examinations in February 2020, classwork, attitude to learning and other records to evidence performance and progress. The Trust included three stages of quality assurance to ensure that grades were accurate, fair and based on compelling evidence.

The intention of both the Department for Education and Ofqual was for examination boards to moderate Centre Assessed Grades to check that all providers had approached this task consistently before they awarded final calculated grades. Unfortunately, the method adopted to do this, including the controversial algorithm, proved problematic and led to many results being unfairly downgraded.

The Department for Education subsequently decided to award grades for all GCSE and Post 16 examinations at the higher of either the Centre Assessed Grade or the exam board calculated grade. The

table of results for the summer 2020 examination series for all Dean Trust schools reflects the outcome of this process.

Reassuringly, prior to the decision being made by Ofqual to award the higher of the two grades (Centre Assessed Grade or Calculated Grade), none of the Trust's secondary schools were challenged by any exam board for any subject's grades. This demonstrated that the Trust had submitted grades that were fair and representative of the cohort.

The performance across all Trust secondary schools, with the exception of the Progress 8 score at Lord Derby Academy and the proportion of post 16 BTEC D*D*D* at Ashton on Mersey School, improved on 2018-19.

Most notable was the Progress 8 and Basics 9-4 and 9-5 increases at four of the five secondary schools in the Trust where comparison with previous cohorts could be made. Significantly above average Progress 8 outcomes was achieved at both Dean Trust Ardwick (first GCSE cohort since the school opened in 2015) and Broadoak School. Whilst Progress 8 at Ashton on Mersey School dipped well below average in 2018-19, outcomes in 2019-20 returned to a national average level, better reflecting the school's historical performance.

- Dean Trust Wigan and Dean Trust Rosebridge made less significant progress in outcomes which reflected the journey of improvement at both schools.

The Summer 2020 Key Stage 2 examinations were also cancelled due to COVID-19 and the enforced closure of schools to all but the children of key workers and the most vulnerable pupils. Teacher projections were therefore utilised as the most accurate estimation of Year 6 pupil outcomes at each of the Trust's primary schools. Projections were informed by a similar level of rigour and produced outcomes that were once more based on pupils' prior performance, attitude to learning, learning trajectory and key year 5 and year 6 moderated assessments.

In English, all Trust primary schools increased the proportion of pupils making expected progress in Reading compared to 2018-19. For Writing, expected progress outcomes were more variable, with an 8% increase at Forest Gate Academy, a marginal increase of 2% at Park View Academy, a marginal decrease of 3% at Partington Central Academy and a more significant decrease of 10% at Blacklow Brow School.

In Mathematics, outcomes were again variable in comparison to 2018-19. Whilst Forest Gate Academy remained consistent, the other Trust primary schools experienced a decrease in outcomes ranging from 6% to 17%.

- The Trust undertakes a thorough and diligent review of examination performance at all levels in order to determine the strategies needed to maintain a trajectory of improvement at the schools where positive outcomes have been achieved and to address areas where performance has not met expectations.

Other notable achievements across the Trust's academies during the period include:

- Financial performance meeting or exceeding budgetary expectations.
- Successful close-down and re-opening of schools as a result of the COVID-19 pandemic
- High quality delivery of remote and in-school learning during the lockdown period
- Restructure of leadership teams at Park View Academy and Blacklow Brow School
- Restructure of leadership teams at Dean Trust Wigan and Dean Trust Rose Bridge
- Strategic capital spend programme to drive significant improvements in the educational estate
- Recruitment of high quality Headteachers at Ashton on Mersey School and Broadoak School
- Harmonisation of Assessment, Recording and Reporting practices across Trust schools.
- Robust process for producing Centre Assessment Grades, including three levels of internal quality assurance and challenge, which resulted in no challenge from Awarding Bodies and limited challenge from pupils and parents.

COVID-19

The Trust has been fully engaged in the ongoing government response to COVID-19. Our work in this area started before the year end and continues now. Our actions have been both internally faced as an employer and externally faced to the pupils, families, communities and other stakeholders we support.

As is widely known, educational settings were closed from 20 March 2020 to all but children of critical workers and vulnerable children. This had a significant impact on the learning and mental health of pupils attending Trust schools.

Trust schools began to open from early June 2020, starting with children in reception, year 1 and year 6 and from 15 June provision for year 10 and 12 pupils recommenced to supplement remote education.

The past 5 months has been an incredibly difficult period for the Trust as it has navigated these events and acted to protect learners and staff. We have been able to respond to the pandemic with their support, feedback and expertise at the front line.

To support the Government's decisions around limited opening of schools during lockdown, the Trust worked tirelessly to quickly provide direct support and guidance to staff and parents to prepare for the inevitable disruption to the education of our pupils and to mitigate the impact. In our response, we prioritised two key lifelines:

1: Ensuring that all our pupils were able to benefit from ongoing remote education. Following the initial closure of schools on 20th March 2020, the Trust immediately provided curriculum related learning activities to all pupils in our care. Initially, this was a mixture of printed learning packs and activities accessed through the virtual learning platform (Google Classroom). Along with the support of the government's National Digital Device programme, the Trust utilised its own digital device stock to equip our disadvantaged pupils to be able to access online learning provision. This was accompanied by a training programme for teachers to upskill in safe and effective planning, delivery and assessment of remote learning activities. The Trust provided a suite of remote learning activities, pre-recorded learning videos and podcasts with accompanying scaffolded activities and live teaching to support pupils who were not able to attend school.

2: The Trust prioritised the health and wellbeing of our staff who have been outstanding in supporting the challenges to maintain a quality education and support to all of our pupils, whether in school for children of key workers and vulnerable children, or remotely. Communications with staff took place regularly throughout, with managers being provided with clear guidance to support their teams.

Throughout, the response to the outbreak, the Trust's work has been complex and fast paced, requiring us to use our collective expertise and resources.

The Trust acted quickly and responsibly to ensure that our most disadvantaged pupils were supported, by engaging fully with the Department for Education's free school meal voucher scheme, exceptional costs funding and provision of digital equipment and electronic devices. Moving forward and to bridge the gaps resulting from lost learning time for all of our pupils and students, the Trust will develop robust plans for a recovery curriculum to address learning deficits by using its allocation of the catch-up fund announced by the Government in the summer.

In line with other public bodies the Trust has adopted Procurement Policy Note 02-20 supplier relief due to COVID-19 in appropriate cases to cover our response to the pandemic.

The ESFA continued to provide full grant funding to all education providers from the start of the COVID-19 pandemic in March. As such, the financial position of the Trust has been secure with contractual commitments to both staff and suppliers maintained. No material additional liabilities or obligations have crystallised in 2019-20.

The timing of COVID-19's emergence during the 2019-20 financial year has resulted in significant upheaval and challenge in areas such as the public examinations process, remote learning, remote working for all business support staff and risk management and assessment in preparation for partial and full re-opening of our schools in a COVID secure manner in accordance with Government guidance.

At the date of this annual report, there is still considerable uncertainty as to the full impact of COVID-19 on different educational sectors. Trustees expect COVID-19 to impact the Trust well into the 2020-21 financial year and will continue to identify suitable responses to support pupils and staff.

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. Despite the challenges resulting from the COVID-19 pandemic and its impact on the education sector during the year, the Trust's financial position has remained stable. Indeed, after allowing for adjustments in the accounts to reflect applicable accounting and reporting standards, the Trust's outturn results for the year favourably exceeded budgetary expectations.

Trustees are clear that the impact of COVID-19 will continue in the short to medium term. The budget plans for the Trust for the forthcoming year have been prepared on a prudent basis and recognise the Government's commitment that schools will remain open with full grant funding entitlements being available to support educational operations. Additional costs arising from COVID-19 have been identified in budgets. The Government is supporting schools with additional funding into 2020-21 to meet some of these costs.

The Trust's reserves balances are adequate. For this reason, trustees continue 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.

Financial Review

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

The Trust also received grants from other organisations. In accordance with the Charities Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the restricted general fund and fixed asset fund. The restricted fixed asset fund balance is reduced by depreciation charges over the expected useful life of the assets concerned. Unspent income from capital grants is also carried forward at the financial year end within the fixed asset fund balance.

During the year ended 31st August 2020, total expenditure of £50.7m (2019: £44.4m) was supported by recurrent grant income from the ESFA together with other incoming resources which totalled £51.3m (2019: £42.4m). The surplus of income over expenditure for the period was £0.6m (2019: excess of expenditure over income of £2.0m). This includes an adjustment for Local Government Pension Scheme costs of £2.21m (2019: £1.64m). During the year there were no incoming funds attributable to academy conversions or transfers. The analysis for 2019 excludes incoming funds transferred upon re-brokerage of Dean Trust Rosebridge of £12.6m. Total funds carried forward amount to £138.7m (2019: £139.2m). This level of funds enables the Trust to forward plan from a solid base, at the same time providing a cushion for any financial turbulence in the short to medium term. The Trust would wish to continue to invest prudently in the growth and development of the organisation and its infrastructure.

Unrestricted income and expenditure in the year ended 31st August 2020 amounted to £0.53m (2019: £1.05m exclusive of funds transferred upon re-brokerage of Dean Trust Rosebridge) and £0.53m (2019: £0.65m) respectively.

At 31st August 2020 the net book value of fixed assets amounted to £147.9m (2019: £146.8m). Movement in fixed assets is shown in note 13 to the financial statements. The cost of fixed asset additions in the year ended 31st August 2020 amounted to £5.1m (2019: £1.7m).

The net liability of the Trust in the Local Government Pension Scheme (LGPS) amounts to £19.7m (2019: £16.4m).

It should however be noted that an immediate liability is not crystallised at the financial year end. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013. This guarantee provides comfort to the Trustees in the event of an academy trust closure.

