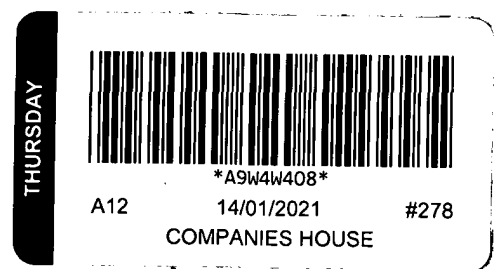


Company Registration No. 08120128 (England and Wales)

THE DUNHAM TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020



Haines Watts
Chartered Accountants & Registered Auditors
Bridge House
157A Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT

THE DUNHAM TRUST

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THE DUNHAM TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

N Payne (Chair of Trustees)
D Vanstone
P Cherry
R Tarbuck
K Moss (Appointed 24 September 2019)
P Reilly (Resigned 24 September 2019)

Members

N Payne
P Reilly
R Tarbuck

Executive management team (The Dunham Trust)

- Interim CEO & Accounting Officer	J Carmichael
- Executive Principal (School Improvement)	S Beswick
- Finance Director	N Toop

School leadership team

- Head of School - Elmridge Primary School	M Edmundson
- Head of School - Acre Hall Primary School	A White
- Head of School – Lime Tree Primary Academy	C Larkin
- Head of School – The Orchards	H O'Brien
- Headteacher – Barton Clough Primary School	S Beswick (Interim); (J Goodfellow (resigned 30 April 2020))

Company secretary

N Toop

Company name

The Dunham Trust

Company registration number

08120128 (England and Wales)

Registered office

The Dunham Trust Hub
Irlam Road
Flixton
Manchester
M41 6NA

Academies operated

Elmridge Primary School
Acre Hall Primary School
The Orchards Special Free School
Lime Tree Primary Academy
Barton Clough Primary School

Location

Wilton Drive, Hale Barns
Irlam Road, Flixton
Irlam Road, Flixton
Budworth Road, Sale
Audley Ave, Stretford

Head of School

M Edmundson
A White
H O'Brien
C Larkin
S Beswick (Interim)

THE DUNHAM TRUST

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)

Independent auditor

Haines Watts
Bridge House
Ashley Road
Hale
Altrincham
WA14 2UT

Solicitors

Eversheds Sutherland
Eversheds House
70 Great Bridgwater Street
Manchester
M1 5ES

Stone King LLP
1 Park Row
Leeds
LS1 5HN

Bankers

Lloyds Bank Plc
76-78 Stamford New Road
Altrincham
WA14 1BS

THE DUNHAM TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust continues to operate five primary academies serving catchment areas in Trafford. Its academies have a combined pupil capacity of 1,467 (ages 2-11) and had a roll of 1,260 in the autumn school census of October 2020.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee (company number: 08120128) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of The Dunham Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Dunham Trust.

Details of the trustees who served during the year are included in the reference and administrative details on page 1 together with details of the company's registered office address.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the trust has purchased professional indemnity and directors' and officers' insurance to protect the trustees and officers from claims arising from negligence, errors or omissions occurring whilst on academy business. Further details are disclosed at note 11.

Method of recruitment and appointment or election of trustees and local board governors

The members of the trust are responsible for the appointment of trustees - there should be a clear separation between members and trustees to allow for robust challenge and accountability. It is permissible for members to also act as trustees but the majority should not sit on both groups and the trust are working towards further separation of members and trustees.

In accordance with the trust's Scheme of Delegation the CEO, on behalf of the board of trustees, is responsible for the appointment of local governors. Executive leaders support local boards with the recruitment and induction process of local governors. The trust regularly and successfully recruits through "Inspiring Governance", which allows the trust and schools to explore potential candidates in relation to locality and skillset in order to complement the skills of the existing board.

Each school's local governing board includes the head, a staff representative and two parent representatives. A maximum of 6 co-opted local governors, appointed by the CEO on behalf of the trustees, make up the remainder of a school's local board of governors.

Policies and procedures adopted for the induction and training of trustees and local board governors

Trustees and governors are appointed based on the skills that they will bring to the governing body or board of trustees based on a proposal to the governing body by representative groups. On appointment, trustees and governors receive information relating to the trust, attend a briefing and receive an induction pack on the role and responsibilities of governors, including a code of conduct declaration.

During their term, trustees and governors are offered all necessary training to support them in their roles.

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Organisational structure

The governance of the trust is defined in the memorandum and articles of association together with the Funding Agreement with the Department for Education. These documents are supported in an operational capacity by the Scheme of Delegation which details the responsibilities of members, trustees, executive trust team, local governing body and head of school.

The board of trustees presides over the local governing bodies of each member school. The board of trustees meets at least half termly. The local board of governors meets once each term to receive reports from its sub-committees and manage its strategic objectives. The trust board has a Finance, Audit & Risk sub-committee and a Pay & Performance sub-committee, and the Local Governing Body has two sub-committees:

- Resources: which meets at least termly to consider the academy's budgets and financial performance as well as staffing, buildings and health and safety; and
- Teaching and Learning: which meets at least termly to consider academic performance against targets and pupil wellbeing.

The day to day management of each school is delegated to the Interim CEO/ Accounting Officer who has appointed a trust executive leadership team, which meets fortnightly to advise the CEO about their day to day responsibilities. The senior leadership team includes the head of each school, and this wider team meets formally on a half-termly basis.

