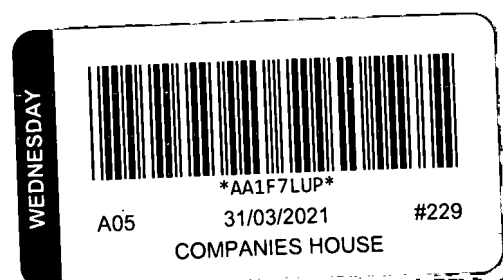


Company Registration Number: 08058921 (England & Wales)

The Collegiate Trust
(A company limited by guarantee)

Annual report and financial statements
for the year ended 31 August 2020



The Collegiate Trust
(A company limited by guarantee)

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The Collegiate Trust
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Reference and administrative details

Members	Mr S Chaudhri Mr P R Hogan Mrs S Lewis Group Capt D North (deceased 7 October 2020) Mr W Whitmarsh
Trustees	Ms J Akala Mr K Beattie Mr P R Hogan, Chair Mrs F McSorley Mrs S Moys MBE Mr T Rodwell Mr A Roseweir (resigned 5 November 2019) Mr S Rowley Mr G Smith, Chief Executive & Accounting Officer Mr M Whittaker (appointed 25 January 2020)
Company registered number	08058921
Company name	The Collegiate Trust
Principal and registered office	Riddlesdown Collegiate Honister Heights Purley Surrey CR8 1EX
Company secretary	Mr D Clarke
Chief executive officer	Mr G H Smith
Senior management team	Mr G H Smith, Chief Executive Officer & Accounting Officer Mr D Clarke, Chief Operating Officer Mrs L Dey, Chief Finance Officer Mrs K Turner, Head of Education Mr D Pyke, Acting Chief Finance Officer & Finance Manager Mr S Dey, Principal - Riddlesdown Collegiate Mrs P Farrelly, Principal - Gossops Green Dr H Hope, Principal - Waterfield Primary School Mr A Crofts, Principal - Quest Academy Mrs N Grant, Principal - Courtwood Primary School Mr P Thomas, Principal - Gilbert Scott Primary School
Independent auditors	Kreston Reeves LLP Statutory Auditor Chartered Accountants 37 St Margaret's Street Canterbury Kent CT1 2TU

The Collegiate Trust
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Reference and administrative details (continued)
for the year ended 31 August 2020

Bankers	Lloyds Bank 95 George Street Town Centre Croydon CR9 2NS
Solicitors	Veale Wasbrough Vizards LLP Barnards Inn 86 Fetter Lane London EC4A 1AD
Member Schools	Riddlesdown Collegiate Gossops Green Primary School Waterfield Primary School The Quest Academy Courtwood Primary School Gilbert Scott Primary School

The Collegiate Trust
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Executive Summary
for the year ended 31 August 2020

Along with every educational organisation The Collegiate Trust experienced a challenging year in 2019/20, as a result of the national lockdown which began on 23rd March. This required significant and immediate remodelling of our educational provision, and mitigation of significant potential losses in our traded provision.

- The Trust achieved significant development work on governance, leadership and educational standards in the first half of 2019/20, prior to lockdown.
- The Trust successfully established a new agenda in lockdown that focused on repair, rebuild and recover. We maintained educational provision on each academy site for vulnerable children and those of key workers; this provision continues through traditional school and bank holidays. Each academy also delivered remote learning available to all pupils and students throughout lockdown. The Trust coordinated free-school meal provision for almost 800 pupils and students through supermarket vouchers.
- The Trust maintained all governance and leadership activity through remote meetings following lockdown. All governance meetings have continued to operate remotely in autumn 2020.
- The Trust has fully reopened all of its academies at the beginning of September 2020. A full Risk Assessment and new procedures are in place in each to limit the chances of transmission of coronavirus on site.
- The Trust has agreed an IT Strategy which will invest over £2m in our infrastructure over the coming 5 years.
- The Trust has increased its pre-pension unrestricted and restricted income funds by £11,370.

The year ahead will be particularly challenging as a result of increasing cost pressures.



Chair of Trustees
Date: 14 December 2020

The Collegiate Trust
(A company limited by guarantee)

Trustees' report
for the year ended 31 August 2020

Introduction

The Trustees of The Collegiate Trust ("the Trust", "TCT") present this Annual Report together with the Financial Statements and Auditors' Report of the charitable company for the year beginning 1st September 2019 and ending 31st August 2020. This Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

TCT operates four primary and two secondary academies in the London Borough of Croydon and in West Sussex. These academies have a combined pupil capacity of 4,555 and had a roll of 4,174 in the school census in October 2020.

Structure, Governance and Management

Constitution

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

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

Members' Liability

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

Trustees' Indemnities

The Trust indemnifies Trustees through the Risk Protection Arrangement.

Method of Recruitment and Appointment or Election of Trustees

Members appoint by ordinary resolution six trustees. Trustees co-opt three further trustees to ensure a correct balance of skill.

Policies and Procedures Adopted for the Induction and Training of Trustees

New Trustees are issued with a detailed Induction Pack, which includes required online training modules; they are supported by the Trust's Governance Manager. Trustees can access on-going training through NGA, Academy Ambassadors and Octavo Partnership. The Trust holds an annual Governance Day which brings together Members, Trustees and Local Governors.

Trustees complete an annual Skills Audit which informs training plans.

The Collegiate Trust
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 August 2020

Engagement with employees

The Trust's success is predicated on the commitment of our staff to our values and vision of providing an exceptional education for all.

The Collegiate Trust has an established system for consulting with employees on a regular basis on matters which affect them. Standard practices include:

- Weekly staff briefing meetings
- Team meetings
- 1:1 with line managers
- Interim and annual staff appraisal process for formal feedback on performance

Following appropriate policies and ACAS guidelines for any change management, such as amendments to contracts of employment.

Engagement with suppliers, customers, and others

Our suppliers are fundamental to the ongoing operations in each of our academies, providing valuable resources and services to ensure students receive a quality education in our Trust. The COO manages Trust wide contracts and actively engages with suppliers who can provide services across all our academies.

Local admin teams engage with various suppliers at a local and national level that are specialists in the education sector. Each school also has established facilities available which are hired out to the wider community including sports groups and gym classes.

The Trust has had to engage with suppliers in a very different way this financial year due to the impact of COVID-19. The Trust has had to limit the number of suppliers allowed on site following strict government protocols and has experienced delays in supplies of goods.

Organisational Structure

TCT is a multi-academy trust.

The CEO is the Accounting Officer of the Trust. He works with an Executive Leadership Group (ELG) made up of COO, CFO, Head of Education, Governance Manager and Principals of each academy. ELG develops short- and medium-term plans for the management and development of the Trust.

The Members have delegated the strategic leadership and monitoring of the Trust to a Board of nine Trustees / Directors ("the Board"). The Board operated an Audit and Finance Committee (AFC) in 2019/20 which provided detailed oversight of relevant issues. The Board is not required to operate a separate Audit Committee as income is not at the required level for this. However, the Board decided in 2018 to review this when turnover reached £25m; in September 2020 the Board decided to keep the finance and audit oversight in one Committee and renamed this committee the Audit, Risk & Finance Committee. The Learning and Quality Committee (LQC) continued in 2019/20 to exercise oversight of educational standards across the Trust.

Each academy in the Trust has a Local Governing Body (LGB) which operates through a Scheme of Delegation and Terms of Reference approved by the Board.

Arrangements for setting pay and remuneration of key management personnel

CEO

The CEO is paid on a 5-point scale as shown in the contract of employment; no other benefits (other than a mobile phone and laptop), mileage or expenses were paid to the CEO in 2019/20 (other than employer's contributions to the Teachers' Pension Scheme).

The Collegiate Trust
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Trustees' report (continued)
for the year ended 31 August 2020

The CEO is subject to an annual performance review, conducted by a subcommittee of two non-executive Board members. In reviewing performance and salary, this Performance & Remuneration Committee (PRC) considers:

- Educational outcomes across the Trust
- Leadership of the Trust
- Growth and complexity of the Trust

This is within the context of the Trust's annual Strategic Plan and agreed Trust objectives. This subcommittee makes a recommendation to the full Board – from which discussion the CEO is excluded – about quality of performance and salary level.

Senior Trust Staff

Senior Trust staff (COO, CFO, Head of Education, and Directors of School Improvement) are paid on a 7-point range within the national Leadership Scale. These staff are subject to an annual performance review, conducted by the CEO. The outcomes of this and decisions on salary are reported to the Trust PRC.