The Trust's academies are employers in both the Greater Manchester (7 academies) and Merseyside (3 academies) Pension Funds. In addition to note 28 of the financial statements, the change in the net liability is summarised below

	Greater Manchester (GMPF) 31 August 2020	Greater Manchester (GMPF) 31 August 2019	Merseyside (MPF) 31 August 2020	Merseyside (MPF) 31 August 2019
Assets (000's)	21,111	20,440	2,762	2,184
Liabilities (000's)	35,228	31,099	8,378	7,879
Net Liability (000's)	(14,117)	(10,659)	(5,616)	(5,695)

The table shows that the overall increase in the liability amounting to £3.3m is entirely due to the academies in the GMPF. The actuary report for the GMPF notes the following key factors driving the increased liability

- Change in financial assumptions- loss of £480K. This is largely a combination of a decline in the discount rate on corporate yield bonds resulting in a £1400k loss but a reduction in the CPI inflation rate resulting in a gain of £830K.
- Change in demographic assumptions- loss of £980K. This results from an updating of assumptions around withdrawal and death in service rates conducted at the time of a formal triennial valuation refresh which has flowed through into the FRS 102 valuations at the financial year end
- Return on assets- loss of £870K. The total investment return achieved by the Fund over the accounting period was -2.3% compared to an expected return of 1.9%

Reserves Policy

The Trust intends to hold a minimum balance of reserves amounting to 5% of revenue grant income. Trustees review the level of reserves on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments (including future commitments) and the type of reserves. This review has been particularly relevant in the context of the COVID-19 pandemic and Trustees assert that the reserves policy remains appropriate. The current level of free reserves, represented by total reserves less the amounts held in fixed asset reserve and restricted pension fund reserve is £8.2m. (2019: £7.40m). Whilst this exceeds the minimum threshold Trustees have considered the application of additional reserves as follows.

The Trust's medium term financial forecasts, based upon current operating models and funding methodology, indicate some financial pressures at certain academies. At present there is also some uncertainty about the impact of the new National Funding Formula on future funding allocations in Trust academies within Manchester City Council. The Council has chosen to retain the local funding formula for the financial years 2020-21 and 2021-22.

Trustees plan to apply current free reserves balances to support in year deficits as necessary alongside robust plans to align operating costs with funding levels moving forward. The objective remains to maintain a reasonable and prudent level of reserves in the future to buffer unforeseen business interruptions, provide funds for capital investment, assist any short term cash flow pressure and support emergency requirements, particularly arising from COVID-19 additional cost pressures. This is sound

commercial practice designed to safeguard the Trust's business interests and quality of education at all of its academies.

Moving forward Trustees are considering the use of a wider pooling mechanism for General Annual Grant and revenue reserves balances to increase financial efficiency across the Trust.

Investment Policy

Cash balances are safeguarded by investing them in interest bearing current accounts with sound commercial banks (currently Lloyds Bank PLC).

Principal Risks and Uncertainties

The principal risks to the Trust are documented and managed using a risk management policy and a risk register which is regularly reviewed. This allows the Board to be fully sighted on the key strategic risks affecting the Trust and how these are linked to the strategic plan and growth strategy.

○ The Trust has carried out a careful review of the risks and uncertainties it faces in the forthcoming year. In summary these are viewed as:

- COVID-19 pandemic including impacts on educational outcomes, financial stability and human resources.
- Effectively managing the COVID catch-up fund to compensate for "lost" learning time suffered by pupils and students.
- Continuous review and update of risk assessments in the regularly changing landscape around COVID-19
- Managing the challenge of ongoing remote learning where pupils and staff are isolating due to COVID-19 infection or contact with others who are infected.
- Responding to the ongoing uncertainties around the 2021 public examinations.
- Financial challenges associated with the one form entry capacity at Blacklow Brow School.
- Securing a suitable site for the new Dean Trust free school in Manchester
- Erosion of reserves to balance budgets in the short to medium term
- Succession planning at all levels of governance and leadership to ensure the right calibre candidates are identified
- Impact of planned housing developments in the area of Forest Gate Academy and Partington Central Academy on accommodation capacity.
- ● Maintaining pupil number growth at Park View Academy and Dean Trust Wigan.
- Managing the financial impact of reducing pupil numbers at Partington Central Academy
- Refining assessment and reporting to effectively manage data warnings and validity allowing early intervention to arrest any adverse trends.
- With the demographic context of pupils at Dean Trust schools, continuing to rise to the challenge of growing pupil academic progress results.
- New Ofsted framework for inspecting MATs
- Maintaining standards of recruitment for high quality teachers and leaders in a challenging market environment where demand exceeds supply

Key controls in place to mitigate these risks include:

- Regular forensic data and performance analysis
- Annual school improvement plans at all academies of the Trust
- Robust self-evaluation procedures and careful monitoring of teaching and learning.
- An organisational structure with clearly defined roles, responsibilities and authorisation levels
- Documented terms of reference and policies for the governance of the Trust,
- Financial planning, multi-year budgeting and regular financial reporting to Governors, the Audit Committee and Board of Trustees highlighting key areas of financial risk

- Effective internal control systems that are regularly tested, audited and monitored
- Comprehensive internal audit processes to cover business reviews and routine health checks
- Audit Committee challenge and scrutiny
- Robust due diligence procedures in place for growth of the Trust, new contracts and commissions.
- Continuing engagement of the Trust's project team to accelerate the Dean Trust free school project working alongside Manchester City Council, ESFA and their agents.
- Training provided to all schools on expectations of new Ofsted framework

Fundraising

The Trust does not utilise external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Streamlined Energy and Carbon Reporting

UK energy use and associated greenhouse gas emissions

The Trust is pleased to report its current UK based annual energy usage and associated annual greenhouse gas ("GHG") emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those within the UK only for all assets that come under an operational control boundary. This includes all 10 schools operated by the Trust during the reporting period. The energy and carbon emissions are aligned to this period.

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed to ensure the Streamlined Energy and Carbon Reporting ("SECR") requirements were met and exceeded where possible.

The energy data was collated using existing reporting mechanisms. These methodologies provided a near continuous record of natural gas and electricity use. Transport data related to passenger vehicles, vans, minibuses and grey fleet has been taken from mileage records.

The energy data was converted to carbon emissions using the 2020 UK Government GHG Conversion Factors for Company Reporting. The associated emissions are divided into the combustion of fuels and the operation of facilities (scope 1), purchased electricity, heating and cooling (scope 2) and in-direct emissions that occur as a consequence of company activities (scope 3).

Estimations

The electricity and natural gas energy use was compiled from invoices, with some pro-rating to match the reporting period. Generation details for the solar PV has been estimated due to a lack of meter reads. It has been assumed that all the electricity generated via the solar PV systems is used within the Trust.

Breakdown of energy consumption used to calculate emissions (kWh):	Year ended 31 August 2020
Natural gas	6,236,454
School minibuses	26,974
School vans	9,407
School passenger vehicles	18,198
Electricity (grid)	3,368,457
Electricity (solar PV)	13,187
Employee owned vehicles where company purchases the fuel	60,884
Total gross energy consumed	9,733,561

Note: Figures may not sum to total due to rounding.

Breakdown of emissions associated with the reported energy use (tCO₂e)	Year ended 31 August 2020
Scope 1	
Natural gas	1,132
School minibuses	7
School vans	2
School passenger vehicles	5
Electricity (solar PV)	0
Total Scope 1	1,146
Scope 2	
Electricity (grid)	785
Total Scope 2	785
Scope 3	
Employee owned vehicles where company purchases the fuel	15
Total Scope 3	15
Total gross emissions	1,947

Note: Figures may not sum to total due to rounding.

Intensity Ratio

The chosen primary intensity ratio is total gross emissions in metric tonnes CO₂e (mandatory emissions) per pupil (based on the Autumn 2019 census), which is the recommended ratio for the sector.

Tonnes of CO₂e per pupil	Year ended 31 August 2020
Ashton-on-Mersey School	0.290
Broad oak School	0.512
Lord Derby Academy	0.383
Dean Trust Ardwick	0.186
Dean Trust Wigan	0.344
Dean Trust Rose Bridge	0.308
Forest Gate Academy	0.200
Park View Academy	0.183
Partington Central Academy	0.188

Tonnes of CO₂e per pupil	Year ended 31 August 2020
Blacklow Brow School	0.111
All schools and transport	0.294

Note: Figures may not sum to total due to rounding.

Energy efficiency action during current financial year

The management of resources and the need to embed sustainability is an important issue for the Trust and the following actions related to reducing energy use were implemented within the current reporting period.

Energy consumption is expected to be below typical this year due to the reduced occupancy across all sites following COVID-19 restrictions from 23rd March 2020. From this date, the schools were open to children of critical workers and vulnerable children only, with a phased and partial re-opening for certain year groups occurring in June.

A further result of health precautions has been the greater implementation of video conferencing for staff and board meetings, reducing the need for travel to and between sites. The emission saving resulting from these activities has not been quantified, but this practice has resulted in behaviour changes that are expected to continue for the foreseeable future.

Outside of the COVID-19 response, actions this year have included the monitoring and review of school emissions through analysis of the annual Display Energy Certificates (DECs). A full lighting replacement programme has been undertaken at one of the secondary schools with older fluorescent and discharge light fittings replaced with energy efficient LEDs. EV charging points have been installed at the same school in a bid to increase take up of electric and plug-in hybrid vehicles which offer lower emissions per mile.

Energy efficiency action prior to current financial year

Prior to the current financial year, a number of projects have been implemented to reduce energy use and carbon emissions including the replacement of older boiler plant and distribution networks with modern condensing boilers at two of the Trust's schools and the installation of solar PV panels at another as part of the building of a new school which incorporates low energy technologies.

Plans for Future Periods

The Trust's plans for future periods include:

- To further improve effectiveness of our academies by keeping school improvement at the heart of all decision making. Securing "Good" Ofsted judgements for all our schools.
- To develop our people strategy with a particular focus on staff wellbeing and measuring engagement.
- To have consistent and robust risk management and assurance systems at all levels of senior leadership and governance.
- To embed consistent structures and processes for the assessment and reporting of academic data across the Trust and hone the quality of the underpinning data management information systems.
- To fully evaluate the impact of the National Funding Formula on the current and future budgets of the Trust
- To work with the ESFA and their agents to secure land for the development of a 1200 place secondary free school in Manchester following successful application.