Arrangements for setting pay and remuneration of key management personnel

The trust has a Pay Policy and Executive Pay Statement that is reviewed annually. The setting of pay and remuneration of key management personnel within the trust is as follows:

- All posts within the structure have detailed job descriptions and person specifications which are subject to annual review and which are written with due regard to enabling staff to maintain a reasonable work/life balance.
- Pay and remuneration is managed at individual school level by their resources committee, excluding Head of School pay which is set by the Trust Pay & Performance committee.
- The Pay and remuneration committee of the trust board set the ISR for the trust and Individual school leaders, applying STPCD criteria for group range calculations.
- Each local board has applied the STPCD in respect of teaching staff and has determined the range and grade of each support staff post in accordance with the PARIS job evaluation scheme, taking into account the duties and responsibilities of each post.
- The local governing bodies have the option of paying outside of the terms of STPCD in exceptional circumstances when warranted, with trust board approval.
- Each local governing body is fully committed to the operation of an appraisal process for teachers and support staff, with the objective of maximising the professional development of all staff and progress of pupils.

Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, as the Dunham Trust has more than 49 full time equivalents employees throughout any 7 months of the year, section 2 of the regulations relating to trade union facility time are published as follows:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

Percentage of time spent on facility time

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

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Percentage of pay bill spent on facility time

Total cost of facility time	0
Total pay bill	£6,701,000
Percentage of total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	N/A
---------------------------------------------------------------------------------------------	-----

Related parties and other connected charities and organisations

The members, directors, trustees, governors, senior staff and their families are regarded as related parties in accordance with the definitions in the Charities SORP. As such, The Dunham Trust has conducted related party transactions in this period. Further details of this can be found in note 24.

Objectives and activities

Objects and aims

The trust's object is to advance for the public benefit education for children aged 2 to 11 by establishing, maintaining, carrying on, managing and developing schools offering a broad, balanced, relevant and differentiated curriculum. The trustees' vision is to create a culture of success to extend lifetime opportunities for young people and to do everything possible to encourage this. The Dunham Trust believes that children should develop a happy way of being together, that their self-respect leads to a respect for the rights and needs of other children and adults from their own culture and other cultures and for the opposite gender.

The trust is aiming to educate the whole child by presenting a total experience which is right and relevant to his/her individuality, thus fostering the child's intellectual, physical, cultural, moral and spiritual development.

The trust aims to teach a broad and balanced curriculum as described above followed by an assessment of the children's progress. We also provide time for reflection and evaluation by the teaching staff. We recognise that change and progress are an important part of everyday life and, therefore, aim to equip children to cope and flourish in dealing with the challenges faced by such changes.

The Dunham Trust is a growing trust with very clear educational aims and expectations. One of The trust's primary aims is to transform the schools within the trust into sustainable learning communities. The trust wants to create a community of good and outstanding schools with the highest aspirations. The skills and expertise that exist within the trust will ensure that our academies and young people aspire to, and achieve, success. We achieve this through a well-structured School Improvement Programme which is supported by the trust's two teaching schools.

Objectives, strategies and activities

The trust's objective for the year ended 31 August 2020 was to raise the attainment level and progress measure of all students through care and well-being, curriculum structure, teaching and learning, and leadership development.

Student roll: The total number on roll (Nursery to Year 6) for the year to 31 August 2020 was 288 (Acre Hall), 176 (Barton Clough), 231 (Elmridge), 480 (Lime Tree) and 85 (Orchards) as of October 2020 census (note there was no May 2020 census).

Admissions: During the period, Acre Hall Primary School had an official capacity (Nursery to Year 6 headcount) of 397, Barton Clough Primary of 282, Elmridge of 262, Lime Tree Primary of 496 and The Orchards of 108. Acre Hall continues to grow towards capacity and Barton Clough reduction in numbers is due to the nursery class not being open in 2020. The Orchards moved into its' new purpose-built free school building in Stretford in September 2020 and pupil numbers are growing rapidly now that the permanent building is open.

Staffing: The average number of (full time equivalent) staff employed across the trust during the year to 31 August 2018 was 205.

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Public benefit

The trust has a specific public benefit purpose to; operate institutions of state funded education; manage these schools at their optimum in terms of efficiency and value for money to maximise benefit to their pupils; to innovate in education and to provide improved access to better quality schooling.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Strategic report

Achievements and performance

Achievement and performance of the schools within The Dunham Trust was not formally measured during 2019/20 due to COVID partial closures of schools and the cancellation of formal SATS tests and other assessment methods.

There were no formal OFSTED inspections during the academic year and school judgments continue to be as follows:

- Acre Hall – GOOD
- Barton Clough – INADEQUATE (prior to academy conversion)
- Elmridge – OUTSTANDING
- Lime Tree – OUTSTANDING
- The Orchards - GOOD

Barton Clough has yet to receive an OFSTED judgment since becoming a sponsored academy in March 2018. Barton Clough is a smaller than average-sized primary school. The proportion of pupils from minority ethnic groups is above the national average and the proportion of pupils who speak English as an additional language is broadly average. The proportion of pupils known to be eligible for pupil premium is well above the national average. The proportion of pupils that have a statement of special educational needs or an education, health and care plan is high as the school has a specialist resourced provision for those with complex learning needs.

Following its inspection in December 2016, Barton Clough was judged as inadequate. Previously, it had been judged to be outstanding. Barton Clough joined the trust on 1 March 2018 and the trust is working with the school to make improvements in the areas of recommendation from the OFSTED report as part of the journey to a 'Good' OFSTED judgment. These areas are:

- Improve the quality of education
- Improve behaviour and attitudes
- Improve personal development
- Improve leadership and management

The trust continues to boast two designated teaching schools (Lime Tree and Elmridge) which both have an OFSTED rating of 'Outstanding'.