Principals

Each Principal is paid on a 7-point range within the Leadership Scale which may be amended in line with provisions within STPCD. Each Principal is subject to an annual performance review, conducted by a subcommittee of two LGB members, advised by the CEO or his nominee on the LGB. In reviewing performance and salary, this committee considers:

- Educational outcomes in the academy
- Leadership of the academy
- Contribution as a leader across the wider Trust

This subcommittee makes a recommendation to the full LGB – from which discussion the Principal is excluded – about quality of performance and salary level.

Trade union facility time

Relevant union officials

Number of Employees who were relevant union officials during the relevant period	2
--	---

Full-time equivalent number employee number	1
---	---

Percentage of time spend on facility time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£11,507
Provide the total pay bill	£15,125,947
Percentage of the total pay bill spent on facility time	0.08%

The Collegiate Trust
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Trustees' report (continued)
for the year ended 31 August 2020

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0.05%
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Related Parties and other Connected Charities and Organisations

TCT owns 100% of the share capital of The Collegiate Trading Company Limited. The Trust provides management support through the CEO and COO, who are also the Directors of the Trading Company; no financial support is provided. Profits from the Trading Company which are subject to corporation tax and made as a charitable donation to the Trust.

The CEO was a Director of the Octavo Partnership until its closure on 31st March 2020, and continues as a Director of the Croydon Headteachers' Association (CHTA Limited). He also continues as Chair of Governors at Croydon College, a post he will relinquish on 9th December 2020. He also sits as an Independent Member on the Finance Committee of AQA Exam Board. These are voluntary and unremunerated positions for the benefit of wider education provision. The CEO is also the sole owner and Director of Education-Leadership Ltd, a dormant company.

Objectives and Activities

Objects and Aims

The Collegiate Trust exists to improve education in Croydon and Crawley for children and young people up to the age of eighteen, thereby preparing them from an early age to be successful adults. We have built a local partnership of six academies which work collaboratively to deliver our vision of exceptional education for all.

We define an exceptional education as one that delivers wonderful academic learning and progress, but puts right alongside this the development of wider skills and qualities that come through a balanced focus on creative, cultural and physical learning, as well as personal development.

This is driven by strong LGBs in each academy operating to a clear scheme of delegation, working with an expert principal and team of staff. The successful learners developed in our academies become confident individuals and responsible citizens in our modern British society.

Objectives, Strategies and Activities

The Trust Board approved a set of Strategic Drivers for 2019-2022 to guide our work. These are:

- Educational Standards
- Staff Development
- Building Leadership
- Recruitment & Retention
- Business Management

Each of these drivers was delivered through a set of agreed actions in the Trust Action Plan, with key outcomes identified across the Trust and within each academy; however, the Trust's work was significantly altered during the year as a result of lockdown.

Public Benefit

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

Each academy within the Trust has its own specific admissions arrangements, which are set in line with the Statutory Admissions Code. Most pupils and students live locally to our academies.

Trustees' report (continued)
for the year ended 31 August 2020

Strategic Report

Achievements and Performance

All external assessment in primary and secondary schools was cancelled as a result of lockdown. Although all students in Years 11 and 13 received either a centre-assessed grade or exam-board estimated grade, no measures are to be published and therefore none are recorded here.

Section 172 Statement

This section describes how the Directors and/or management have had regard to the matters set out in section 172(1)(a) to (f) Companies Act 2006 in exercising their duty to promote the success of the charity to achieve its charitable purposes.

The Board has had regard to the following matters:

(a) Long-term results

- The likely consequences of any decision in the long term

The Board is mindful of any strategic decisions that can have long term implications for the Trust and various stakeholders and any implications or risks associated are carefully reviewed. Through the committee structure of the Board, Directors exercise clear oversight of the development of education, and the deployment of all resources most effectively in order to impact on the learning and standards of pupils and students.

The most prevalent finance / resource example of this is the Board's decision to invest in significant digital resource through the 5-year IT Strategy. The Board considered this strategy in the context of educational benefit and prudent financial management balancing:

- The need of the Trust in regard to providing exceptional IT provision for pupils and staff.
- Ensuring the Trust could afford the investment in IT through its delegated funding.

Further Information: Executive Summary - Page 3, Trustees' report, Objectives, Strategies and Activities - Page 7.

(b) Our workforce

- The interests of the Trust's employees

The Board take active steps to ensure that the views and interests of staff are captured and considered in our decision-making. The Board delegates to day-to-day operations of the Trust to the Chief Executive Officer. The CEO leads a highly effective central team that has close working relationships with Principals and other academy based staff, which means that there is a clear link between central decisions and impact on the wider workforce.

The Trust benefits from having a robust structure in place by having a CEO who oversees Principals based locally in each individual academy. The CEO has led the Trust since its inception as a single-academy trust in 2012 and through its development into a multi-academy trust in 2015. He, therefore, has a high degree of personal oversight and engagement with the Trust's operations and colleagues in each academy.

This senior structure of the Trust, incorporating the Head of Education, Chief Operating Officer Chief Finance Officer, Finance Manager, Governance Manager and HR Manager, ensures that the Trust maintains an in-depth insight into the mood, culture and views of the staff, which they can then report on to the wider Board.

Further Information: Employee engagement statement, page 5.

The Collegiate Trust
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Trustees' report (continued)
for the year ended 31 August 2020

(c) Our business relationships

- The need to foster the Trust's business relationships with suppliers, customers and others.

The Board delegate financial responsibility to the CEO as the Accounting Officer for the Trust. The Trust actively engages with suppliers who specifically provide educational services. Managers continually seek to balance the benefit of maintaining strong supplier relationships with the need to obtain value for money as a charity and provide the best education possible for students with the funding delegated by government.

The Trust also engages with the wider community in each of its academies by providing facilities available for hire outside the educational day. This enables the Trust to generate additional income to be used to enhance students' learning provision.

Further Information: Governance Statement, Review of value for money - Page 18.

(d) The community and environment

- The impact of the Trust's operations on the community and the environment.

The Board and Managers are aware of the impact of energy consumption and the adverse effects this has on our environment. The Trust has actively worked this academic year to reduce our carbon footprint by upgrading light fittings across its academies to LED lighting, which provides energy savings.

(e) Our reputation

- The desirability of the Trust maintaining a reputation for high standards of conduct.

The Board recognises the importance of robust, effective governance and acknowledge that Trustees have an overall responsibility for ensuring that The Collegiate Trust has an effective and appropriate system of control. The Board ensures clarity of vision, ethos and strategic direction of the Trust and holds the CEO to account for the educational and financial performance of the organisation.

The Trust conducts a self-evaluation every academic year on key areas of educational leadership and categorises these in to 4 clear definitions.

Further Information: Governance Statement - Page 16.

(f) Fairness between our Directors

- The need to act fairly between Directors of the Trust.

The Trust prides itself in following the Nolan principles and expects each Director to uphold these during their appointment: Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership. Each Director is required to agree and sign to have read the code of conduct on a yearly basis.

All Directors are given the opportunity to be involved in decision making relevant to their specific roles and responsibilities. The Chair of the Trust Board is also regularly involved in 1:1 meetings with Directors to ensure fulfilment of roles and responsibilities and participation in meetings.

OFSTED

Gossops Green Primary was inspected in September 2019 and judged good. Prior to joining the Trust this school had received consecutive requires improvement judgements. This OFSTED Report also identified EYFS provision at Gossops Green as outstanding, as well as leadership & management within the academy. This represents a significant validation of the work of the academy and the impact of the Trust.

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Trustees' report (continued)
for the year ended 31 August 2020

Key Financial Performance Indicators

The Trust's financial position is under ongoing review; monthly management accounts are provided to each academy Principal, with consolidated Trust accounts provided to each Trustee and considered at the Audit & Finance Committee. The key financial performance measure is to set and then to deliver a balanced budget.

To support this work, the percentage of staff costs in proportion to total income and the average teacher cost are monitored through our approach to integrated curriculum and financial planning. Further, self-assessment toolkits for each academy provide RAG ratings against which benchmarking can be performed. The results are used alongside non-financial performance indicators to make informed decisions on the direct impact of teaching and learning.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The Trading subsidiary endured a challenging year due to the impact of COVID-19. The Trading subsidiary had an encouraging start to the year, being in a profitable position before the impact of COVID-19 was realised. The Trust identifies that the Trading Subsidiary has generated a loss two years in a row however management have reviewed all contracts to ensure they remain in a profitable position going forward. The Trust is confident that had COVID-19 not disrupted the year, there would have been a surplus in excess of £30k as originally forecasted.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

The Trust adheres to the requirements of the Academies Financial Handbook (AFH). The Trust's Financial Policy and Procedures informs day-to-day practice.