- To source meaningful business partnerships that enhance curriculum delivery and contribute to the delivery of Careers Education Information Advice and Guidance at Trust secondary schools.
- To invest in a recruitment strategy that addresses the challenge of under-representation of BAME candidates within education, particularly within teaching and governance.
- To model and test 'pooling' for GAG funding
- To maintain high quality educational provision during the period of the COVID-19 pandemic
- To maintain the concentration of focus around our 3 hubs in the North West region and to explore, subject to rigorous due diligence, opportunities to bring feeder primary schools into the Trust.
- To continue to strengthen governance across the Trust via recruitment of high-quality Trustees and Governors.
- To develop the new Governance Manager role to lead and manage all aspects of governance and compliance across the Trust
- To achieve at least "Good" in the anticipated OFSTED inspection at Blacklow Brow School
- To remove Dean Trust Wigan from its 'Serious Weakness' OFSTED category
- To strive for improvement in examinations results and key performance indicators in all of the Trust's academies
- To utilise the strategic capital plan and the Trust's allocation of capital funding for improvement in the condition of the Trust estate in light of additional funding 2020-21
- To grow pupil numbers at Park View Academy, Dean Trust Wigan and Dean Trust Rosebridge
- To continue to develop the work of the internal audit function in providing an advisory platform to inform strategies around changing business needs
- To update medium to long term financial forecasts to provide clarity on future financial health of the Trust particularly in the context of changes to the National Funding Formula
- To continue to develop robust, sustainable integrated curriculum and financial plans.
- To identify professional development opportunities through the apprenticeship levy to upskill the existing workforce and make effective use of levy contributions
- To develop our approach to equality and diversity through our Trust values and HR strategy

Auditor

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees as the company directors on 14th December 2020 and signed on its behalf by:



D McGann
Chair of Trustees
14th December 2020

Governance Statement

Scope of Responsibility

As Trustees we acknowledge our overall responsibility for ensuring that The Dean Trust has effective and appropriate systems of control covering all aspects of the Trust's business activities. Such systems are designed to manage and mitigate rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Board of Trustees has delegated day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and that these are in accordance with the requirements and responsibilities assigned to it in the funding agreements between The Dean Trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Board any material weaknesses or breakdowns in internal control.

Trustees and Governors are well trained and are committed to attending training that enhances understanding of their responsibilities and legal function. This equips them with the knowledge to provide both challenge and support for the senior leadership teams at all of the academies in the Trust. The Scheme of Delegation balances the need for control with empowering Local Governing Bodies to be accountable for the performance of the academy that they govern.

Governance

The COVID-19 pandemic has heightened the already robust governance by Trustees and Governors in support of both executive and senior leaders across the Trust. Despite the challenges of the national lockdown, the Board of Trustees and Local Governing Bodies have remained fully engaged, completing a full cycle of governance remotely over the Spring and Summer terms of the financial year. Regular and comprehensive communication has taken place throughout, enabling Trustees and Governors to remain fully sighted on the strategic business of the Trust as well as being on hand to assist with more reactive challenges resulting from the initial closure and subsequent partial re-opening of Trust schools.

The information on governance included here supplements that described in the Trustees Report and in the Statement of Trustees' Responsibilities. The Board has continued to be robust in its overview of governance and formally met 5 times during the year ended 31st August 2020. Attendance at meetings during the period was as follows (members who joined during the course of the year have their attendance reported as a maximum number of meetings that they could have attended following their appointment):

Trustee	Meetings attended	Out of a possible
Mr T Kapur, CBE	5	5
Mr J T Shiels	5	5
Mr P J Edwards	5	5
Mr D McGann (Chair)	5	5
Mr J Bowers	5	5
Mrs A Beaumont	3	5
Mrs S Bagshaw	4	5

One of the scheduled meetings of the Board on 30th March 2020 had to be cancelled due to COVID-19 restrictions. In addition to its formal meetings, the Board received and scrutinised electronic business and financial bulletin updates from the Executive Team on 2 further occasions during the year.

The Board is supported by a Governance Manager, who also provides advice and guidance to Local Governing Bodies. The size, structure and composition of the Board and the Local Governing Bodies is regularly reviewed to align with the growth strategy of the Trust. This is an ongoing process to ensure that governance remains robust and challenging as well as creating capacity for succession.

A number of new Governors have been appointed to Local Governing Bodies during the year with particular reference to skill sets that strengthen and enhance their work. An annual conference and training event are included in the governance calendar at which all Trustees, Governors and Senior Leaders meet to review and develop the Trust's strategic plans and objectives. Regrettably the planned conference in July 2020 had to be cancelled due to COVID-19 restrictions.

The Board exercised further oversight and control over the Trust's business through the Audit Committee which met on 4 separate occasions in addition to Board meetings during the financial year as noted below. The Chair of the Audit Committee attended and provided a report at each of the scheduled Board meetings.

The Audit Committee is a committee of the Board of Trustees and consists of 3 independent members and a Trustee. This underpins the purpose of supporting the Board in fulfilling its responsibilities with regard to financial and business risk management together with the wider internal control framework of the Trust. The work of the Audit Committee is comprehensive, focussed by clear terms of reference and a detailed annual work programme to challenge resilience in the reporting mechanisms to the Board.

Attendance at meetings during the year ended 31st August 2020 was as follows:

Audit Committee

	Meetings attended	Out of a possible
Mrs S Bagshaw (Trustee)	3	4
Mr G Page (Chair)	4	4
Mr J Otter (appointed 14/10/19)	3	3
Mr T Kapur CBE (Accounting Officer)	4	4
Mr N David	4	4
Ms M Worth	3	4

Mr T Kapur and Mr N David attended these meetings in the capacity of Accounting Officer and Chief Finance Officer of the Trust respectively.

The Local Governing Body Finance Committees have met on a regular basis throughout the year. Attendance at meetings in the year ended 31st August 2020 was as follows:

Finance Committee- West Trafford Learning Partnership

Governor	Meetings attended	Out of a possible
Mr A McLaren (Chair)	3	3
Mrs V Thorpe	2	2
Mr P Costelloe	2	2
Mr N David	3	3
Mr A Shalos	1	1
Mr L McConaghie	3	3
Mr J Knowles	2	2
Mr R Rashid	1	2

Mr N David attended these meetings in the capacity of Chief Finance Officer of the Trust. Mr A Shalos, Mr L McConaghie and Mr J Knowles attended these meetings in their capacity as lead professional advisers.

Finance Committee – Partington Learning Partnership

Governor	Meetings attended	Out of a possible
Mr B Bridden	2	3
Miss A Edwards	3	3
Mr G Devlin (Chair)	3	3
Mr N David	3	3
Mrs K Higginson	2	3

Mr N David attended these meetings in the capacity of Chief Finance Officer of the Trust. Mr B Bridden, Miss A Edwards and Mrs K Higginson attended these meetings as lead professional advisers.

Finance Committee – Dean Trust Ardwick

Governor	Meetings attended	Out of a possible
Mr D Warren (Chair)	2	2
Dr S Jenkins	1	2
Dr H Li	0	2
Mr N David	1	2
Mrs J Cottrell	2	2
Ms S Finlay	1	2

One of the scheduled meetings of the Dean Trust Ardwick Finance Committee on 18th March 2020 had to be cancelled due to COVID-19 restrictions. Mr N David attended these meetings in the capacity of Chief Finance Officer of the Trust. Miss S Finlay, and Mrs J Cottrell attended these meetings as lead professional advisers

Finance Committee- Knowsley Learning Partnership

Governor	Meetings attended	Out of a possible
Mrs I Tuzio (Chair)	3	3
Mrs A Hearn	2	2
Mr S McCue	1	2
Mrs P Williamson	3	3
Mrs V Gowan	3	3
Mr G Latham	0	3
Mr D Kenny	3	3
Mrs J Williams	3	3
Mr P Reilly (appointed 20.3.20)	1	2

Mr B Bridden, Mrs V Gowan, Mr D Kenny, Mrs J Williams and Mrs P Williamson attended these meetings in their capacity as lead professional advisers.

Finance Committee – Wigan Learning Partnership

Governor	Meetings attended	Out of a possible
Mr C Davis	3	3
Mr J Haseldine	1	1
Mr B Bridden	3	3
Mr D Rosbottom OBE (Chair)	2	3
Mr E Howell	2	2
Mrs C Snape	2	3
Mr C Edwards	2	2
Mr P Bousfield	2	2
Mrs P Williamson	3	3
Mrs M Finnigan	3	3
Mr S Calderbank	1	2

One of the scheduled meetings of the Wigan Learning Partnership Finance Committee on 12th March 2020 had to be cancelled due to COVID-19 restrictions. Mr B Bridden, Mr J Haseldine, Mr P Bousfield,

Mrs P Williamson and Mrs M Finnigan attended these meetings in their capacity as lead professional advisers.

Review of Value for Money

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

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

- Maintaining the reputation of the Trust as an education provider of choice in the communities we serve and as an attractive employer.
- Strengthening governance across the Trust with the appointment of additional high-quality professionals.
- Ongoing management of executive leadership structures and costs within the Trust whereby the cost per pupil continued to fall year on year and by 15.6% over the last 2 years.
- Returning the financial position at Broadoak School to a cumulative positive reserve balance in 2019-2020.
- Centralised procurement of multiple services-cleaning, energy, water, grounds maintenance, external audit, payroll- to achieve value for money.
- Development and refinement of integrated curriculum and financial planning to ensure educational outcomes and funding are optimised.
- Strategic capital expenditure planning to ensure that Trust assets and the education estate remains wholly fit for purpose.
- Working in partnership with national providers of leadership development programmes and running the Turing Maths Hub North West.
- Utilising the SCITT to provide high quality newly qualified teachers into Trust academies and the teaching profession as a whole.
- Development of a carbon management plan to reduce emissions and improve energy efficiency.