A teaching school's role is to:-

- Lead on Initial Teacher Training
- Lead on Professional and Leadership Development
- Lead on School to School Support

Elmridge gained its teaching school status in partnership/job-share with St Chads CofE, in Oldham. Elmridge and St Chads joined together to work in a collaborative manner, sharing a vision "Give, Gain, Grow". Lime Tree gained its teaching school designation via The Everyone Learning@ Alliance in Tameside.

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

COVID-19 Impact

In line with national lockdown restrictions, the schools within The Dunham Trust partially closed between March 2020 and July 2020, offering provision for key worker families and vulnerable pupils. Virus control measures were strictly implemented with stringent controls around social bubbles, sanitisation and deep cleaning. During this time all schools offered a remote learning package and maintained regular contact with those families and pupils who were not identified as key worker families or vulnerable pupils. All trust staff were involved in the effort to keep schools open, working on a rota system to provide in-school support to pupils attending school and working remotely supporting pupils with a remote learning package.

Heads of School and the CEO maintained regular contact with Local Authority leaders and public health, ensuring that daily updates and guidance from the DfE was swiftly implemented and communicated to parents and carers.

All schools ensured that vouchers or food parcels were provided to eligible families throughout partial school closures, including holiday periods. This involved schools initially funding vouchers or food parcels from school budgets and then taking part in the government Edenred free school meal voucher scheme once introduced.

COVID-19 had a significant impact on both staff and pupils from both an educational and mental health perspective and continues to impact hugely on the day to day operations of each school. School leaders have prioritised:

- children's and staff's mental well-being
- children's physical health
- a curriculum that takes into account what pupils have missed and opportunities to catch up
- children seeing their friends again

School leaders are assessing the impact on pupils and implementing a targeted recovery curriculum, along with increased pastoral support. COVID-19 catch-up funding will be utilised in 2020-21 to support some of the identified initiatives. All national tests were cancelled for 2019/2020, this included:

- Early Years Foundation Stage Profile
- Year 1 Phonics
- Key Stage 1
- Year 4 Multiplication Tables Check
- Key Stage 2

The government will not be publishing any school educational performance data based on tests, assessments or exams at any phase for 2020. The performance tables that were due to be released in October and December 2020, and in January and March 2021, will not go ahead.

Operational pressure continues to impact on a daily basis, as school leaders support track & trace, offer remote learning when positive cases and bubble closures occur and also cover staff who are shielding or isolating. Stringent controls remain in place over mixing of pupils and staff and sanitation and hygiene.

The financial impact of COVID was significant in 2019/20, with the trust incurring exceptional costs relating to free school meal vouchers, increased hygiene measures and cleaning, along with a significant loss of self-generated income from wrap around care and nursery provision. The impact of this across the trust was in excess of £100,000. This impact continues in 2020/21, along with increased requirements for supply staff to keep schools safely open. Trustees have managed this situation and planned for the continued impact in 2020/21 by ensuring extra contingency was included at budget setting; this should allow the trust to maintain its' reserves at an adequate level however is dependent upon the length of time that increased measures are required and the impact on school staffing levels.

Throughout the pandemic, trustees and local governors have monitored the situation closely and school leaders have increased their reporting of principal risks and uncertainties through detailed risk registers, risk assessments and extraordinary meetings. The trust has one Special Primary School and 2 schools offering specialist resourced provisions for high needs pupils – the ongoing impact has been even more acute in these settings and is being closely monitored with regular liaison with public health, Local Authority leaders and the DfE.

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Attendance

Attendance figures for the reporting year have also been impacted by COVID-19 closures in Spring & Summer term.

Financial KPI's:

- Income (percentage of general funds income derived from GAG & other funding) – 94.1% (2018/19 91.7%)
- Staff costs as a percentage of general funds income – 83.5% (2018/19 - 83.4%)
- Cash balance at year end - £907,000 (31.08.19 £903,000)

Other notable achievements across the trust during the year:

- Development of a strategic capital improvement plan and continued successful programme of improvements across the estate.
- Significant increase in revenue reserves to allow future strategic investment.
- Worked closely with the ESFA free schools capital team towards the completion of the works at the new state of the art special needs facility for The Orchards School in Stretford (opened September 2020), funded by the ESFA and donated to the trust post year end.
- School improvement across the trust and support for families during the COVID crisis.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

As noted in the COVID-19 statement, trustees have set aside extra contingency in 2020/21 budgets for the ongoing impact of COVID on trust reserves and the impact on going concern is monitored closely via monthly management accounts.

Financial review

The trust's financial position for the period to 31 August 2020 demonstrates total income of £8,071,000 with a revenue surplus achieved in the year of £359,000 (before depreciation charges or pension adjustments). The surplus has been transferred to reserves.

The trust is predominantly funded by the ESFA General Annual Grant and other government grants. The funding is predominantly restricted for the purposes of education. The trust is driven to use all of its resources for the provision (directly or indirectly) for this restricted purpose in order to provide the best quality education for its pupils.

The reserves will be utilised for continuous improvements and for the repair and replacement of educational equipment and materials. Reserves will also be allocated to the repair, replacement and updating of the academy's buildings, its plant, equipment and contents and also for specific building projects.