The financial performance of the Trust for the period ending 31st August 2020 is as follows:

LGPS Movement	£65,000
Fixed Asset Fund Movement	(£587,521)
Trading Subsidiary Movement	(£2,878)
Fund Movement	£11,371
In-Year Surplus / (Deficit)	(£514,028)
Reserves – restricted	£49,546,925
Reserves – unrestricted	£1,000,396
Total Reserves	£50,547,321

The majority of income that the Trust receives is from the ESFA in the form of recurrent grant funding. The use of this funding is restricted to educational purposes. All grants received during the year are shown in the Statement of Financial Activities.

In the year ending 31st August 2020 total expenditure of £27,543,208 was covered by the grant funding with additional incoming resources.

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Trustees' report (continued)
for the year ended 31 August 2020

At 31st August 2020 the net book value of fixed assets was £56,760,835 and movements are shown in note 14.

All assets are used primarily for providing education and associated support services to the pupils and students of the Trust.

The Trust has had significant, exceptional costs arise in relation to the COVID-19 outbreak since March 2020. The Trust identified costs of £47,955 which have been claimed from the Department of Education under "COVID-19 Exceptional costs funding". There are ongoing additional cleaning, PPE and staffing costs associated with the outbreak that will continue to impact the Trust budget for the foreseeable future.

Reserves Policy

The Trust operates annually to a balanced budget, uses reserves to support multi-year payback investment activity, builds and maintains adequate reserves to enable the Trust Board to ensure continuity of operation in event of unmitigated / unforeseen risks. Generally, reserves are to be maintained at 5% of the gross GAG income of the Trust as a whole, which will be reviewed annually.

Investment Policy

The Trust holds no investments other than funds held in the Trust's bank accounts.

Principal Risks and Uncertainties

The Trust has identified four areas of risk: strategic (St), operational (Op), compliance (Co), financial (Fi). Details of these risks are set out in the Risk Management Plan which is overseen by the AFC. The following table summarises the areas of risk which are managed through the plan:

Ref	Risk
St1	The <i>Strategic Plan</i> is not a relevant and robust response to the needs of the Trust
St2	The Trust seeks to grow without a clear rationale
St3	
St4	Individual academies do not recruit sufficient learners to make them viable NB the impact of social restrictions on the ability to hold marketing events

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Trustees' report (continued)
for the year ended 31 August 2020

St5	The <i>Development Plans</i> of individual academies are not relevant to the needs of the academies.
St6	The Trust Board does not have a robust organisational approach in place to deliver effective local governance of each academy
St7	The CEO or an academy Principal is absent for a prolonged period of time
St8	Effective <i>Due Diligence</i> not carried out before growth of TCT
St9	Quality of work in the two primary ETPs not high
Op1	Management information (on t&f) produced by individual academies is of a poor quality and is inadequate for informing decision-making
Op2	The Trust has insufficient Directors who possess the capacity, skills and experience required to run the Trust
Op3	Academy staff at key levels do not possess the skills and experience required to lead and manage the academies
Op4	The Trust fails to manage its growth and development effectively
Op5	Quality assurance work does not effectively identify areas of weakness and strength
Op6	The Trust has inadequate insurance cover
Op7	The Trust suffers a catastrophic IT failure
Op8	The Trust suffers major damage to or loss of a site
Op9	Individual academies do not have sufficient quality teaching staff or curriculum leaders to deliver the curriculum
Co1	The Trust does not comply with employee legislation
Co2	The Trust does not comply with financial reporting requirements
Co3	The Trust does not comply with GDPR, Data Protection and FOI requirements
Co4	The Trust does not comply with safeguarding requirements
Co5	The Trust does not have an effective system of controls to break transmission of coronavirus
Co6	Outbreak of Covid-19 in an academy
Fi1	The Trust does not maintain overall financial control in relation to its income and expenditure
Fi2a	The <i>Budget Plan</i> does not provide a realistic or effective response to the income or needs of the Trust
Fi2b	The Trust does not respond effectively to falling or static income
Fi2c	Income falls unexpectedly or income targets not achieved eg, as a result of lockdown
Fi3	The financial systems of the Trust are not suitable and maintained
Fi4	There is no adequate <i>Disaster Recovery Plan</i> in place in relation to the Trust's financial systems
Fi5	The Trust fails to anticipate risk of adequate funding of pensions

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Trustees' report (continued)
for the year ended 31 August 2020

Impact and Response to COVID-19 Pandemic

The national lockdown that was introduced from 23rd March 2020 has had a major impact on the Trust.

1. The closure of almost all in-person education for pupils and students has significantly disrupted learning and progress of our young people. Whilst the vast majority of pupils and students engaged with remote learning set by each academy, this would never have been able to compensate for direct instruction, wider support and a rich curricular / extra-curricular provision. A key focus in 2020/21 is the identification of the lost learning and the implementation of effective catch-up programmes.
2. All national assessments – from Reception up to A Level – were cancelled by the government. This means that there is no externally validated data on the performance of our academies for the academic year 2019/20. However, our secondary academies were required to undertake a rigorous process to award Centre-Assessed Grades (CAGs) as an alternative to GCSE, BTEC and A Level results. The CAGs in our secondary academies demonstrate a high level of achievement and progress for our students.
3. All traded income ceased. Lettings income, which supports individual academy budgets directly, ended and has not yet been able to recover. The loss of catering income was offset partially by the furlough of staff and is now recovering – albeit slowly, and not yet back to pre-pandemic levels.

All of our academies opened partially in June and fully in September, in line with government direction. A clear risk assessment operates in each in order to deliver a safe working environment; this means that we are expending large amounts of resource on enhanced cleaning and other protocols.

The risks associated with Covid-19 are captured in our Risk Management Plan as Co5 and Co6.

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 - 31 August 2020

	2019/20
Energy consumption used to calculate emissions (kWh)	3,777,789
Energy consumption break down (kWh):	
- Gas	2,603,965
- Electricity	1,139,516
- Transport fuel	26,901
Scope 1 emissions in metric tonnes CO ₂ e	
Gas consumption	478.79
Transport - mini-buses	6.85
Total Scope 1	485.64
Scope 2 emissions in metric tonnes CO ₂ e	
Purchased electricity	265.67
Scope 3 emissions in metric tonnes CO ₂ e	
Business travel in employee owned vehicles	1.79
Total gross emissions in metric tonnes CO ₂ e	753.09
Intensity ratio Tonnes CO ₂ e per pupil	0.19

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Trustees' report (continued)
for the year ended 31 August 2020

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2020 UK Government's conversion factors for Company Reporting.

Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings, to reduce the need for travel between sites and the Trust has actively worked this academic year to reduce our carbon footprint by upgrading light fittings across its academies to LED lighting, which provides energy savings.

Plans for Future Periods

The Trust will continue to implement actions to deliver on the Strategic Drivers outlined on page 7.

TCT will grow with careful thought and planning in the coming years, to ensure that growth continues to add value to our work.

Fundraising

The Trust does not undertake any fundraising through commercial or professional fundraisers.

Each academy within the Trust raises a limited amount of funds through voluntary parental donations and through school events. All such funds are recorded in the Trust's finance system.

Funds held as Custodian Trustee on behalf of others

The Trust holds funds on behalf of the Croydon Headteachers' Association (CHTA). This supports the development of educational aims across Croydon. The funds are held in a dedicated bank account which is recorded on the Trust's system. CHTA is an incorporated organisation with its own set of Directors, who are accountable for these funds, and held a 40% share ownership in the Octavo Partnership up to its closure on 31st March 2020.