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. This system of internal control has been in place in The Dean Trust for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Risk and Control Framework

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

- establishment of an effective and consistent assurance framework for all Governing Bodies
- thorough due diligence work around acquisition of schools into the Trust supported by the Trust's audit and legal advisers.
- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Board, Audit Committee and Local Governing Bodies of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- creating a consistency of approach in key systems and processes across the Trust to mitigate risk of local variance
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.
- internal scrutiny of business processes and risk areas.

The work of the internal scrutiny team, RSM UK, has been maintained at a level of 35 days for the financial year ended 31st August 2020 to suit the scope, content and complexity of the Trust's business interests and adopts a risk based approach in determining the scope of the annual internal scrutiny work programme.

This programme includes performing a range of checks on the Trust's financial systems, business processes and internal controls. For the financial year ended 31st August 2020 the work of the internal auditor included:

- A follow-up of the management actions identified from the internal scrutiny programme from the preceding financial year.
- A review of Curriculum and Resource Planning.
- A review of Key Financial Systems in the area of Payroll and Accounts Payable.
- A review of Human Resources controls within Recruitment and Selection
- A review of the GDPR governance framework.

The internal scrutiny team performs these checks and reports to the Audit Committee and Board of Trustees on the outcomes of the work, the operation of business processes and systems of internal control within the Trust in order to provide assurances to the Board. The summary of these reports and the assurance conclusions for each are shown in the table below

Results of internal scrutiny assignments

The Dean Trust

ASSIGNMENTS COMPLETED					
Assignment	Opinion issued	Findings agreed by priority			
		Low	Medium	High	Advisory
Curriculum and Resource Planning (1.19/20)	Substantial Assurance	3	0	0	0
Key Financial Systems – Payroll, Accounts Payable and Follow Up (2.19/20)	Substantial Assurance	2	0	0	0
Human Resources Controls Recruitment and Selection (3.19/20)	Partial Assurance	6	6	1	0
General Data Protection Regulation Governance Framework (GDPR) (4.19/20)	N/A - Advisory	0	0	0	3
Follow Up (5.19/20)	Good Progress	0	0	0	1

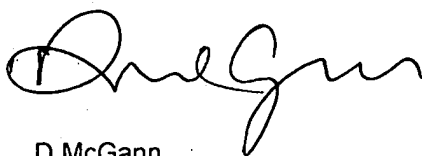
Review of Effectiveness

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

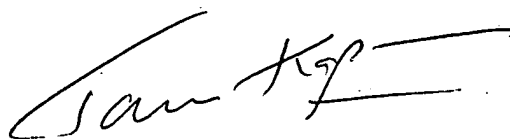
- the work of the Audit Committee
- the work of the internal scrutiny team;
- the work of the external auditor;
- the financial management process;
- the work of the Executive Managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 14th December 2020 and signed on its behalf by:



D McGann
Chair of Trustees




Tarun Kapur CBE
Chief Executive Officer and
Accounting Officer

Statement on Regularity, Propriety and Compliance

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

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

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

A handwritten signature in black ink, appearing to read 'Tarun Kapur', with a horizontal line underneath the name.

Tarun Kapur CBE
Accounting Officer

14th December 2020

Statement of Trustees' Responsibilities

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 2019 to 2020 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 in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- 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 to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 14th December 2020 and signed on its behalf by:



D McGann
Chair of Trustees

Independent Auditor's Report on the Financial Statements to the Members of The Dean Trust

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditor's Report on the Financial Statements to the Members of The Dean Trust (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Independent Auditor's Report on the Financial Statements to the Members of The Dean Trust (continued)

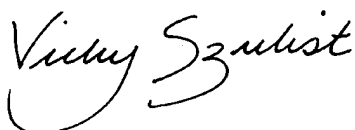
Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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



.....
Vicky Szulist (Senior statutory auditor)

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT

Date: 17th December 2020

Independent Reporting Accountant's Assurance Report on Regularity to The Dean Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 2 March 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Dean Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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



Respective responsibilities of The Dean Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Dean Trust's funding agreement with the Secretary of State for Education dated 19 March 2015 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach



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

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

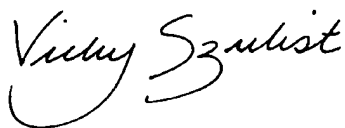
A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a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

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

The work undertaken to draw our conclusion includes a review of the design and implementation of the charitable company's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the charitable company and specific transactions identified from our review.

Conclusion

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



Vicky Szulist
Crowe U.K. LLP

Statutory Auditor

3rd floor
The Lexicon
Mount Street
Manchester
M2 5NT

Date: 17th December 2020

Consolidated Statement of Financial Activities
for the year ended 31 August 2020 (including Income and Expenditure Account)

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2020	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2019
	Note	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income and endowments from:									
Donations and capital grants	2	98	0	5,694	5,792	130	0	1,827	1,957
- Transfer from LA on conversion/academy re-brokerage	2	0	0	0	0	355	(1,560)	13,816	12,611
Charitable activities:									
Funding for the academy trust's educational operations	3	40	44,903	0	44,943	46	39,079	0	39,125
Teaching School	4	35	0	0	35	338	0	0	338
Other trading activities	4	321	190	0	511	523	489	0	1,012
Investments	5	40	0	0	40	11	0	0	11
Total		534	45,093	5,694	51,321	1,403	38,008	15,643	55,054
Expenditure on:									
Raising Funds	6	292	5	0	297	328	5	0	333
Charitable activities:									
Academy trust educational operations	7	87	46,228	3,952	50,267	77	40,008	3,723	43,808
Teaching School	6	150	0	0	150	246	0	0	246
Total		529	46,233	3,952	50,714	651	40,013	3,723	44,387
Net incoming / (expenditure)		5	(1,140)	1,742	607	752	(2,005)	11,920	10,667
Transfers between funds	17	(69)	(212)	281	0	(122)	(380)	502	0
Taxation		0	0	0	0	0	0	0	0
Other recognised gains / (losses)									
Actuarial gains / (losses) on defined benefit pension schemes	17, 28	0	(1,164)	0	(1,164)	0	(6,242)	0	(6,242)
Revaluation of assets	13	0	0	0	0	0	0	5,592	5,592
Net movement in funds		(64)	(2,516)	2,023	(557)	630	(8,627)	18,014	10,017
Reconciliation of funds									
Total funds brought forward	17	5,334	(14,291)	148,195	139,238	4,704	(5,664)	130,181	129,221
Total funds carried forward		5,270	(16,807)	150,218	138,681	5,334	(14,291)	148,195	139,238

All of the academy's activities derive from continuing operations during the above two financial periods.

Consolidated Balance Sheet as at 31 August 2020

(Company Number 08027943)

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Fixed assets					
Tangible assets	13		147,862		146,759
Current assets					
Debtors	15	3,168		1,856	
Investments-Fixed Term Deposits		4,000		1,000	
Cash at bank and in hand		7,863		9,975	
		<u>15,031</u>		<u>12,831</u>	
Liabilities					
Creditors: Amounts falling due within one year	16a	(4,393)		(3,919)	
Net current assets			<u>10,638</u>		<u>8,912</u>
Total assets less current liabilities			<u>158,500</u>		<u>155,671</u>
Creditors: Amounts falling due after more than one year	16b		(86)		(79)
Net assets (excluding pension liability)			<u>158,414</u>		<u>155,592</u>
Defined benefit pension scheme liability	28		<u>(19,733)</u>		<u>(16,354)</u>
Total assets			<u>138,681</u>		<u>139,238</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	17	150,218		148,195	
Restricted income fund	17	2,926		2,063	
Pension reserve	17	<u>(19,733)</u>		<u>(16,354)</u>	
Total restricted funds			<u>133,411</u>		<u>133,904</u>
Unrestricted income funds	17		5,270		5,334
Total funds			<u>138,681</u>		<u>139,238</u>

The financial statements on pages 35 to 67 were approved by the trustees, and authorised for issue on 14th December 2020 and are signed on its behalf by




D McGann
Chair of Trustees

Academy Trust Balance Sheet as at 31 August 2020

(Company Number 08027943)

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Fixed assets					
Tangible assets	13		147,862		146,759
Current assets					
Debtors	15	3,154		1,789	
Investments-Fixed Term Deposits		4,000		1,000	
Cash at bank and in hand		7,804		9,908	
		<u>14,958</u>		<u>12,697</u>	
Liabilities					
Creditors: Amounts falling due within one year	16a	(4,352)		(3,837)	
Net current assets			<u>10,606</u>		<u>8,860</u>
Total assets less current liabilities			<u>158,468</u>		<u>155,619</u>
Creditors: Amounts falling due after more than one year	16b	(86)		(79)	
Net assets (excluding pension liability)			<u>158,382</u>		<u>155,540</u>
Defined benefit pension scheme liability	28	(19,733)		(16,354)	
Total assets			<u><u>138,649</u></u>		<u><u>139,186</u></u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	17	150,218		148,195	
Restricted income fund	17	2,926		2,063	
Pension reserve	17	(19,733)		(16,354)	
Total restricted funds			<u>133,411</u>		<u>133,904</u>
Unrestricted income funds	17		5,238		5,282
Total funds			<u><u>138,649</u></u>		<u><u>139,186</u></u>

The financial statements on pages 35 to 67 were approved by the trustees, and authorised for issue on 14th December 2020 and are signed on its behalf by



D McGann
Chair of Trustees

Statement of Cash Flows for the year ended 31 August 2020

	Notes	2020 £'000	2019 £'000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	21	(2,773)	922
Cash flows from investing activities	23	680	128
Cash flows from financing activities	22	(18)	337
Change in cash and cash equivalents in the reporting period		(2,111)	1,387
Cash and cash equivalents at 1 September 2019		9,975	8,588
Cash and cash equivalents at 31 August 2020		7,864	9,975

Notes to the Financial Statements for the year ended 31 August 2020

1. Statement of accounting policies

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

Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), 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 (FRS102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

The Statement of Financial Activities (SOFA) and Balance sheet consolidate the financial statements of the academy trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the academy trust alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

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

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. Despite the challenges resulting from the COVID-19 pandemic and its impact on the education sector during the year, the Trust's financial position has remained stable. Indeed, after allowing for adjustments in the accounts to reflect applicable accounting and reporting standards, the Trust's outturn results for the year favourably exceeded budgetary expectations. The Trust's reserves balances are adequate. For this reason, Trustees continue to adopt the going concern basis in preparing the financial statements.