The principal financial management policies adopted in the year are:

- regular financial reviews of income and expenditure versus planned budgets and capital budgets at Trustees, Finance, Audit and Risk and Resources Committee meetings; and
- consideration as to whether income streams demonstrate a robust and stable position to continue to enable the provision of resources of sufficient quality to fulfil the academy's educational obligations.

Free reserves carried forward at 31 August 2020 of £604,000 will be utilised as part of the medium and long term plans of the academy to improve and update its educational resources, materials and equipment, and additionally provide a continuous improvement plan to maintain and repair the site and facilities.

The trust continues to repay Greater Manchester Pension Fund on a monthly basis for the ill health retirement capital cost that was levied in 2017/18 of £158,000, with £75,000 outstanding at the balance sheet date, and have put measures in place to protect the trust against any future pension liabilities.

The trust continues to meet the cost of extra resources required to keep schools safely open during the COVID-19 pandemic.

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Reserves policy

The trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure stream, the need to match income with commitments and the nature of reserves. The Trustees updated their reserves policy in 2019/20 following significant increase in reserves and have determined that the appropriate level of free reserves should never be less than £540,000 which is based on the value of one months' payroll. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves (total funds less the amount held in fixed assets restricted fund but excluding pension reserve) is £604,000.

Investment policy

The trust does not consider the investment of surplus funds as a primary activity; rather it is the result of good stewardship as and when circumstances allow.

The purpose of the policy is to:

- Ensure adequate cash balances are maintained in the current account to cover day-to-day working capital requirements.
- Ensure there is no risk of loss in the capital value of any cash funds invested.
- Protect the capital value of any invested funds against inflation.
- Optimise returns on invested funds.

Principal risks and uncertainties

The Dunham Trust has adopted a Risk Management Policy and has created a Risk Register and regular risk review process at both a trust and school level. The objective of this is to regularly review and, where it is considered necessary, put in place measures of control and mitigation in order to manage risk.

The principal risks are seen as the loss of reputation through falling standards, falling student rolls, managing growth of free school, failure to safeguard our students, failure to maintain our buildings to a safe standard and failure to operate safely during the COVID-19 pandemic.

Key controls in place are:

- an organisational structure with defined roles, responsibilities and authorisation levels;
- terms of reference for the committees of the governing bodies;
- financial planning; budgeting and regular management reporting highlighting areas of financial risk;
- formal written and published policies for employees; and
- vetting procedures as required by law for the protection of the vulnerable.

During the summer term all schools produced specific COVID-19 risk registers and risk assessments and trustees met on a weekly basis to receive updates on the evolving risks in schools.

The academy has recognised its share of the Local Government Pension Scheme (LGPS) assets and liabilities in accordance with FRS102. A deficit has been recognised at 31 August 2020. Future contribution rates are adjusted so as to reduce this deficit.

Fundraising

The Dunham Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the trustees and local governing bodies.

Plans for future periods

The trust will continue to expand the capacity of Acre Hall, Barton Clough and The Orchards in every aspect and these schools will continue to improve.

The trust will continue to search out new and innovative ways of expanding its own capacity and developing the learning opportunities for those children fortunate enough to fall under its influence. In order to effect this, the trust continually seeks further opportunities to strengthen its capacity and seek further economies of scale.

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

As a result of this strategy, the trustees agreed to seek a merger with a suitable partner to form a larger MAT and the proposal to merge with Bright Futures Educational Trust was approved by the Regional Schools Commissioner and Head Teacher Board in September 2020. This is part of a well-planned journey and the trust is confident that this is the right way forward for all academies.

As noted in the COVID-19 statement, school leaders will continue to prioritise dealing with the daily operational issues arising from the pandemic – supporting pupils and families as they return to school, offering a full suite of remote learning, ensuring both staff and pupil safety and continuous communication with external agencies and parents.

Auditor

Insofar as the trustees are aware:

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

This trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 15 December 2020 and signed on the board's behalf by:


.....
N Payne
Chair of trustees

THE DUNHAM TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Dunham 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 delegates the day-to-day responsibility to the trust's CEO, as accounting officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Dunham Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control. This work is aided by each member academy's local governing body and their sub-committees.

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

Governance

The information on governance included here supplements that described in the trustees' report and in the statement of trustees' responsibilities.

Governance review

The board of trustees takes a proactive approach to its review of effectiveness of the trustees. An annual skills audit informs the overall skill set of the board and highlights any action for review in respect of skills gaps. A full review of membership and committees is undertaken at the beginning of each academic year to ensure there is an adequate skills set and representation for each committee. All meetings are effectively clerked by the trust's external clerking service and minutes clearly document actions and priorities. The trust's scheme of delegation clearly details delegated authorities and governors understand their responsibilities. The annual skills audit for 2020/2021 has already been completed. A full review, with consideration to the governance framework, is due early 2021.

The board of trustees has met nine times in the year, seven of these being scheduled meetings for the year and two being held to deal with matters arising, including the COVID-19 response. Attendance for the meetings was as follows:

Trustees	Meetings attended	Out of possible
N Payne (Chair of Trust)	9	9
P Cherry (HR)	9	9
D Vanstone (Safeguarding)	9	9
R Tarbuck (Finance)	9	9
K Moss (Pupil welfare) (appointed 24 September 2019)	8	9
J Carmichael (Attended in capacity of Interim Accounting Officer)	9	9

The Finance, Audit and Risk Committee is a sub-committee of the main board of trustees. The purpose of the committee is to provide oversight of the financial reporting process, the audit process, the system of internal controls and compliance with laws and regulations, monitor the risk profile of the Trust and the risk management techniques employed at all levels. The committee supports the Accounting Officer in ensuring the adequacy of risk management, internal control and governance arrangements and that public funds are used efficiently and effectively

THE DUNHAM TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The committee has met two times during the year and attendance at the meetings was as follows:

Trustees	Meetings attended	Out of possible
R Tarbuck (Chair of Committee)	2	2
P Cherry	2	2
K Moss	2	2
J Carmichael (Interim CEO/ Accounting Officer)	2	2
N Toop (Finance Director)	2	2

Mrs J Carmichael and Mrs N Toop attended these meetings in the capacity of Accounting Officer and Finance Director respectively.