Employees and disabled persons

The Trust recognises and values our duty under the Equality Act 2010 to eliminate discrimination, advance equality of opportunity and foster good relations in regard to age, disability, ethnicity, gender, religion and sexual identity. This is set out in the Trust's Equalities Policy & Statement of Objectives. This includes;

- Compliance with the public sector equality duty (PSED) set out in clause 149 of the Equality Act 2010
- Provision of equality of opportunity for all and ensuring that all stages of recruitment and selection are fair
- Job descriptions, person specifications and advertisements do not discriminate against disabled persons, either directly or indirectly
- Disabled persons who are judged by the manager/panel to meet all essential shortlisting criteria must be included on the shortlist
- Decisions as to who is the best person for the job should be taken on the basis of the criteria in the person specification alone
- Once the panel has selected the best candidate(s) for the post they should consider the effect of the disability and determine whether it can be overcome by adaptation of the working environment at a reasonable cost

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Trustees' report (continued)
for the year ended 31 August 2020

- All new members of staff are required to complete a health questionnaire and submit this to the Occupational Health Services (OHS). OHS in its report recommends any adjustments required for the individual. Adaptations may include adjustments to the working arrangements of the existing team where appropriate
- If a current member of staff becomes disabled or experiences a change in their pre-existing disability, the Trust will consider and implement reasonable adjustments to enable the colleague to continue in their role. As part of this, a referral to OHS may be initiated if further assessment is required
- The Trust considers and reviews the developmental needs of disabled colleagues regularly and provides relevant training and support in this respect.
- Disability must not prevent colleagues from getting promoted and they should be given the same opportunities as others. We regularly analyse salary levels and comparisons, applications and promotion opportunities to ensure that there are no anomalies or barriers to equality.

The Trust has an established system for consulting with employees on a regular basis on matters which affect them. Standard practices include:

- Weekly staff briefing meetings
- Team meetings
- 1:1 with line managers
- Interim and annual staff appraisal process for formal feedback on performance
- Following appropriate policies and ACAS guidelines for any change management, such as amendments to contracts of employment.

In addition, this year a restructuring process was undertaken to consolidate and increase effectiveness of some support roles. As part of this, an extensive employee consultation process was implemented as set out in the Trust Redundancy Policy.

Political donations

The Trust made no political donations in 2019/20.

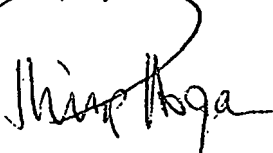
Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the Trust'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 the information.

The auditor, Kreston Reeves LLP, has indicated its willingness to continue in office. The Trustees will propose a motion re-appointing the auditor at a meeting of the Members.

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



Mr P R Hogan
Chair of Trustees

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Governance Statement

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Collegiate Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Annual Report and in the Statement of Trustee's Responsibilities. The Board of Trustees has formally met 8 times during the year.

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

Trustee	Meetings attended	Out of a possible
Ms J Akala	7	8
Mr K Beattie	5	8
Mr P R Hogan, Chair	7	8
Mrs F McSorley	8	8
Mrs S Moys MBE	2	8
Mr T Rodwell	7	8
Mr A Roseweir (trustee to: 05.11.2019)	1	1
Mr S Rowley	8	8
Mr G Smith, Chief Executive & Accounting Officer	8	8
Mr M Whittaker (trustee from: 25.01.2020)	5	5

Members made the decision to increase the Board increased to nine Trustees in May 2019 to reflect the growth of the Trust and provide additional capacity.

The Board ensures clarity of vision, ethos and strategic direction of the Trust and holds the CEO to account for the educational and financial performance of the organisation.

At the end summer term 2019 all Trustees completed a self-evaluation which highlighted areas for development to improve the Board's performance. Over the year the Board has challenged on the key area of financial control to ensure that robust systems are in place to respond to the growth of the Trust.

Trustees receive:

- Monthly management accounts from the Chief Finance Officer
- Termly data dashboards from the Head of Education
- Termly CEO report
- Annual Academy Evaluation Reports from each academy
- Annual Academy Development Plan from each academy
- Teaching, Learning & Leadership Reviews on those academies on which completed from the Head of Education

The Collegiate Trust
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Governance Statement (continued)

Governance (continued)

Self-Evaluation of the Trust

Definitions

Stabilise	significant weaknesses identified in systems and approaches which are undermining the quality of work and are impacting adversely on pupils, students or staff
Repair	activity is focused purely on addressing weaknesses, in order to create an environment for improvement
Improve	effective systems and people are leading clear improvement work; capacity is strong to deliver further improvement, with capability for growth
Sustain	qualitative and quantitative impact clear, with capacity developing rapidly from within academies, complementing the work of the central team

Evaluation

Key Area	Stabilise	Repair	Improve	Sustain
Overall Performance			X	
Disadvantaged Pupils' Performance			X	
School Improvement				X
Governance				X
People & Leadership			X	
Financial Sustainability			X	

This self-evaluation is the same as in 2019, as a result of the impact of lockdown.

Committees

The Audit & Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to

- oversee all aspects of finance, risk and audit arrangements of the Trust.
- To contribute to those aspects of the Trust's Strategic Plan that affect the deployment of financial or other capital resources and subsequently to ensure they are used effectively and efficiently
- To review, on behalf of the Board of Directors, those statutory policies and procedures which fall within the remit of the Committee and to recommend their approval to the Board

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Hogan	4	5
Mr G Smith	6	6
Mr A Roseweir (to 05.11.2020)	1	1
Mr S Rowley	6	6
Ms J Akala	4	5
Ms A Murray	5	6
Ms D-E Williams	6	6

The Collegiate Trust
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Governance Statement (continued)

Governance (continued)

The Learning & Quality Committee is a sub-committee of the main Board of Trustees which was introduced in 2019/20. Its purpose is to monitor and evaluate the educational performance of academies within the Trust and of the Trust overall.

Review of value for money

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

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Trust has acted to mitigate the impact of lockdown by:

- Effective use of furlough with staff involved in traded activity
- Identifying costs associated with COVID-19 which were reclaimable under the COVID-19 exceptional costs funding.
- Maximised savings through the closure of buildings.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Collegiate Trust for the period 1st September 2019 to 31st August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1st September 2019 to 31st 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. It includes:

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

The Collegiate Trust
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Governance Statement (continued)

The risk and control framework (continued)

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Kreston Reeves as internal auditor. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. The checks carried out in the current period included:

- Payroll
- Purchases
- Income (including DFE income)
- Accounting systems
- Governance

The review of each area involved recording and evaluating the systems and controls in place within the area, including reference to the Academies Financial Handbook. Testing took place to evaluate whether the systems operated as recorded and to establish whether the control procedures within the system were operating effectively. In any instance of non-compliance with the trust's controls, the samples were extended to ascertain scale of an issues.

On an annual basis the auditor reports to the Board of Trustees, through the AFC on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The internal auditor has delivered the agreed programme of work as planned. There are no material control issues arising as a result of their work.

The Trust recognised that Kreston Reeves will not be able to continue in the role as internal auditor for the Trust in future financial periods. Kreston Reeves have stepped down from the position of internal auditor and consideration of an alternative provider is ongoing.

Review of effectiveness

As accounting officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

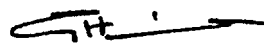
- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process or the school resource management
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework self-assessment tool

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the AFC and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



Mr P R Hogan
Chair of Trustees



Mr G H Smith
Accounting Officer

The Collegiate Trust
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Statement on Regularity, Propriety and Compliance

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

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

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



Mr G H Smith
Accounting Officer
Date: 14 December 2020

The Collegiate Trust
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Statement of Trustees' responsibilities
for the year ended 31 August 2020

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

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

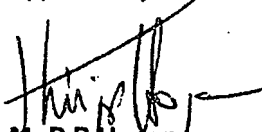
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and 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 their conduct and operation the Group and the charitable company apply financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the group'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 14 December 2020 and signed on its behalf by:



Mr P R Hogan
Chair of Trustees

The Collegiate Trust
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Independent auditors' Report on the financial statements to the Members of The Collegiate Trust

Opinion

We have audited the financial statements of The Collegiate Trust (the 'parent Academy Trust') and its subsidiaries (the 'Group') for the year ended 31 August 2020 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Academy Trust balance sheet, the Consolidated 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 Group's and of the parent Academy Trust's affairs as at 31 August 2020 and of the Group's 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 Group 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 Group's or the parent Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

The Collegiate Trust
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Independent auditors' Report on the financial statements to the Members of The Collegiate Trust
(continued)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- the parent Academy Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Academy Trust 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 Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Collegiate Trust
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Independent auditors' Report on the financial statements to the Members of The Collegiate Trust
(continued)

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

Auditors' responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Academy Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Academy Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Collegiate Trust
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of The Collegiate Trust
(continued)

Use of our report

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

Kreston Reeves LLP

Peter Manser FCA DChA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Canterbury

15 December 2020

The Collegiate Trust
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 5 September 2018 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 Collegiate 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 Collegiate Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Collegiate 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 Collegiate Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of The Collegiate Trust's funding agreement with the Secretary of State for Education dated 29 May 2012 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.