Income

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

- **Grants**

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

deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

- **Sponsorship Income**

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

- **Donations**

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

- **Other Income**

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

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

- **Transfer of existing academies into the academy trust**

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

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared

costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

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

- **Agency arrangements**

The academy trust acts as an agent in distributing 16-19 bursary and ITT bursary funds from the ESFA. Payments received from the ESFA and subsequently disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust does not make a deduction from the allocation towards its own administrative costs and as such there is no such costs recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 31.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £1,000 or more individually and assets of the same type purchased collectively in a single transaction costing £5000 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 which require 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.

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/reducing balance basis over its expected useful life, as follows:

Leasehold land	0.8% p.a. straight-line
Buildings	2% p.a. straight-line
Temporary buildings	10% p.a. straight-line
Plant & Machinery, Hard landscaping	20% p.a. reducing balance
Fixtures, fittings and equipment	20% p.a. reducing balance
ICT	3 - 5 years straight-line
Motor Vehicles	25% p.a. straight-line

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of

fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Assets classified as land and buildings are revalued every 5 years from the date of acquisition.

Liabilities

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

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased Assets

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

Investments

The trust's shareholding in the wholly owned subsidiary, Ashton on Mersey Teaching School Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Financial instruments

The academy trust only holds basic financial instruments defined in FRS102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Stock

Uniforms and stationery stocks are valued at the lower of cost or net realisable value.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 28, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) 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 gains and losses.

Fund Accounting

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

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

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

Critical accounting estimates and areas of judgement

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

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and

assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31st August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. Donations and Capital Grants

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2020 £'000	Total 2019 £'000
Capital Grants	0	0	5,594	5,594	1,727
Fixed assets inherited upon transfer/conversion	0	0	0	0	13,816
Reserves inherited upon transfer/conversion	0	0	0	0	(1,205)
Donations	98	0	100	198	230
	98	0	5,694	5,792	14,568
2018/19 total	485	(1,560)	15,643	14,568	

3. Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2020 £'000	Total 2019 £'000
DfE / ESFA grants					
- General Annual Grant (GAG)	0	36,733	0	36,733	32,442
- Start up Grants	0	0	0	0	9
- Other DfE / ESFA Grants	0	6,250	0	6,250	4,917
National College grants	40	0	0	40	46
	40	42,983	0	43,023	37,414
Other Government grants					
- Local Authority grants	0	1,597	0	1,597	1,488
- Special educational projects	0	0	0	0	0
Exceptional Government funding					
- Coronavirus exceptional support	0	36		36	0
	0	1,633	0	1,633	1,488
Other Income from the academy trust's educational operations					
	0	287	0	287	223
	0	287	0	287	223
	40	44,903	0	44,943	39,125
2018/19 total	46	39,079	0	39,125	

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

- ☐ The funding received for coronavirus exceptional support covers £36K of premises related & free school meals costs. These costs are included in notes 6 and 7 below.

4. Other Trading Activities

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2020 £'000	Total 2019 £'000
Hire of facilities	27	0	0	27	43
Catering income	4	0	0	4	15
Other income	325	190	0	515	1,292
	356	190	0	546	1,350
2018/19 total	861	489	0	1,350	

5. Investment Income

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2020 £'000	Total 2019 £'000
Short term deposits	40	0	0	40	11
	40	0	0	40	11
2018/19 total	11	0	0	11	

6. Expenditure

	Staff Costs £'000	Non Pay Expenditure Premises £'000	Other £'000	Total 2020 £'000	Total 2019 £'000
Expenditure on raising funds:					
- Direct costs	108	0	35	143	150
- Allocated support costs	0	133	21	154	183
Academy's educational operations:					
- Direct costs	29,389	2,775	4,888	37,052	32,695
- Allocated support costs	6,818	4,107	2,290	13,215	11,113
Teaching School	52	0	98	150	246
	36,367	7,015	7,332	50,714	44,387
2018/19 total	30,108	6,349	7,930	44,387	

Net income / expenditure for the year includes:

	2020 £'000	2019 £'000
Operating lease rentals	231	333
Depreciation	3,952	3,723
Irrecoverable debt written off	16	54
Loss on disposal of fixed assets	1	1
Fees payable to auditor for:		
- Audit	28	30

7. Charitable Activities

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2020 £'000	Total 2019 £'000
Direct costs - educational operations	81	33,794	3,177	37,052	31,957
Support costs - educational operations	6	12,434	775	13,215	11,851
	87	46,228	3,952	50,267	43,808
Support costs - educational operations					
Support staff costs	0	6,818	0	6,818	5,781
Depreciation	0	0	774	774	737
Loss on disposal of fixed assets	0	0	1	1	1
Technology costs	0	487	0	487	441
Recruitment and support	0	99	0	99	128
Maintenance of premises and equipment	0	1,113	0	1,113	934
Cleaning	0	681	0	681	605
Rent & rates	2	241	0	243	276
Operating leases	0	231	0	231	333
Water	0	194	0	194	189
Energy costs	0	718	0	718	656
Insurance	0	223	0	223	176
Security	0	161	0	161	162
Transport	0	54	0	54	95
Catering	3	868	0	871	685
Bank interest and charges	0	1	0	1	1
Office overheads	0	65	0	65	136
Other support costs	1	406	0	407	429
Legal costs	0	27	0	27	20
Governance costs	0	47	0	47	66
	6	12,434	775	13,215	11,851
2018/19 total	25	11088	738	11851	

8. Staff

	Total 2020 £'000	Total 2019 £'000
a. Staff Costs		
Staff costs during the year were:		
Wages and salaries	25,198	21,770
Social security costs	2,572	2,143
Pension costs	7,469	5,091
	<u>35,239</u>	<u>29,004</u>
Agency staff costs	1,027	1,069
Staff restructuring costs	101	33
	<u>36,367</u>	<u>30,106</u>

Staff restructuring costs comprise:

Redundancy payments	28	0
Severance payments	73	33
Other restructuring costs	0	0
	<u>101</u>	<u>33</u>

b. Non statutory/non contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £72,689 (2019: £32,537). Individually, the payments were for £5,000, £14,068, £14,417, £2,687, £10,123, £7,808, £7,169, £3,683, £2,998 and £4,736. (2019: £4,027, £4,244, £3,715, £3,194, £4,665, £4,477 and £8,215)

c. Staff numbers

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

	2020	2019
Charitable activities		
Teachers	371	315
Administration and support	397	323
Management	69	60
	<u>837</u>	<u>698</u>

d. Higher paid staff

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

	2020	2019
	No.	No.
£60,001 - £70,000	13	10
£70,001 - £80,000	6	2
£80,001 - £90,000	0	2
£90,001 - £100,000	2	1
£100,001 - £110,000	2	2
£110,001 - £120,000	0	0
£120,001 - £130,000	2	0
£130,001 - £140,000	0	2
£140,001 - £150,000	1	0
£150,001 - £160,000	0	0
£160,001 - £170,000	0	0
£170,001 - £180,000	0	0
£180,001 - £190,000	1	1

24 of the above employees (2019: 17) participated in the Teachers' Pension Scheme. During the year ended 31st August 2020, employer pension contributions for these staff amounted to £443,017 (2019: £225,441). 2 of the above employees (2019: 2) participated in the Local Government Pension Scheme for which employer pension contributions amounted to £28,049 (2019: £25,336).

The key management personnel of the academy trust comprise the trustees and the executive management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £636,627 (2019: £616,664).

9. Central Services

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

- Governance
- Leadership support
- Financial management
- IT management
- Estates management
- HR/Payroll
- Marketing support
- Procurement management
- Group purchasing services
- Health and safety advisory services
- Training and CPD
- School improvement services

The Trust policy in charging for central services is to employ a flat percentage of 3.2% (2019:3.1%) of total income excluding pupil premium, high needs funding, and other specific grants or income relating to certain areas of individual academy business e.g. sponsorship or fundraising of an individual academy. The actual amounts charged during the year ended 31 August 2020 were as follows:

	2020 £'000	2019 £'000
Ashton on Mersey School	216	220
Broad oak School	92	93
Forest Gate Academy	37	41
Dean Trust Ardwick	207	163
Partington Central Academy	52	52
Lord Derby Academy	167	152
Park View Academy	38	39
Blacklow Brow School	27	27
Dean Trust Wigan	119	121
Dean Trust Rose Bridge	127	74
	<u>1,082</u>	<u>982</u>

10. Net income from trading activities of subsidiary company

Ashton on Mersey Teaching School Limited, a company incorporated in England and Wales with an allotted, called up and fully paid Ordinary share capital (£1 shares), is a wholly owned subsidiary of The Dean Trust. The company has been consolidated into the Trust financial statements. The business activities of Ashton on Mersey Teaching School Limited and its relationship with the Dean Trust is described on page 6 of the Trustees report.

	2020 £'000	2019 £'000
Turnover	75	420
Other operating charges	(95)	(441)
Inter group transactions	0	0
Net profit	(20)	(21)
Tax on profits	0	0
Transfer to reserves	(20)	(21)

11. Related Party Transactions – Trustees' remuneration & expenses

One trustee has been paid remuneration or has received other benefits from an employment with the academy trust. The Chief Executive Officer only receives remuneration in respect of the role and not in respect of service as trustee. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

T Kapur (Chief Executive Officer and Trustee):

Remuneration	£180,001 - £185,000 (2019: £180,001 - £185,000)
Employer pension contributions	£0 (2019: £0)

During the period ended 31 August 2020 there were no travel and subsistence expenses reimbursed to trustees in performing their duties. (2019, Nil)

Other related party transactions involving the trustees are set out in note 29.