The Pay & Performance Committee is a sub-committee of the main Board of Trustees. The Pay & Performance Committee is authorised by the board of trustees to determine all matters relating to pay and relating to performance of staff and to establish a whole trust pay policy for adoption by the board of trustees and to monitor and review the pay policy as necessary.

The committee meets once during the year following annual performance reviews and as necessary at other times.

The committee has met once during 2019/20 and attendance was as follows:

Trustees	Meetings attended	Out of possible
P Cherry (Chair of Committee)	1	1
K Moss	1	1
R Tarbuck	1	1
J Carmichael (Interim CEO/ Accounting Officer)	1	1
N Toop (Finance Director)	1	1

Mrs J Carmichael and Mrs N Toop attended relevant sections of this meeting in the capacity of Accounting Officer and Finance Director respectively.

The local governing body resources committees have met on a regular basis throughout the year.

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

Acre Hall Primary Resources Sub-Committee

Governor	Meetings attended	Out of possible
Mrs A White (Head Of School)	3	3
Mr D Vanstone (Chair of LGB)	3	3
Mr J Willis	3	3
Mrs L Christie	3	3
Mrs P Temple-Heald	2	3

Barton Clough Primary Resources Sub-Committee

Governor	Meetings attended	Out of possible
Mrs J Goodfellow (Head Of School) (resigned 30 April 2020)	2	2
S Beswick (Interim Headteacher)	1	1
Mr D Vanstone (Chair of LGB)	3	3
Mr D Watson	3	3
Mrs L Adderley	0	3

THE DUNHAM TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Elmridge Primary Resources Sub-Committee

Governor	Meetings attended	Out of possible
Mr M Edmundson (Head Of School)	3	3
Mrs C Moore (Chair of Committee)	3	3
Mr A Bassett	3	3
Mrs C Youds	2	3
Mr C Smith	2	3

Lime Tree Primary Resources Sub-Committee

Governor	Meetings attended	Out of possible
Mrs C Larkin (Head Of School)	3	3
Mr D Jagger (Chair of LGB)	3	3
Dr D Mallalieu	0	3
Mrs J Egerton	3	3
Mrs S Windram	3	3

The Orchards Resources Sub-Committee

Governor	Meetings attended	Out of possible
Mrs H O'Brien (Head Of School)	3	3
Mrs S Yardley (Chair of LGB)	3	3
Mr B Spivey	3	3
Mrs A Sherlock	1	3
Mr N Clifton	0	3

Review of value for money

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

The accounting officer considers how the trust's use of resources has provided good value for money during each academic year and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money by:

Raising student achievement

This is demonstrated by the continued upward trend in recent years in the trust's key performance indicators. The Dunham Trust also tracks the attendance and behaviour of all pupils.

The Dunham Trust will ensure that where possible additional needs of individual pupils will be met and appropriate resources (staff and equipment) will be made available such as one to one support or stretch and challenge for the more able pupils.

Robust governance and financial oversight

The directors of The Dunham Trust are responsible for determining the trust's financial priorities linking this to the long term vision, the trust's improvement plans and directions given by the full governing body of each member school.

THE DUNHAM TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Items for discussion and action by this board, the full governing bodies and committees include:

- 1) To approve the start budget for the financial year.
- 2) To establish and maintain an up to date 3 year financial plan.
- 3) To review and challenge pupil numbers and pupil number projections.
- 4) To consider a budget position statement including virement decisions at least termly and to report significant anomalies from the anticipated position to the governing body.
- 5) To ensure that the trust operates within the financial regulations set out in the Academies Financial Handbook.
- 6) To annually review and appoint the independent examiner (internal auditor) and the external auditors, in line with ESFA guidelines.
- 7) To ensure that ring fenced funding streams, such as Pupil Premium and Sports Premium, will be used as directed and to maximum effect.
- 8) To make decisions on expenditure following recommendations from other committees.
- 9) To ensure, as far as is practical, that health and safety issues are appropriately prioritised.
- 10) To determine whether sufficient funds are available for staff pay increments and increases.
- 11) To assess the possibility of further collaborative work with other education providers and business links that will allow for increased sharing of good practice.
- 12) To ensure that the academy is a going concern and will remain viable for the foreseeable future.

The accounting officer for The Dunham Trust is aware of their personal responsibility to Parliament for regularity (spending money for the purposes intended by Parliament), propriety (handling money honestly and avoiding conflicts of interest) and value for money.

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 ongoing process designed to identify and prioritise the risks to the achievement of academy's 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 Dunham Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operation, 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 of identifying, evaluating and managing the academy trust's significant risks that have been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees and the Finance, Audit & Risk Committee.