The Collegiate Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to The Collegiate Trust and the Education & Skills Funding Agency (continued)

Approach

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

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

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

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

Work undertaken

The work undertaken to draw to our conclusion includes:

- Reviewed the evidence used to support the Accounting Officer's sign off of the regularity statement
- Reviewed expenditure against specific terms of grant funding within the funding agreement
- Reviewed that grants have been applied for the purposes intended
- Confirmed that internal control procedures exist relating to expenditure incurred of cash and credit cards
- Confirmed items claimed on cash and credit cards are not for personal benefit
- Reviewed expenditure and considered whether any supplies are from related parties
- Reviewed minutes of Trust Board minutes for declaration of interests
- Reviewed Governance arrangements
- Considered whether other income activities are permitted within the Academy Trust's charitable objects
- Considered if borrowing agreements, including leases, have been made in accordance with the Academies Financial Handbook
- Confirmed that procurement and tendering procedures exist relating to expenditure and have been complied with.

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.

Kreston Reeves LLP

Kreston Reeves LLP
Reporting Accountant
Chartered Accountants

Canterbury

Date: 15 December 2020

The Collegiate Trust
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 August 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
	Note					
Income from:						
Donations and capital grants:	3					
Transferred on conversion		-	-	-	-	10,253,890
Other donations and capital grants		(1,566)	-	795,586	794,020	878,815
Charitable activities	4	-	23,191,547	-	23,191,547	21,277,843
Other trading activities	5	1,058,649	565,070	-	1,623,719	2,044,703
Investments	6	894	-	-	894	878
Total income		1,057,977	23,756,617	795,586	25,610,180	34,456,129
Expenditure on:						
Raising funds:						
Subsidiary trading expenses		985,050	-	-	985,050	721,349
Charitable activities		602,474	24,574,119	1,381,565	26,558,158	25,139,430
Total expenditure	7	1,587,524	24,574,119	1,381,565	27,543,208	25,860,779
Net income / (expenditure)		(529,547)	(817,502)	(585,979)	(1,933,028)	8,595,350
Transfers between funds	18	474,263	(472,721)	(1,542)	-	-
Net movement in funds before other recognised gains/(losses)		(55,284)	(1,290,223)	(587,521)	(1,933,028)	8,595,350
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	1,419,000	-	1,419,000	(2,152,000)
Net movement in funds		(55,284)	128,777	(587,521)	(514,028)	6,443,350
Reconciliation of funds:						
Total funds brought forward		1,055,680	(7,591,000)	57,596,669	51,061,349	44,617,999
Net movement in funds		(55,284)	128,777	(587,521)	(514,028)	6,443,350
Total funds carried forward		1,000,396	(7,462,223)	57,009,148	50,547,321	51,061,349

The notes on pages 32 to 62 form part of these financial statements.

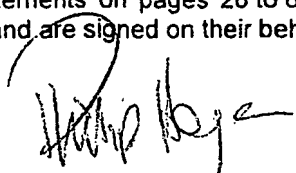
The Collegiate Trust
(A company limited by guarantee)
Registered number: 08058921

Consolidated balance sheet
as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	56,760,835	57,393,498
Current assets			
Stocks	15	12,398	11,722
Debtors	16	1,533,838	2,510,053
Cash at bank and in hand		1,834,547	1,936,486
		<u>3,380,783</u>	<u>4,458,261</u>
Creditors: amounts falling due within one year	17	(2,068,297)	(3,199,410)
Net current assets		<u>1,312,486</u>	<u>1,258,851</u>
Total assets less current liabilities		<u>58,073,321</u>	<u>58,652,349</u>
Defined benefit pension scheme liability	24	(7,526,000)	(7,591,000)
Total net assets		<u><u>50,547,321</u></u>	<u><u>51,061,349</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	57,009,148	57,596,669
Restricted income funds	18	63,777	-
Restricted funds excluding pension asset	18	<u>57,072,925</u>	<u>57,596,669</u>
Pension reserve	18	(7,526,000)	(7,591,000)
Total restricted funds	18	<u>49,546,925</u>	<u>50,005,669</u>
Unrestricted income funds			
Unrestricted funds	18	<u>1,000,396</u>	<u>1,055,680</u>
Total unrestricted income funds	18	<u>1,000,396</u>	<u>1,055,680</u>
Total funds		<u><u>50,547,321</u></u>	<u><u>51,061,349</u></u>

The financial statements on pages 28 to 62 were approved by the Trustees, and authorised for issue on 14 December 2020 and are signed on their behalf, by:

Mr P R Hogan
Chair of Trustees



The notes on pages 32 to 62 form part of these financial statements.

The Collegiate Trust
(A company limited by guarantee)
Registered number: 08058921

Academy Trust balance sheet
as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	56,760,835	57,393,498
Current assets			
Debtors	16	1,631,753	2,340,625
Cash at bank and in hand		1,761,758	1,878,806
		<u>3,393,511</u>	<u>4,219,431</u>
Creditors: amounts falling due within one year	17	(2,085,497)	(2,967,930)
Net current assets		<u>1,308,014</u>	<u>1,251,501</u>
Total assets less current liabilities		<u>58,068,849</u>	<u>58,644,999</u>
Defined benefit pension scheme liability	24	(7,526,000)	(7,591,000)
Total net assets		<u><u>50,542,849</u></u>	<u><u>51,053,999</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	57,009,148	57,596,669
Restricted income funds	18	63,777	-
Pension reserve	18	(7,526,000)	(7,591,000)
Total restricted funds	18	<u>49,546,925</u>	<u>50,005,669</u>
Unrestricted income funds	18	<u>995,924</u>	<u>1,048,330</u>
Total funds		<u><u>50,542,849</u></u>	<u><u>51,053,999</u></u>

The financial statements on pages 28 to 62 were approved by the Trustees, and authorised for issue on 14 December 2020 and are signed on their behalf, by:


Mr P R Hogan
Chair of Trustees

The Collegiate Trust
(A company limited by guarantee)

Consolidated statement of cash flows
for the year ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	20	(316,791)	(714,703)
Cash flows from investing activities	21	214,852	786,631
Change in cash and cash equivalents in the year		(101,939)	71,928
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year		1,936,486	1,864,558
Cash and cash equivalents at the end of the year	22, 23	1,834,547	1,936,486
		<hr/>	<hr/>

The notes on pages 32 to 62 form part of these financial statements

The Collegiate Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

1. Accounting policies

The Collegiate Trust is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Riddlesdown Collegiate, Honister Heights, Purley, Surrey, CR8 1EX. The principal activity of the Academy Trust is to provide education for pupils that satisfies the requirements of the Education Act 2002.

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

1.1 Basis of preparation of financial statements

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

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

The Consolidated statement of financial activities (SOFA) and Consolidated 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.

The Academy Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The Academy Trust's functional and presentational currency is Pounds Sterling.

The Academy Trust's financial statements are presented to the nearest £.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. While the impact of the COVID-19 pandemic has been assessed by the Trustees as far as reasonably possible, due to its unprecedented impact on the wider economy, it is difficult to evaluate with any certainty the potential outcomes on the Academy Trust's activities.

However, taking into consideration the UK Government's response and its continued support of schools, as well as the Academy Trust's own reserves and planning, 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. The Trustees confirm that 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.

The Collegiate Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2020

1. Accounting policies (continued)

1.3 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

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

- **Grants**

Grants are included in the Consolidated 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 Consolidated statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the Group on 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 Group. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2020

1. Accounting policies (continued)

1.5 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 Group 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 Group's educational operations, including support costs and costs relating to the governance of the Group apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7 Taxation

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

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

Notes to the financial statements
for the year ended 31 August 2020

1. Accounting policies (continued)

1.8 Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Consolidated 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 Consolidated statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

Freehold property	- 2% Straight Line
Leasehold property	- 2% Straight Line
Freehold Improvements	- 2% Straight Line
Computer equipment	- 25% Straight Line
Plant and equipment	- 20% Reducing Balance
Fixtures and fittings	- 20% Reducing Balance
Motor vehicles	- 25% Reducing Balance

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 Consolidated statement of financial activities.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Debtors

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

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Notes to the financial statements
for the year ended 31 August 2020

1. Accounting policies (continued)

1.12 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 Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.13 Provisions

Provisions are recognised when the Group 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.