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 2020 amounted to £4,957 (2019: £4,285). The cost of this insurance is included in the total insurance cost.

13. Tangible Fixed Assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Leasehold improv'ts £'000	Assets under construction £'000	Plant, furniture & equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total 2020 £'000
Cost								
At 1 September 2019	71,628	84,204	39	264	5,901	2,572	53	164,661
Asset reclassification	101	32	0	(133)	0	0	0	0
Additions	251	108	375	3,421	644	256	0	5,055
Revaluations	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	(24)	0	(24)
As at 31 August 2020	71,980	84,344	414	3,552	6,545	2,804	53	169,692
Depreciation								
At 1 September 2019	7,395	5,907	2	0	2,706	1,841	51	17,902
Asset reclassification	738	(738)	0	0	0	0	0	0
Charged in year	1,221	1,599	42	0	687	402	1	3,952
Disposals	0	0	0	0	0	(24)	0	(24)
As at 31 August 2020	9,354	6,768	44	0	3,393	2,219	52	21,830
Net book values								
As at 31 August 2020	62,626	77,576	370	3,552	3,152	585	1	147,862
At 31 August 2019	64,233	78,297	37	264	3,195	731	2	146,759

14. Stock

No stocks of a material value were held by the Trust at current and previous financial year end.

15. Debtors

	Group		Academy Trust	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade debtors	549	125	535	92
Amounts owed by group undertakings	0	0	0	0
Accrued income	908	573	908	549
VAT recoverable	908	482	908	482
Other debtors	0	0	0	0
Prepayments	803	676	803	666
	3,168	1,856	3,154	1,789

16. Creditors

a) Amounts falling due within one year

	Group		Academy Trust	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Trade creditors	1,291	1,171	1,291	1,170
Taxation and social security	646	578	646	578
Other creditors	601	415	601	415
Other creditors - SALIX Loan	18	18	18	18
Accruals and deferred income	1,837	1,737	1,796	1,656
	<u>4,393</u>	<u>3,919</u>	<u>4,352</u>	<u>3,837</u>

	Group		Academy Trust	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Deferred income				
Deferred income at 1 September	986	769	986	768
Resources deferred in the year	771	867	771	863
Amounts released from previous years	(889)	(650)	(889)	(649)
Deferred income at 31 August	<u>868</u>	<u>986</u>	<u>868</u>	<u>982</u>

At the balance sheet date, the Trust was holding funds received in advance for ESFA funding, Local Authority funding, School Games Organiser funding, donation income and advance receipts for school trips/performances.

b) Amounts falling due after more than one year

	Group		Academy Trust	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
SALIX Loan	36	54	36	54
Sinking Funds	50	25	50	25
	<u>86</u>	<u>79</u>	<u>86</u>	<u>79</u>

The Trust received £144,704 of SALIX funding relating to capital projects in the year ended 31st August 2015. SALIX funding is an interest free loan approved by the Education and Skills Funding Agency (ESFA) and is repayable in equal instalments over 8 years. The repayments due on the 1st September 2020 and 1st March 2021 are included in other creditors in note 16a.

Loan Analysis

	Group		Academy Trust	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Due in less than one year	18	18	18	18
Due in more than one year but less than two	18	18	18	18
Due in two to five years	18	36	18	36
Due in more than five years	0	0	0	0
	<u>54</u>	<u>72</u>	<u>54</u>	<u>72</u>

17. Funds

	Balance at 1 September 2019 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General annual grant (GAG)	2,063	36,733	(35,658)	(212)	2,926
Start up grant	0	0	0	0	0
Pupil Premium	0	2,845	(2,845)	0	0
Other DfE/ESFA grants	0	3,405	(3,405)	0	0
Other	0	2,110	(2,110)	0	0
Inherited on transfer/conversion	0	0	0	0	0
Pension reserve	(16,354)	0	(2,215)	(1,164)	(19,733)
	(14,291)	45,093	(46,233)	(1,376)	(16,807)
Restricted fixed asset funds					
Transfer on conversion	105,529	0	(2,663)	0	102,866
Valuation	34,772	0	(109)	0	34,663
DfE/ESFA capital grants	4,960	2,201	(711)	0	6,450
Local Authority capital funds	503	3,393	(118)	(100)	3,678
Capital expenditure from GAG / Restricted Funds	1,716	0	(280)	286	1,722
Capital expenditure from unrestricted funds	83	0	0	2	85
Other Capital Funds	632	0	(16)	0	616
Private sector capital sponsorship	0	100	(55)	93	138
	148,195	5,694	(3,952)	281	150,218
Total restricted funds	133,904	50,787	(50,185)	(1,095)	133,411
Unrestricted funds					
Unrestricted funds	3,063	534	(529)	(69)	2,999
Transfer on conversion	2,271	0	0	0	2,271
Total unrestricted funds	5,334	534	(529)	(69)	5,270
Total funds	139,238	51,321	(50,714)	(1,164)	138,681

The figures above refer to the consolidated balance sheet including the reserves of Ashton on Mersey Teaching School Limited, which amount to £32,228 (2019: £51,792).

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

Restricted general funds are those resources designated as restricted by the grant provider in meeting the objects of the Trust. The General Annual Grant (GAG) fund arises as a result of a surplus of GAG income over GAG expenditure in any financial year.

Restricted fixed asset funds relate to long term assets used in delivering the objectives of the Trust. The funds arise as a result of assets acquired on either the conversion of an academy to join the Trust, a new free school development or other sources of capital funds available to the Trust.

Unrestricted funds are funds that may be used in the pursuance of the Trust's objectives and are expendable at the discretion of the Trustees. These funds arise as a result of inherited funds when a new academy joins the Trust or a surplus of unrestricted funds in any financial year.

Under funding agreements with the Secretary of State for Education, the Trust is not subject to a limit on the amount of General Annual Grant (GAG) carry forward at 31 August 2021.

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

	Balance at 1 September 2018 £'000	Incoming Resources £'000	Resources Expended £'000	Gains losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	409	32,442	(30,408)	(380)	2,063
Start up grant	0	9	(9)	0	0
Pupil premium	0	2,618	(2,618)	0	0
Other DfE/ESFA grants	0	2,299	(2,299)	0	0
Other	0	2,200	(2,200)	0	0
Inherited on transfer/conversion	839	0	(839)	0	0
Pension reserve	(6,912)	(1,560)	(1,640)	(6,242)	(16,354)
	(5,664)	38,008	(40,013)	(6,622)	(14,291)
Restricted fixed asset funds					
Transfer on conversion	94,190	13,816	(2,477)	0	105,529
Valuation	29,292	0	(112)	5,592	34,772
DfE/ESFA capital grants	3,789	1,727	(556)	0	4,960
Local Authority capital funds	670	100	(267)	0	503
Capital expenditure from GAG/ Restricted Funds	1,460	0	(246)	502	1,716
Capital Expenditure from unrestricted funds	132	0	(49)	0	83
Other Capital funds	648	0	(16)	0	632
Private sector capital sponsorship	0	0	0	0	0
	130,181	15,643	(3,723)	6,094	148,195
Total restricted funds	124,517	53,651	(43,736)	(528)	133,904
Unrestricted funds					
Unrestricted funds	2788	1048	(651)	(122)	3063
Transfer on conversion	1916	355	0	0	2271
Total unrestricted funds	4704	1403	(651)	(122)	5334
Total funds	129,221	55,054	(44,387)	(650)	139,238

18. Analysis of Net Assets between Funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total Funds 2020 £'000
Tangible fixed assets	0	0	147,862	147,862
Current assets	5,270	7,351	2,410	15,031
Current liabilities	0	(4,375)	(18)	(4,393)
Non-current liabilities	0	(50)	(36)	(86)
Pension scheme liability	0	(19,733)	0	(19,733)
	5,270	(16,807)	150,218	138,681

The figures above refer to the consolidated balance sheet including the reserves of Ashton on Mersey Teaching School Limited.

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

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total funds 2019 £'000
Tangible fixed assets	0	0	146,759	146,759
Current assets	5,334	5,989	1,508	12,831
Current liabilities	0	(3,901)	(18)	(3,919)
Non current liabilities	0	(25)	(54)	(79)
Pension scheme liability	0	(16,354)	0	(16,354)
	5,334	(14,291)	148,195	139,238

The figures above refer to the consolidated balance sheet including the reserves of Ashton on Mersey Teaching School Limited.

19. Capital Commitments

	2020 £'000	2019 £'000
Contracted but not provided in the financial statements	1,145	246
	1,145	246

Capital commitments contracted for but not provided for in the financial statements relate to:

Outdoor sports area resurfacing at Ashton on Mersey School- £6,000

LED lighting installation at Park View Academy- £13,610

Accommodation extension at Dean Trust Ardwick- £1,125,469

A further sum of £191,944 (2019: £4,768,358) was authorised but not contracted at 31 August 2020. Of the total of £4,768,358 in 2019, an amount of £4,441,780 related to the accommodation extension at Dean Trust Ardwick. These capital commitments are funded by capital grant income and revenue reserves balances held by the Trust.