The risk and control framework

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

- comprehensive budgeting and monitoring system with an annual budget and monthly accruals-based financial reports which are reviewed and agreed by the board of Trustees;
- regular review by the Finance, Audit & Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- regular review of internal assurance reviews and monitoring;
- regular review and update of all financial policies;
- clearly defining purchasing (assets purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

THE DUNHAM TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, during 2019/20 the trustees appointed Haines Watts, the trust's external auditor, to carry out a supplementary programme of work which involves termly academy assurance reviews including giving advice on financial matters and performing a range of checks on the academy trust's financial systems and delivering assurance reports. In particular, the checks carried out in the year ended 31 August 2020 included:

- testing of procurement and purchasing systems;
- review of monthly management accounts process;
- review of risk framework and risk registers;
- review of income recognition and charging policies;
- testing of control account reconciliations;
- testing of payroll systems;
- testing of the recording of fixed assets;
- review of CIF bids and returns;
- review of VAT reporting;
- review of pupil premium and sports premium expenditure; and
- review of register of business interests.

On a termly basis, the finance director reports all findings and actions against recommendations to the Finance, Audit & Risk committee to ensure the discharge of the board of trustees' financial responsibilities. Haines Watts carried out some of the above work remotely and COVID-19 partial closures did not result in any delays to the programme of work as the finance function operated remotely during this period.

The board of trustees is currently in the process of appointing internal audit services for 2020/21 under the revised FRC ethical standard and is working with current auditors, Haines Watts, under transitional arrangements.

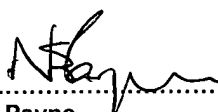
Review of effectiveness

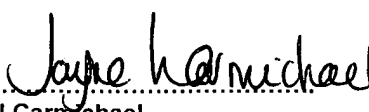
As accounting officer, the interim CEO has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the executive leaders within the academy trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the internal assurance provider;
- the work of the external auditors; and
- the school resource management self-assessment tool (SRMA).

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

Approved by order of the members of the board of trustees on 15 December 2020 and signed on its behalf by:


.....
N Payne
Chair of trustees


.....
J Carmichael
Accounting officer

THE DUNHAM TRUST

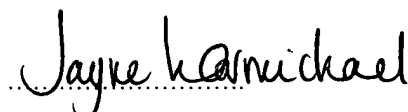
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

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

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

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



J Carmichael
Accounting officer

Date: 15 December 2020

THE DUNHAM TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of The Dunham Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

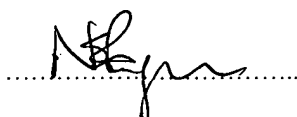
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 15 December 2020 and signed on its behalf by:



N Payne
Chair of trustees

THE DUNHAM TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DUNHAM TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

THE DUNHAM TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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 statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 accounts.

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

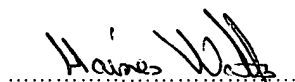
THE DUNHAM TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Use of our report

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



John Whittick BSc FCA (Senior Statutory Auditor)

for and on behalf of Haines Watts

Chartered Accountants

Statutory Auditor

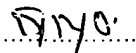
Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Date: 

THE DUNHAM TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 7 August 2014 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 Dunham Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of The Dunham Trust's funding agreement with the Secretary of State for Education dated 30 August 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 period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

THE DUNHAM TRUST

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

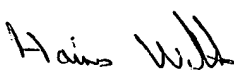
FOR THE YEAR ENDED 31 AUGUST 2020

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

Conclusion

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


.....

Haines Watts
Reporting Accountant

Date: 
.....

THE DUNHAM TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds £(000)	Restricted funds: General £(000)	Fixed asset £(000)	Total 2020 £(000)	Total 2019 £(000)
Income and endowments from:						
Donations and capital grants	2	-	24	45	69	418
Charitable activities:						
- Funding for educational operations	3	-	7,577	-	7,577	7,163
Teaching schools	26	-	20	-	20	20
Other trading activities	4	404	-	-	404	493
Investments	5	1	-	-	1	-
Total		<u>405</u>	<u>7,621</u>	<u>45</u>	<u>8,071</u>	<u>8,094</u>
Expenditure on:						
Raising funds	6	239	-	-	239	254
Charitable activities:						
- Educational operations	8	110	7,836	313	8,259	7,929
Teaching schools	26	-	20	-	20	20
Total	6	<u>349</u>	<u>7,856</u>	<u>313</u>	<u>8,518</u>	<u>8,203</u>
Net income/(expenditure)		56	(235)	(268)	(447)	(109)
Transfers between funds	17	-	(5)	5	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	19	-	(853)	-	(853)	(1,304)
Net movement in funds		56	(1,093)	(263)	(1,300)	(1,413)
Reconciliation of funds						
Total funds brought forward		-	(3,186)	12,020	8,834	10,247
Total funds carried forward		<u>56</u>	<u>(4,279)</u>	<u>11,757</u>	<u>7,534</u>	<u>8,834</u>

THE DUNHAM TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted Funds £(000)	Restricted funds: General £(000)	Fixed asset £(000)	Total 2019 £(000)
Income and endowments from:					
Donations and capital grants	2	-	26	392	418
Charitable activities:					
- Funding for educational operations	3	-	7,163	-	7,163
Teaching schools	26	-	20	-	20
Other trading activities	4	480	13	-	493
Total		<u>480</u>	<u>7,222</u>	<u>392</u>	<u>8,094</u>
Expenditure on:					
Raising funds	6	254	-	-	254
Charitable activities:					
- Educational operations	8	261	7,402	266	7,929
Teaching schools	26	-	20	-	20
Total	6	<u>515</u>	<u>7,422</u>	<u>266</u>	<u>8,203</u>
Net income/(expenditure)		(35)	(200)	126	(109)
Transfers between funds	17	-	(122)	122	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(1,304)	-	(1,304)
Net movement in funds		(35)	(1,626)	248	(1,413)
Reconciliation of funds					
Total funds brought forward		<u>35</u>	<u>(1,560)</u>	<u>11,772</u>	<u>10,247</u>
Total funds carried forward		<u>-</u>	<u>(3,186)</u>	<u>12,020</u>	<u>8,834</u>