1.14 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academy Trust'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 17. 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 the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.15 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2020

1. Accounting policies (continued)

1.16 Pensions

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

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

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

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2020

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

Multi-employer defined benefit pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

Tangible fixed assets

The Academy Trust has recognised tangible fixed assets with a carrying value of £56,760,835 at the reporting date (see note 14). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the Academy Trust determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the trustees consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Academy Trust undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Academy Trust's forecasts for the foreseeable future which do not include any restructuring activities that the Academy Trust is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

Critical areas of judgment:

Lease commitments

The Academy Trust has entered into a range of lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the governors to consider whether the terms and conditions of each lease are such that the Academy Trust has acquired the risks and rewards associated with the ownership of the underlying assets.

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2020

2. Critical accounting estimates and areas of judgement (continued)

Multi-employer defined benefit pension scheme

Certain employees participate in a multi-employer defined benefit pension scheme with other Academy Trusts in the region. In the judgement of the governors, the Academy Trust does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme. See note 24 for further details.

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Transferred on conversion	-	-	-	-	10,253,890
Donations	(1,566)	-	-	(1,566)	4,123
Capital Grants	-	-	795,586	795,586	874,692
Total 2020	(1,566)	-	795,586	794,020	11,132,705
Total 2019	386,013	(1,038,000)	11,784,692	11,132,705	

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2020

4. Funding for the Academy Trust's educational operations

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	19,052,647	19,052,647	18,253,094
Other DfE/ESFA Grants	2,849,412	2,849,412	1,282,162
	<u>21,902,059</u>	<u>21,902,059</u>	<u>19,535,256</u>
Other government grants			
Local Authority Grants	<u>1,225,297</u>	<u>1,225,297</u>	<u>1,742,587</u>
Exceptional government funding			
Coronavirus Job Retention Scheme grant	16,236	16,236	-
Coronavirus exceptional support	47,955	47,955	-
	<u>64,191</u>	<u>64,191</u>	<u>-</u>
Total 2020	<u><u>23,191,547</u></u>	<u><u>23,191,547</u></u>	<u><u>21,277,843</u></u>
Total 2019	<u><u>21,277,843</u></u>	<u><u>21,277,843</u></u>	

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

- The academy furloughed some of its catering staff under the government's CJRS. The funding received of £16,236 (2019: £Nil) relates to staff costs in respect of costs which are included within note 10 below as appropriate. In addition, the trading subsidiary furloughed its catering staff under the government's CJRS. The funding received of £76,009 (2019: £Nil) is recognised within note 5 as "income from subsidiary trading activities" and relates to staff costs in respect of costs which are included within note 10 below as appropriate.
- The funding received for coronavirus exceptional support covers £47,955 of additional cleaning, cleaning products and laptop purchase costs. These costs are included in notes 8 and 9 below as appropriate.

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2020

5. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from facilities/services	227,926	7,500	235,426	325,077
Catering	-	487,989	487,989	807,959
School fund	15,667	-	15,667	60,182
School trips	520,419	-	520,419	497,523
Music lessons	-	41,161	41,161	58,944
Breakfast club	-	16,479	16,479	23,753
Exam fees	-	11,941	11,941	18,283
Income from subsidiary trading activities	294,637	-	294,637	252,982
	<u>1,058,649</u>	<u>565,070</u>	<u>1,623,719</u>	<u>2,044,703</u>
Total 2019	<u>1,132,592</u>	<u>912,111</u>	<u>2,044,703</u>	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest received	894	894	878
	<u>894</u>	<u>894</u>	<u>878</u>
Total 2019	<u>878</u>	<u>878</u>	

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2020

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Expenditure on fundraising trading:					
Support costs	-	-	985,050	985,050	721,349
Activities:					
Direct costs	17,905,767	-	757,070	18,662,837	17,459,769
Support costs	3,161,344	1,690,056	3,043,921	7,895,321	7,679,661
	<u>21,067,111</u>	<u>1,690,056</u>	<u>4,786,041</u>	<u>27,543,208</u>	<u>25,860,779</u>
Total 2019	<u>19,618,411</u>	<u>1,572,852</u>	<u>4,669,516</u>	<u>25,860,779</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Educational operations	<u>18,662,837</u>	<u>7,895,321</u>	<u>26,558,158</u>	<u>25,139,430</u>
Total 2019	<u>17,459,769</u>	<u>7,679,661</u>	<u>25,139,430</u>	

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2020
Analysis of direct costs

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	-	17,905,766	17,905,766	16,641,194
Educational supplies	7,485	345,099	352,584	420,221
Staff development	-	71,202	71,202	88,494
Examination fees	-	286,365	286,365	274,780
Curriculum fees	-	46,920	46,920	35,080
	<u>7,485</u>	<u>18,655,352</u>	<u>18,662,837</u>	<u>17,459,769</u>
Total 2019	<u>4,937</u>	<u>17,454,832</u>	<u>17,459,769</u>	

Analysis of support costs

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Pension finance cost	-	161,000	161,000	140,000
Staff costs	-	3,161,345	3,161,345	2,977,217
Depreciation	-	1,216,722	1,216,722	1,297,176
Premises costs	-	1,690,056	1,690,056	1,578,871
Technology costs	-	142,014	142,014	39,619
Other support costs	-	628,225	628,225	826,856
Professional services	-	36,585	36,585	38,734
Licences and subscriptions	-	222,092	222,092	238,588
Computer maintenance	-	30,757	30,757	12,764
School trip costs	564,539	-	564,539	452,675
School fund costs	30,450	13,967	44,417	76,754
(Profit) / loss on disposal of assets	-	(2,431)	(2,431)	407
	<u>594,989</u>	<u>7,300,332</u>	<u>7,895,321</u>	<u>7,679,661</u>
Total 2019	<u>1,034,842</u>	<u>6,644,819</u>	<u>7,679,661</u>	

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2020

9. Net expenditure

Net expenditure for the year includes:

	2020	2019
	£	£
Operating lease rentals	25,848	19,386
Depreciation of tangible fixed assets	1,216,722	1,297,176
(Gain) / Loss on disposal of fixed assets	(2,431)	407
Fees paid to auditors for:		
- audit	20,750	20,750
- other services	6,050	13,400

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2020

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Wages and salaries	15,125,947	14,737,447	15,125,947	14,737,447
Social security costs	1,544,661	1,490,003	1,544,661	1,490,003
Pension costs	4,259,542	3,058,840	4,259,542	3,058,840
	20,930,150	19,286,290	20,930,150	19,286,290
Agency staff costs	123,942	185,486	123,942	185,486
Staff restructuring costs	13,019	146,635	13,019	146,635
	21,067,111	19,618,411	21,067,111	19,618,411

Staff restructuring costs comprise:

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Redundancy payments	13,019	97,266	13,019	97,266
Severance payments	-	49,369	-	49,369
	13,019	146,635	13,019	146,635

b. Non-statutory/non-contractual staff severance payments

There are no amounts included within staff restructuring costs which are non-statutory / non-contractual (2019: One payment of £49,369).

c. Staff numbers

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

	Group 2020 No.	Group 2019 No.	Academy 2020 No.	Academy 2019 No.
Teachers	273	271	273	271
Administration and Support	283	292	283	292
Management	12	12	12	12
	568	575	568	575

Notes to the financial statements
for the year ended 31 August 2020

10. Staff (continued)

d. Higher paid staff

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

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	8	10
In the band £70,001 - £80,000	8	3
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	1	1
In the band £120,001 - £130,000	1	2
In the band £130,001 - £140,000	1	-
In the band £180,001 - £190,000	1	1
	<hr/> <hr/>	<hr/> <hr/>

Nineteen of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2020, pension contributions for these employees amounted to £370,050 (2019: £206,419). Two employees participated in the Local Government Pension Scheme. During the year ended 31 August 2020, pension contributions for these employees amounted to £28,544 (2019: £16,392).

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,338,930 (2019: £1,142,464).

The Collegiate Trust
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Notes to the financial statements
for the year ended 31 August 2020

11. Central services

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

- Finance, HR and school improvement services
- Management services

The Group charges for these services on the following basis:

4.4% of GAG income (2019: 4% of GAG income)

The actual amounts charged during the year were as follows:

	2020 £	2019 £
Riddlesdown Collegiate	420,939	434,930
Gossops Green Primary School	99,686	80,751
Waterfield Primary	69,539	45,471
The Quest Academy	223,364	147,085
Courtwood Primary School	45,077	45,655
Gilbert Scott Primary School	50,799	48,191
Total	909,404	802,083

12. Trustees' remuneration and expenses

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

		2020 £	2019 £
Mr G H Smith, Chief Executive & Accounting Officer	Remuneration	185,000 - 190,000	180,000 - 185,000
	Pension contributions paid	40,000 - 45,000	25,000 - 30,000

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £Nil).