20. Financial Commitments

Operating Leases

At 31 August 2020 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £'000	2019 £'000
Amounts due within one year	177	244
Amounts due between one and five years	93	175
Amounts due after five years	0	0
	270	419

PFI Commitments

Lord Derby Academy is a PFI school operating from a site that opened in September 2009 under a 25 year PFI contract. Upon the conversion of Lord Derby Academy on 1st February 2014, the Trust contracted with Knowsley MBC to discharge the financial obligations of unitary charges for the remainder of the contract. The unitary charges amount to £1,451,906 subject to annual indexation using RPI. Based on current values, at 31 August 2020 the Trust had unitary charge commitments as follows for the remaining 14 years of the PFI contract:

	2020 £'000	2019 £'000
PFI Commitments		
Amounts due within one year	1,452	1,409
Amounts due within one and five years	5,808	5,636
Amounts due after five years	13,067	14,090
	20,327	21,135

21. Reconciliation of Net Income/ (Expenditure) to Net Cash Inflow from Operating Activities

	2020 £'000	2019 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	607	10,667
Adjusted for:		
Depreciation (note 13)	3,952	3,722
Loss on disposal of fixed assets	1	2
Donations - inherited fixed assets	0	(14,171)
Capital grants from DfE/ESFA and other capital income	(5,694)	(1,827)
Interest receivable (note 5)	(40)	(11)
Defined benefit pension scheme obligation inherited	0	1,560
Defined benefit pension scheme cost less contributions payable (note 28)	1,891	1,018
Defined benefit pension scheme finance cost (note 28)	324	622
(Increase) / decrease in investments	(3,000)	0
(Increase) / decrease in stocks	0	7
(Increase) / decrease in debtors	(1,313)	87
Increase / (decrease) in creditors	499	(754)
Net cash inflow from operating activities	(2,773)	922

22. Cash Flows from Financing Activities

	2020 £'000	2019 £'000
Repayments of borrowing	(18)	(18)
Cash inflows from new borrowing	0	0
Cash transferred upon academy conversion	0	355
Net cash provided by / (used in) financing activities	(18)	337

23. Cash Flows from Investing Activities

	2020 £'000	2019 £'000
Dividends, interest and rents from investments	40	11
Purchase of tangible fixed assets	(5,054)	(1,711)
Capital grants from DfE/ESFA	2,201	1,727
Capital grants from sponsors and others	3,493	100
Proceeds from sale of tangible fixed assets	0	1
Net cash provided by / (used in) investing activities	680	128

24. Analysis of Cash and Cash Equivalents

	At 1 September 2019 £'000	Cash flows £'000	At 31 August 2020 £'000
Cash in hand and at bank	9,975	(2,911)	7,064
Notice deposits	0	800	800
	9,975	(2,111)	7,864

25. Analysis of Changes in Net Debt

	At 1 Sept 2019 £'000	Cash flows £'000	Acquisition/ disposal of subsidiaries £'000	New finance leases £'000	Other non-cash changes £'000	At 31 August 2020 £'000
Cash	9,975	(2,911)	0	0	0	7,064
Cash equivalents	0	800	0	0	0	800
Overdraft facility repayable on demand	0	0	0	0	0	0
	9,975	(2,111)	0	0	0	7,864
Loans falling due within one year	(18)	0	0	0	0	(18)
Loans falling after one year	(54)	18	0	0	0	(36)
Finance lease obligations	0	0	0	0	0	0
Total	9,903	(2,093)	0	0	0	7,810

26. Contingent Liabilities

During the life of the funding agreement, in the event of the sale or disposal by other means of any asset for which a government capital grant was received, the Trust is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the Trust serving notice, the Trust shall repay to the Secretary of State sums determined by reference to:

- a) the value at that time of the academy's site and premises and other assets held for the purpose of the academy and
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the funding agreement.

27. 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.

28. Pension and Similar Obligations

The employees of the Trust 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. Non-teaching staff are members of the Greater Manchester Pension Fund (GMPF) administered by Tameside Metropolitan Borough Council for Ashton on Mersey School, Broadoak School, Forest Gate Academy, Partington Central Academy, Dean Trust Ardwick, Dean Trust Wigan and Dean Trust Rosebridge, and the Merseyside Pension Fund (MPF) administered by Wirral Borough Council for Lord Derby Academy, Park View Academy and Blacklow Brow School. Both pension schemes are multi-employer defined-benefit schemes.

The pension cost is assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the most recent LGPS valuations for both the GMPF and MPF were carried out in 2016 for implementation of new employer contribution rates from 1st April 2020.

There were no outstanding or prepaid contributions at the beginning or end of the period.

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme to which members and employer make 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% scheme administration charge (previously 16.48%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HM Treasury, 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 pension contributions paid to TPS in the year ended 31st August 2020 amounted to £5,313,684 (2019: £3,571,801). These amounts include employer and employee contributions for the year ended 31st August 2020 of £3,786,431 and £1,527,253 respectively (2019: £2,262,818 and £1,308,983)

A copy of the valuation report and supporting documentation is on the **Teachers' Pensions website**.

Under the definitions set out in Financial Reporting Standard (FRS 102), the TPS is a 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.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. Contributions to the scheme are determined by a qualified actuary and based upon triennial valuations using the projected unit method. The total contribution made for the year ended 31 August 2020 was £1,756,401 (2019: £1,468,507), of which employer's contributions totalled £1,283,879 (2019: £1,058,645) and employees' contributions totalled £472,523 (2019: £409,862). An additional lump sum of £153,390 (2019: £151,305) was paid by the employer to MPF in respect of those employees that are members of the scheme administered by MPF. The agreed employee contribution rates are banded from 5.5% to 12.5% with no confirmation of changes to future rates beyond 31st March 2020. The agreed GMPF employer contribution rate for the period to 31st March 2020 is 16%. The agreed MPF employer contribution rate for the period to 31st March 2020 is variable for each of the 3 academies within MPF at 16.2%, 17.1% and 17.4% respectively. The agreed GMPF employer contribution rate for the period from 1st April 2020 is 18%. The agreed MPF employer contribution rate for the period from 1st April 2020 is variable for each of the 3 academies within MPF at 17.3%, 17.7% and 18.3% respectively.

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

Principal Actuarial Assumptions

Greater Manchester Pension Fund

	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	3.0%	3.1%
Rate of increase for pensions in payment/inflation	2.2%	2.3%
Discount rate for scheme liabilities	1.7%	1.9%
Inflation assumption (CPI)	2.2%	2.4%
Commutation of pensions to lump sums	55.0%	55.0%

Merseyside Pension Fund

	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	3.9%	3.6%
Rate of increase for pensions in payment/inflation	2.5%	2.2%
Discount rate for scheme liabilities	1.8%	1.8%
Inflation assumption (CPI)	2.4%	2.1%
Commutation of pensions to lump sums	50.0%	50.0%

The scheme liabilities are sensitive to changes in the principal actuarial assumptions. The table below shows the increase in scheme liabilities that would be experienced.

	At 31 August 2020 £000	At 31 August 2019 £000
0.5% decrease in real discount rate	5,737	5,409
0.5% increase in the salary increase rate	249	945
0.5% increase in the pension increase rate	5,172	4,556

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

Greater Manchester Pension Fund

	At 31 August 2020	At 31 August 2019
<i>Current pensioners:</i>		
Males	20.5 years	20.6 years
Females	23.1 years	23.1 years
<i>Future pensioners:</i>		
Males	22.0 years	22.0 years
Females	25.0 years	24.8 years

Merseyside Pension Fund

	At 31 August 2020	At 31 August 2019
<i>Current pensioners:</i>		
Males	20.9 years	22.2 years
Females	24.0 years	25.0 years
<i>Future pensioners:</i>		
Males	22.5 years	25.2 years
Females	25.9 years	27.9 years

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

	Fair value at 31 August 2020 £000	Fair value at 31 August 2019 £000
Equities	15,708	15,012
Bonds	3,819	3,417
Property	1,724	1,831
Cash	2,621	2,364
Total market value of assets	23,872	22,624
Present value of scheme liabilities - Funded	(43,606)	(38,978)
Deficit in the scheme	(19,734)	(16,354)

The actual return on scheme assets was £-343,000 (2019: £1,026,000).

Amounts recognised in the Statement of Financial Activities

	2020 £000	2019 £000
Current service cost	1891	1018
Past service cost	11	399
Interest income	(432)	(562)
Interest cost	745	785
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	0	0
Total amount recognised	2,215	1,640

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

	Ashton on Mersey School		Broadoak School		Forest Gate Academy		Dean Trust Ardwick		Partington Central Academy		Dean Trust Wigan	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 September	13,557	10,355	3,630	2,764	1,267	891	1,214	508	1,818	1,262	5,256	3,781
Upon conversion	0	0	0	0	0	0	0	0	0	0	0	0
Current service cost	851	665	214	178	154	93	534	305	209	148	352	251
Interest cost	252	300	67	80	26	26	29	19	37	38	104	110
Employee contributions	132	124	30	30	19	16	72	57	28	25	48	46
Actuarial (gain)/loss	371	2,070	(289)	570	297	229	885	312	50	325	(225)	1,029
Benefits paid	(129)	(77)	(32)	(22)	(6)	(1)	(1)	0	(4)	0	(15)	(8)
Plan introductions, benefit changes, curtailments and settlements	0	120	0	30	0	13	0	13	0	20	0	47
At 31 August	15,034	13,557	3,620	3,630	1,757	1,267	2,733	1,214	2,138	1,818	5,520	5,256

	Lord Derby Academy		Park View Academy		Blacklow Brow School		Dean Trust Rosebridge		Total Funds	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 September	4,640	3,345	2,129	1,580	1,110	787	4,357	0	38,978	25,273
Upon conversion	0	0	0	0	0	0	0	3,389	0	3,389
Current service cost	367	268	128	94	101	68	384	151	3,294	2,221
Interest cost	84	93	38	43	21	22	87	54	745	785
Employee contributions	57	54	20	19	15	13	46	24	467	408
Actuarial (gain)/loss	(169)	887	(269)	407	159	199	(421)	701	389	6,729
Benefits paid	(46)	(68)	(17)	(40)	(1)	(1)	(27)	-9	(278)	(226)
Plan introductions, benefit changes, curtailments and settlements	9	61	2	26	0	22	0	47	11	399
At 31 August	4,942	4,640	2,031	2,129	1,405	1,110	4,426	4,357	43,606	38,978