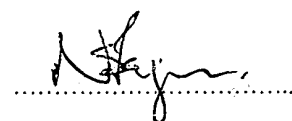
THE DUNHAM TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

		2020		2019	
	Notes	£(000)	£(000)	£(000)	£(000)
Fixed assets					
Tangible assets	12		11,736		11,844
Current assets					
Debtors	13	283		341	
Cash at bank and in hand		907		903	
		1,190		1,244	
Current liabilities					
Creditors: amounts falling due within one year	14	(561)		(818)	
Net current assets			629		426
Total assets less current liabilities			12,365		12,270
Creditors: amounts falling due after more than one year	15		(4)		(5)
Net assets before defined benefit pension scheme liability			12,361		12,265
Defined benefit pension scheme liability	19		(4,827)		(3,431)
Total net assets			7,534		8,834
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			11,757		12,020
- Restricted income funds			548		245
- Pension reserve			(4,827)		(3,431)
Total restricted funds			7,478		8,834
Unrestricted income funds	17		56		-
Total funds			7,534		8,834

The accounts were approved by the trustees and authorised for issue on 15 December 2020 and are signed on their behalf by:



N Payne
Chair of trustees

Company Number 08120128

THE DUNHAM TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £(000)	£(000)	2019 £(000)	£(000)
Cash flows from operating activities					
Net cash provided by operating activities	20		116		335
Cash flows from investing activities					
Dividends, interest and rents from investments		1		-	
Capital grants from DfE Group		98		329	
Capital funding received from sponsors and others		-		10	
Purchase of tangible fixed assets		(205)		(338)	
Net cash (used in)/provided by investing activities			(106)		1
Cash flows from financing activities					
Repayment of Salix loan		(1)		(1)	
Finance costs		(5)		-	
Net cash used in financing activities			(6)		(1)
Net increase in cash and cash equivalents in the reporting period			4		335
Cash and cash equivalents at beginning of the year			903		568
Cash and cash equivalents at end of the year			907		903

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

The Dunham Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (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 Dunham Trust meets the definition of a public benefit entity under FRS102.

1.2 Going concern

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

1.3 Income

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

Grants receivable

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

Donations

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

Other income

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

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Donated goods, facilities and services

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

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

On conversion to an academy Trafford Borough Council donated, on a 125 year lease, the land and property of the schools. The buildings were over 50 years old so on the basis of depreciable replacement value no value was given to them. The land transferred at £291,000 (Elmridge Primary School) and £367,000 (Acre Hall Primary School) was valued at the date of transfer according to local land prices. When Lime Tree Primary School joined the trust on 1 July 2017, the leasehold land and buildings was transferred from The Enquire Learning Trust at value of £2,403,000 for the land and £3,574,762 for the buildings. This value was based on a formal valuation carried out at 31 August 2014 by Smiths Chartered Surveyors.

On 1 March 2018, Barton Clough Primary School transferred from Trafford Borough Council to the trust. The land was valued at £400,000 by the trustees according to local land prices at the date of transfer. This amount is shown as 'charitable expenditure - transfer from local authority on conversion' in the statement of financial activities.

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

1.5 Tangible fixed assets and depreciation

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

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

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

Land and buildings	Land nil, buildings over 50 years
Computer equipment	over 3-4 years
Fixtures, fittings & equipment	over 4-5 years

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

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

1.6 Liabilities

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

1.7 Leasing and hire purchase commitments

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

1.8 Taxation

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

1.9 Pensions benefits

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

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

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

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

1.10 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency/Department for Education and other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency/Department for Education and other funders.

1.11 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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 19, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 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.

2 Donations and capital grants

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2020 £(000)	Total 2019 £(000)
Private sponsorship	-	(5)	(5)	10
Capital grants	-	45	45	392
Other donations	-	29	29	16
	-	69	69	418

3 Funding for the academy trust's educational operations

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2020 £(000)	Total 2019 £(000)
DfE / ESFA grants				
General annual grant (GAG)	-	5,342	5,342	5,369
Other DfE / ESFA grants	-	883	883	730
Teaching schools (note 26)	-	20	20	20
	-	6,245	6,245	6,119
Other government grants				
Local authority grants	-	1,325	1,325	1,064
Coronavirus job retention scheme	-	27	27	-
	-	1,352	1,352	1,064
Total funding	-	7,597	7,597	7,183

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

3 Funding for the academy trust's educational operations

The academy trust received £1,096,000 (2019 - £896,000) from the local authority in the year, being £567,000 (2019 £436,000) high needs funding, £450,000 (2019 £427,000) nursery funding and £79,000 (2019 £33,000) other funding.

In 2020 the other funding is PEP funding £8,000, growth funding £2,000, 2 year old funding £35,000 and £34,000 teachers pay and pension grants (Other funding in 2019 is growth funding £14,000, PEP funding £13,000, LAC funding £2,000 and teachers' pay grant funding £4,000).

£229,000 (2019 £168,000) was received from other local authorities for funding out of borough pupils SEN provision.

The other government grants of £27,000 is the coronavirus job retention scheme grant (2019 £nil).

There were no other unfulfilled conditions or other contingencies relating to the grants in the year.