Other related party transactions involving the Trustees are set out in note 27.

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Group 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 £10,000,000. It is not possible to quantify the Trustees and Officers indemnity element from the overall cost of the RPA scheme.

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Notes to the financial statements
for the year ended 31 August 2020

14. Tangible fixed assets

Group and Academy

	Land and Buildings £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
Cost						
At 1 September 2019	60,532,821	529,982	412,633	975,101	15,521	62,466,058
Additions	213,319	234,838	39,604	98,867	-	586,628
Disposals	-	-	(14,000)	-	-	(14,000)
At 31 August 2020	<u>60,746,140</u>	<u>764,820</u>	<u>438,237</u>	<u>1,073,968</u>	<u>15,521</u>	<u>63,038,686</u>
Depreciation						
At 1 September 2019	4,076,726	136,509	231,137	621,860	6,328	5,072,560
Charge for the year	915,323	127,256	42,617	129,228	2,298	1,216,722
On disposals	-	-	(11,431)	-	-	(11,431)
At 31 August 2020	<u>4,992,049</u>	<u>263,765</u>	<u>262,323</u>	<u>751,088</u>	<u>8,626</u>	<u>6,277,851</u>
Net book value						
At 31 August 2020	<u>55,754,091</u>	<u>501,055</u>	<u>175,914</u>	<u>322,880</u>	<u>6,895</u>	<u>56,760,835</u>
At 31 August 2019	<u>56,456,095</u>	<u>393,473</u>	<u>181,496</u>	<u>353,241</u>	<u>9,193</u>	<u>57,393,498</u>

Included in land and buildings is freehold land at valuation of £11,234,000 (2019: £11,234,000) which is not depreciated.

15. Stocks

	Group 2020 £	Group 2019 £
Catering stock	<u>12,398</u>	<u>11,722</u>

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Notes to the financial statements
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16. Debtors

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Due within one year				
Trade debtors	83,575	214,715	52,530	142,962
Amounts owed by group undertakings	-	-	128,960	96,731
Other debtors	174,923	991,346	174,923	796,940
Prepayments and accrued income	1,275,340	1,303,992	1,275,340	1,303,992
	1,533,838	2,510,053	1,631,753	2,340,625

17. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Trade creditors	514,761	633,596	522,741	625,781
Amounts owed to group undertakings	-	-	36,504	36,504
Other taxation and social security	382,485	1,155,314	381,436	958,175
Other creditors	572,784	631,212	547,549	622,651
Accruals and deferred income	598,267	779,288	597,267	724,819
	2,068,297	3,199,410	2,085,497	2,967,930

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Deferred income at 1 September	294,717	251,497	294,717	251,497
Resources deferred during the year	301,679	294,717	301,679	294,717
Amounts released from previous periods	(294,717)	(251,497)	(294,717)	(251,497)
	301,679	294,717	301,679	294,717

The deferred income above relates to monies received in advance of the year for school trips to take place in 2020/21, Universal Infant Free School Meals, Rates Relief and Other Local Government Grants which are recognised over the period to which it relates.

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Notes to the financial statements
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18. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds	1,048,331	763,340	(602,474)	(213,273)	-	995,924
Trading Company	7,349	294,637	(985,050)	687,536	-	4,472
	<u>1,055,680</u>	<u>1,057,977</u>	<u>(1,587,524)</u>	<u>474,263</u>	<u>-</u>	<u>1,000,396</u>
Restricted general funds						
General Annual Grant (GAG)	-	19,052,647	(18,510,420)	(478,450)	-	63,777
General Restricted	-	565,070	(570,799)	5,729	-	-
Other DfE / ESFA Grants	-	2,897,367	(2,897,367)	-	-	-
Local Authority Grants	-	1,241,533	(1,241,533)	-	-	-
Pension reserve	(7,591,000)	-	(1,354,000)	-	1,419,000	(7,526,000)
	<u>(7,591,000)</u>	<u>23,756,617</u>	<u>(24,574,119)</u>	<u>(472,721)</u>	<u>1,419,000</u>	<u>(7,462,223)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	57,393,498	-	(1,216,722)	584,059	-	56,760,835
DfE / ESFA Capital Grants	189,126	705,586	(76,391)	(585,604)	-	232,717
Local Authority Capital Grants	14,045	90,000	(88,452)	3	-	15,596
	<u>57,596,669</u>	<u>795,586</u>	<u>(1,381,565)</u>	<u>(1,542)</u>	<u>-</u>	<u>57,009,148</u>
Total Restricted funds	<u>50,005,669</u>	<u>24,552,203</u>	<u>(25,955,684)</u>	<u>(474,263)</u>	<u>1,419,000</u>	<u>49,546,925</u>
Total funds	<u>51,061,349</u>	<u>25,610,180</u>	<u>(27,543,208)</u>	<u>-</u>	<u>1,419,000</u>	<u>50,547,321</u>

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

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Notes to the financial statements
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18. Statement of funds (continued)

Restricted funds:

GAG represents funds to be used to cover the normal running costs of the Academy Trust.

Other DfE/ESFA grants represents grants provided for specific purposes, such as pupil premium which is used to support disadvantaged pupils and assist them in decreasing the attainment gap between them and their peers.

The Restricted fixed asset fund represents the leasehold land and buildings and other assets which were donated upon conversion to academy status, the value of fixed assets purchased since conversion including depreciation to the balance sheet date.

DfE/ESFA capital grants funds is to provide the Academy Trust with its own capital money to address improvements to buildings and other facilities. The balance on the fund represents the value of fixed assets purchased in the financial year including depreciation to the balance sheet date and unspent capital grant money to be spent in 2020/21.

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

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Riddlesdown Collegiate (including Central Trust)	591,876	631,696
Gossops Green Primary School	137,944	147,495
The Collegiate Trust Trading Limited	4,472	7,349
Waterfield Primary School	(139,576)	(124,970)
The Quest Academy	221,495	152,825
Courtwood Primary School	145,297	182,456
Gilbert Scott Primary School	102,665	58,829
Total before fixed asset funds and pension reserve	1,064,173	1,055,680
Restricted fixed asset fund	57,009,148	57,596,669
Pension reserve	(7,526,000)	(7,591,000)
Total	50,547,321	51,061,349

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Notes to the financial statements
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18. Statement of funds (continued)

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £
Waterfield Primary School	(139,576)

The deficit at Waterfield Primary School was as a result of unexpected exceptional costs arising in the year including severance pay and redundancy costs associated with a staffing restructure.

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

Waterfield have fallen in to a deficit position due to redundancy costs absorbed throughout the academic year. The Trust have worked with the principal over the past two years to restructure the staff at the school to bring staff costs down to ensure an ongoing balanced budget.

The Trust has also invested heavily in advertising the school to increase pupil numbers. This approach is working as the school has gone from 325 pupils in 2018/19 to 334 pupils in 2019/20 and 366 on census in 2020/21. This will result in significant additional income, approx. £126k which the Trust will look to incorporate in future budget periods to repay back to reserves as part of the Trust reserve policy.

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Riddlesdown Collegiate (including Central Trust)	8,654,020	2,340,615	362,706	1,744,292	13,101,633	11,798,207
Gossops Green Primary School	1,960,875	120,012	59,622	234,795	2,375,304	2,350,620
Waterfield Primary School	1,274,256	101,278	36,887	296,112	1,708,533	1,617,271
The Quest Academy	3,816,917	368,156	242,819	754,739	5,182,631	4,962,191
Courtwood Primary School	1,110,255	95,359	39,320	190,945	1,435,879	1,358,793
Gilbert Scott Primary School	1,086,568	244,562	23,862	182,464	1,537,456	1,755,172
Academy Trust	17,902,891	3,269,982	765,216	3,403,347	25,341,436	23,842,254