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

	Ashton on Mersey		Broadoak School		Forest Gate Academy		Dean Trust Ardwick		Partington Central		Dean Trust Wigan	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 September	9,601	8,831	2,985	2,766	990	888	550	324	1,130	985	3,130	2,834
Upon conversion	0	0	0	0	0	0	0	0	0	0	0	0
Interest income	176	252	55	79	19	26	13	12	23	29	61	81
Return on plan assets (excluding net interest on the net defined pension liability)	(372)	180	(213)	56	13	18	260	8	(8)	20	(180)	59
Actuarial (gain)/loss	0	0	0	0	0	0	0	0	0	0	0	0
Employee contributions	323	124	80	30	53	16	194	57	81	25	129	46
Employer contributions	132	291	30	76	19	43	72	149	28	71	48	118
Benefits paid	(129)	(77)	(32)	(22)	(6)	(1)	(1)	0	(4)	0	(15)	(8)
Plan introductions, benefit changes, curtailments and settlements	0	0	0	0	0	0	0	0	0	0	0	0
At 31 August	9,731	9,601	2,905	2,985	1,088	990	1,088	550	1,250	1,130	3,173	3,130

	Lord Derby Academy		Park View Academy		Blacklow Brow School		Dean Trust Rosebridge		Total Funds	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 September	1,239	964	1,617	520	328	249	2,054	0	22,624	18,361
Upon conversion	0	0	0	0	0	0	0	1829	0	1,829
Interest income	25	30	12	16	7	8	41	29	432	562
Return on plan assets (excluding net interest on the net defined pension liability)	28	16	(69)	10	135	4	(369)	116	(775)	487
Actuarial (gain)/loss	0	0	0	0	0	0	0	0	0	0
Employee contributions	254	54	96	19	62	13	131	24	1,403	408
Employer contributions	57	243	20	92	15	55	46	65	467	1,203
Benefits paid	(46)	(68)	(17)	(40)	(1)	(1)	(27)	-9	(278)	(226)
Plan introductions, benefit changes, curtailments and settlements	0	0	0	0	0	0	0	0	0	0
At 31 August	1,557	1,239	1,659	1,617	546	328	1,876	2,054	23,873	22,624

29. Related Party Transactions

The charity is controlled by the Trustees who are directors of the company.

Owing to the nature of the academy trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook 2019 and with academy trust's financial regulations and normal procurement procedures.

The following related party transactions took place in the period of account:

Expenditure Related Party Transactions

Manchester United Foundation – a charity in which T Kapur, a Trustee and Chief Executive Officer of the Dean Trust, is a Trustee, and J Shiels, a Trustee of the Dean Trust, is the Chief Executive. The Manchester United Foundation operates a football in the community hub at Dean Trust Ardwick, Dean Trust Wigan and Dean Trust Rosebridge. This links with the football development plan for the academies respectively and their neighbouring communities. The respective costs of the football hub during the year ended 31st August 2020 were Dean Trust Ardwick £23,775 (2019: £24,406), Dean Trust Wigan £25,000 (2019: £25,000) and Dean Trust Rosebridge £25,078 (2019: £8,333). This predominantly related to the employment of a football hub development officer at each of the hubs by the Manchester United Foundation. The Foundation also operates a Primary Stars Programme, which attracts contributory funding from the Premier League. During the year Partington Central Academy was engaged in this programme and incurred costs of £6,000 (2019: Partington Central Academy £6,000 and Forest Gate Academy £3495). There were outstanding amounts due to the Manchester Foundation at 31 August 2020 of £11,988 (2019: £nil).

UKFAST- a private company in which J Bowers, a Trustee, was joint managing director until 14th May 2020. UKFAST is a digital company offering cloud and data centre services, dedicated server and hosting, security and IT solutions. The Trust purchased hosting services and rack space amounting to £5,565 during the year ended 31st August 2020 (2019: £13,126). There were no amounts outstanding at 31st August 2020 (2019: £nil).

Ashton on Mersey Teaching School Limited- a wholly owned subsidiary of The Dean Trust. Under the terms of a shared services agreement, the Dean Trust provides staff to enable Ashton on Mersey Teaching School Limited to conduct its business for which agreed recharges are made. A sum of £52,448 was recharged in the year ended 31 August 2020 (2019: £41,321). Ashton on Mersey Teaching School Limited undertakes business from a base at the Ashton on Mersey School premises. A recharge for occupancy and other ancillary support costs such as reprographics is made and amounted to £12,480 in the year ended 31 August 2020 (2019: £12,480). No amounts were outstanding at 31 August 2020 (2019: £2,007) Ashton on Mersey Teaching School Limited provides continuing professional development to staff within The Dean Trust Schools and a charge is made for these development activities. In the year ended 31 August 2020 this totalled £1509 (2019: £1,360).

Income Related Party Transactions

Manchester United Foundation- during the period of the COVID-19 lockdown, the Foundation donated a sum of £10,000 each to Dean Trust Ardwick, Dean Trust Wigan and Dean Trust Rosebridge. The donations were provided to the Foundation's partner schools to assist families within the school communities who had been significantly affected and faced hardship as a result of the pandemic.

30. Fund balances

Fund balances at 31 August 2020 were allocated as follows:

	2020 £'000	2019 £'000
Ashton on Mersey School	2,511	2,240
Ashton on Mersey Teaching School Limited	32	110
Broad oak School	59	(31)
Forest Gate Academy	838	699
Partington Central Academy	546	559
Dean Trust Ardwick	2,282	988
Lord Derby Academy	292	213
Park View Academy	(59)	(5)
Blacklow Brow School	180	224
Dean Trust Wigan	1,186	1,976
Dean Trust Rose Bridge	329	424
Total before fixed asset and pension reserve	8,196	7,397
Restricted fixed asset fund	150,218	148,195
Pension reserve	(19,733)	(16,354)
Total	138,681	139,238

Park View Academy joined the Trust on 1st January 2016. The financial position of the academy at the time was challenging, predominantly due to a fall in pupil numbers. The Trust took steps to improve the financial health of the academy and by the end of the financial year in 2018, the reserves balance had returned to a cumulative surplus. The subsequent deterioration in the reserves at 31st August 2020 resulted from some long term staff absence and associated supply cover during the financial year. The academy budget plan for 2020-21 indicates a financial surplus which will resolve the cumulative deficit at 31st August 2020. The financial position at Broad oak School has continued to improve as result of the upward trend in pupil numbers maintained for a fourth year in succession. Alongside tight and prudent financial management, the academy has rebuilt reserves balances further, with a return to an overall positive reserves position at 31st August 2020.

Total cost analysis by academy

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

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Depreciation £'000	Total 2020 £'000	Total 2019 £'000
The Dean Trust	522	569	27	45	57	1,220	1,804
Ashton on Mersey School	6,118	974	1,208	1,067	750	10,117	9,822
Broad oak School	2,239	310	235	608	496	3,888	3,634
Forest Gate Academy	868	134	103	198	138	1,441	1,390
Dean Trust Ardwick	4,814	599	417	766	566	7,162	5,853
Partington Central Academy	1,418	220	137	245	168	2,188	2,021
Lord Derby Academy	4,740	598	465	1,835	672	8,310	7,457
Park View Academy	1,057	204	94	322	141	1,818	1,639
Dean Trust Rose Bridge	3,147	448	384	768	317	5,064	2,523
Blacklow Brow School	735	133	85	181	59	1,193	1,103
Dean Trust Wigan	3,731	522	436	671	588	5,948	5,256
Total funds	29,389	4,711	3,591	6,706	3,952	48,349	42,502

31. Agency Arrangements

The Trust distributes 16-19 bursary funds and school centred initial teacher training (SCITT) bursaries to students as an agent for the Education and Skills Funding Agency (ESFA). In the financial year ending 31 August 2020 the Trust received £9,578 (2019: £10,487) of 16-19 bursaries and £444,400 (2019: £401,400) of SCITT bursaries. It disbursed £10,367 (2019: £12,515) and £449,000 (2019: £407,800) from the respective funds. An amount of £nil (2019: £1,700) is included in deferred income relating to undistributed SCITT funds that will be distributed during the financial year ended 31 August 2020 due to a mid-year student deferral. An amount of £4,600 (2019: £8,100) is included in accrued income relating to funding for a returning student following prior year deferral, whose funds were previously clawed back by the ESFA.

32. Events after the balance sheet date

The Trust continues to work with the Department for Education free schools' team and Manchester City Council to secure a suitable site for the development of the secondary free school for which the Trust had successfully bid in 2017. An outcome is expected during the financial year ended 31st August 2021.

The COVID-19 pandemic continues to have a profound impact, stretching resources and presenting significant challenges in maintaining the Trust's core educational activities. In June a catch up fund of £1billion was announced by the Government in which schools would be given additional funding to enable them to help students catch up on work missed in readiness for exams, when full re-opening commences from September 2020. These funds will be distributed to schools over the course of the 2020-21 financial year. The Trust estimates to receive an overall allocation of circa £535,000.

The accommodation extension at Dean Trust Ardwick is due to be completed in November 2020. The costs associated with this project are reflected within assets under construction shown in note 13. The contracted but not provided capital commitment for the project is shown in note 19.

33. Teaching School Trading Account

	2019/20 £'000	2019/20 £'000	2019/20 £'000	2018/19 £'000	2018/19 £'000	2018/19 £'000
Income						
Direct Income						
Other income		40			46	
Other Income						
Fundraising and other trading activities		35			374	
Total Income			75			420
Expenditure						
Direct Costs						
Direct staff costs	37			34		
Staff development	2			2		
Other direct costs	9			257		
Total Direct Costs		48			293	
Other Costs						
Support staff costs	15			7		
Depreciation	0			0		
Technology costs	0			0		
Recruitment and support	0			0		
Security and support	0			0		
Other support costs	30			138		
Share of governance costs	2			3		
Total Other Costs		47			148	
Total Expenditure			(95)			(441)
Transfers between funds excluding depreciation			0			0
Surplus/(Deficit) from all sources			(20)			(21)
Teaching School balances at 1 September 2019			52			73
Teaching School balances at 31 August 2020			32			52