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18. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	834,157	2,178,612	(1,039,779)	(924,659)	-	1,048,331
Trading Company	31,322	252,982	(721,349)	444,394	-	7,349
	<u>865,479</u>	<u>2,431,594</u>	<u>(1,761,128)</u>	<u>(480,265)</u>	<u>-</u>	<u>1,055,680</u>
Restricted general funds						
General Annual Grant (GAG)	-	18,253,094	(18,283,788)	30,694	-	-
Other DfE / ESFA Grants	-	1,282,162	(1,282,162)	-	-	-
Local Authority Grants	-	1,742,587	(1,742,587)	-	-	-
Pension reserve	(3,570,000)	(1,038,000)	(831,000)	-	(2,152,000)	(7,591,000)
	<u>(3,570,000)</u>	<u>20,239,843</u>	<u>(22,139,537)</u>	<u>30,694</u>	<u>(2,152,000)</u>	<u>(7,591,000)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	47,309,845	10,910,000	(1,297,176)	470,829	-	57,393,498
DfE / ESFA Capital Grants	12,675	852,064	(662,938)	(12,675)	-	189,126
Local Authority Capital Grants	-	22,628	-	(8,583)	-	14,045
	<u>47,322,520</u>	<u>11,784,692</u>	<u>(1,960,114)</u>	<u>449,571</u>	<u>-</u>	<u>57,596,669</u>
Total Restricted funds	<u>43,752,520</u>	<u>32,024,535</u>	<u>(24,099,651)</u>	<u>480,265</u>	<u>(2,152,000)</u>	<u>50,005,669</u>
Total funds	<u>44,617,999</u>	<u>34,456,129</u>	<u>(25,860,779)</u>	<u>-</u>	<u>(2,152,000)</u>	<u>51,061,349</u>

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Notes to the financial statements
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19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	56,760,835	56,760,835
Current assets	1,032,591	2,099,879	248,313	3,380,783
Creditors due within one year	(32,195)	(2,036,102)	-	(2,068,297)
Provisions for liabilities and charges	-	(7,526,000)	-	(7,526,000)
Total	1,000,396	(7,462,223)	57,009,148	50,547,321

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	57,393,498	57,393,498
Current assets	4,255,090	-	203,171	4,458,261
Creditors due within one year	(3,199,410)	-	-	(3,199,410)
Provisions for liabilities and charges	-	(7,591,000)	-	(7,591,000)
Total	1,055,680	(7,591,000)	57,596,669	51,061,349

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Notes to the financial statements
for the year ended 31 August 2020

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

	Group 2020 £	Group 2019 £
Net (expenditure)/income for the period (as per Statement of financial activities)	(1,933,028)	8,595,350
Adjustments for:		
Depreciation	1,216,722	1,297,176
Capital grants from DfE and other capital income	(795,586)	(874,692)
Interest receivable	(894)	(878)
Defined benefit pension scheme obligation inherited	-	1,038,000
Defined benefit pension scheme cost less contributions payable	1,193,000	691,000
Defined benefit pension scheme finance cost	161,000	140,000
(Increase)/decrease in stocks	(676)	671
Decrease/(increase) in debtors	976,215	(2,007,607)
(Decrease)/increase in creditors	(1,131,113)	1,698,167
Assets transferred from local authority on conversion	-	(10,910,000)
Cash transferred from local authority on conversion	-	(381,890)
(Profit) / Loss on disposal of fixed assets	(2,431)	-
Net cash used in operating activities	(316,791)	(714,703)

21. Cash flows from investing activities

	Group 2020 £	Group 2019 £
Dividends, interest and rents from investments	894	878
Purchase of tangible fixed assets	(586,628)	(487,611)
Proceeds from the sale of tangible fixed assets	5,000	16,782
Capital grants from DfE Group	795,586	874,692
Cash transferred from local authority on conversion	-	381,890
Net cash provided by investing activities	214,852	786,631

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22. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	1,834,547	1,936,486
Total cash and cash equivalents	1,834,547	1,936,486

23. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	1,936,486	(101,939)	1,834,547
	1,936,486	(101,939)	1,834,547

Notes to the financial statements
for the year ended 31 August 2020

24. Pension commitments

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

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

Contributions amounting to £363,406 were payable to the schemes at 31 August 2020 (2019 - £285,020) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £2,785,547 (2019 - £1,979,019).

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

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

Notes to the financial statements
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24. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,126,000 (2019 - £1,071,000), of which employer's contributions totalled £870,000 (2019 - £823,000) and employees' contributions totalled £ 256,000 (2019 - £248,000). The agreed contribution rates for future years are 15.1 to 24.7 per cent for employers and 5.5 to 12.5 per cent for employees.

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

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	2.20 - 2.80	2.80 - 3.00
Rate of increase for pensions in payment/inflation	2.20 - 2.30	2.3
Discount rate for scheme liabilities	1.70	1.80 - 1.90

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

	2020	2019
	Years	Years
Retiring today		
Males	21.9 - 22.2	21.8 - 22.3
Females	23.9 - 24.2	23.6 - 24.4
Retiring in 20 years		
Males	22.5 - 23.3	23.0 - 24.0
Females	25.3 - 25.9	25.5 - 26.2

Sensitivity analysis

	2020	2019
	£000	£000
Discount rate -0.5%	2,153	2,193
Mortality assumption - 1 year increase	172	235
CPI rate +0.5%	1,947	1,919

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24. Pension commitments (continued)

Share of scheme assets

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

	2020 £	2019 £
Equities	5,819,000	5,002,000
Corporate bonds	2,446,000	2,318,000
Property	1,066,000	1,047,000
Cash and other liquid assets	210,000	186,000
Total market value of assets	9,541,000	8,553,000

The actual return on scheme assets was £-31,000 (2019 - £596,000).

The amounts recognised in the Consolidated statement of financial activities are as follows:

	2020 £	2019 £
Current service cost	(2,028,000)	(1,482,000)
Past service cost	(35,000)	(32,000)
Interest income	170,000	206,000
Interest cost	(331,000)	(346,000)
Transfer in on conversion from Local Authority	-	(1,038,000)
Total amount recognised in the Consolidated statement of financial activities	(2,224,000)	(2,692,000)

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

	2020 £	2019 £
At 1 September	16,144,000	9,930,000
Transferred in on existing academies joining the trust	-	1,599,000
Service costs	2,063,000	1,514,000
Interest cost	331,000	346,000
Employee contributions	256,000	248,000
Actuarial (gains)/losses	(1,590,000)	2,593,000
Benefits paid	(137,000)	(86,000)
At 31 August	17,067,000	16,144,000

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24. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	8,553,000	6,360,000
Transferred in on existing academies joining the trust	-	561,000
Interest income	170,000	206,000
Actuarial (losses)/gains	(171,000)	441,000
Employer contributions	870,000	823,000
Employee contributions	256,000	248,000
Benefits paid	(137,000)	(86,000)
At 31 August	9,541,000	8,553,000

25. Operating lease commitments

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

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Not later than 1 year	25,848	25,848	25,848	25,848
Later than 1 year and not later than 5 years	84,006	103,392	84,006	103,392
Later than 5 years	-	6,462	-	6,462
	109,854	135,702	109,854	135,702

26. Members' liability

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

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27. Related party transactions

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

Octavo Business Partnership

A mutual trading company owned by the Croydon Headteachers Association (CHTA), Croydon Council and Octavo staff to provide support, services and training to education providers in London. The Chief Executive and Accounting Officer, Mr G H Smith is a director of Octavo Business Partnership. During the year the Academy Trust paid £4,237 for services provided (2019: £2,142). There were amounts of £Nil (2019: £3,333) due to the partnership as at the year end.

Croydon Headteachers Association (CHTA)

A network to provide networking, support and training to the Headteachers of education providers in Croydon. The Chief Executive and Accounting Officer, Mr G H Smith is a director of the CHTA. The Principal of The Quest Academy, Mr A Crofts, is also a director of the CHTA. During the year the Academy Trust paid £2,677 (2019: £1,445) for their services. There were amounts of £13 (2019: £Nil) due to the partnership as at the year end.

Beaumont Primary School

A community school located in Purley. The Chief Executive and Accounting Officer, Mr G H Smith is a governor of Beaumont Primary School. During the prior year the Academy Trust paid £2,045 for recruitment expenses on Beaumont Primary School's behalf, there were no such expenses paid in the current year. There were no amounts due to the School as at the year end.

28. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2020 the trust had unspent funds brought forward of £12,797 (2019: £6,667), received £33,203 (2019: £37,741) and disbursed £29,441 (2019: £31,611) from the fund. The trust had unspent funds carried forward of £16,559 (2019: £12,797) and these are included within creditors: amounts falling due in less than one year relating to undistributed funds.

29. Controlling party

The Academy Trust is run by the management team on a day to day basis. Strategic decisions are made by the Board of Trustees. There is no ultimate controlling party.

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**Notes to the financial statements
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30. Principal subsidiaries

The following was a subsidiary undertaking of the Academy Trust:

Name	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
The Collegiate Trust Trading Limited	09317797	Honister Heights, Purley, Surrey, CR8 1EX	Provision of catering services	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
The Collegiate Trust Trading Limited	1,017,115	1,019,993	(2,878)	4,472