4 Other trading activities

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2020 £(000)	Total 2019 £(000)
Hire of facilities	15	-	15	13
Other income	389	-	389	480
	<u>404</u>	<u>-</u>	<u>404</u>	<u>493</u>

5 Investment income

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2020 £(000)	Total 2019 £(000)
Short term deposits	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>

6 Expenditure

	Staff costs £(000)	Premises & equipment £(000)	Other costs £(000)	Total 2020 £(000)	Total 2019 £(000)
Academy's educational operations					
- Direct costs	5,076	266	333	5,675	5,510
- Allocated support costs	1,483	124	977	2,584	2,419
- Teaching schools (note 26)	<u>20</u>	<u>-</u>	<u>-</u>	<u>20</u>	<u>20</u>
	<u>6,579</u>	<u>390</u>	<u>1,310</u>	<u>8,279</u>	<u>7,949</u>
Other expenditure					
Raising funds	<u>163</u>	<u>-</u>	<u>76</u>	<u>239</u>	<u>254</u>
Total expenditure	<u>6,742</u>	<u>390</u>	<u>1,386</u>	<u>8,518</u>	<u>8,203</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

6 Expenditure

Net income/(expenditure) for the year includes:	2020 £(000)	2019 £(000)
Fees payable to auditor for:		
- Audit	20	19
- Other services	10	10
Operating lease rentals	16	24
Depreciation of tangible fixed assets	295	266
Loss on disposal of fixed assets	18	-

7 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services;
- others as arising.

The academy trust charges for these services on the following basis:

- flat percentage of GAG income and LA income (7%)

The amounts charged during the year were as follows:	2020 £(000)	2019 £(000)
Barton Clough Primary School	69	60
Elmridge Primary School	62	52
Acre Hall Primary School	104	89
The Orchards	78	60
Lime Tree Primary School	136	115
	<u>449</u>	<u>376</u>

8 Charitable activities

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2020 £(000)	Total 2019 £(000)
Direct costs				
Educational operations	100	5,575	5,675	5,510
Support costs				
Educational operations	10	2,574	2,584	2,419
Teaching schools	-	20	20	20
	<u>110</u>	<u>8,169</u>	<u>8,279</u>	<u>7,949</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Charitable activities

Analysis of costs	2020 £(000)	2019 £(000)
Direct costs		
Teaching and educational support staff costs	5,052	4,838
Staff development	40	41
Depreciation	266	231
Technology costs	11	9
Educational supplies and services	201	212
Educational consultancy	19	21
Other direct costs	102	174
	<u>5,691</u>	<u>5,526</u>
Support costs		
Support staff costs	1,487	1,336
Depreciation	47	35
Technology costs	16	19
Maintenance of premises and equipment	77	91
Cleaning	168	167
Energy costs	104	101
Rent, rates and other occupancy costs	63	82
Insurance	22	38
Security and transport	1	1
Catering	189	193
Finance costs	5	-
Net interest on defined benefit pension scheme	66	52
Other support costs	309	260
Governance costs	34	48
	<u>2,588</u>	<u>2,423</u>

9 Staff

Staff costs

Staff costs during the year were:

	2020 £(000)	2019 £(000)
Wages and salaries	4,564	4,455
Social security costs	410	394
Pension costs	1,465	1,106
	<u>6,439</u>	<u>5,955</u>
Staff costs - employees	6,439	5,955
Agency staff costs	256	338
Staff restructuring costs	6	40
	<u>6,701</u>	<u>6,333</u>
Staff development and other staff costs	41	47
	<u>6,742</u>	<u>6,380</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Staff

Staff restructuring costs comprise:

	2020 £(000)	2019 £(000)
Redundancy payments	-	32
Severance payments	6	8
	<u>6</u>	<u>40</u>

Staff numbers

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

	2020 Number	2019 Number
Teachers	57	61
Administration and support	130	125
Management	18	12
	<u>205</u>	<u>198</u>

Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	3	4
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
£90,001 - £100,000	1	1
	<u>5</u>	<u>6</u>

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) received by key management personnel for their services to the academy trust was £649,611 (2019: £763,120).

10 Trustees' remuneration and expenses

No trustees have been paid remuneration or have received other benefits from employment within the academy trust.

During the period ended 31 August 2020 no expenses were reimbursed to trustees (2019 £nil).

Other related party transactions involving the trustees are set out within the related parties note.

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

11 Insurance for trustees and officers

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

12 Tangible fixed assets

	Land and buildings	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Total
	£(000)	£(000)	£(000)	£(000)	£(000)
Cost					
At 1 September 2019	12,172	173	263	415	13,023
Transfer	277	(277)	-	-	-
Additions	-	104	46	55	205
Disposals	-	-	(28)	(36)	(64)
	<u>12,449</u>	<u>-</u>	<u>281</u>	<u>434</u>	<u>13,164</u>
At 31 August 2020	12,449	-	281	434	13,164
Depreciation					
At 1 September 2019	798	-	206	175	1,179
On disposals	-	-	(28)	(18)	(46)
Charge for the year	179	-	36	80	295
	<u>977</u>	<u>-</u>	<u>214</u>	<u>237</u>	<u>1,428</u>
At 31 August 2020	977	-	214	237	1,428
Net book value					
At 31 August 2020	<u>11,472</u>	<u>-</u>	<u>67</u>	<u>197</u>	<u>11,736</u>
At 31 August 2019	<u>11,374</u>	<u>173</u>	<u>57</u>	<u>240</u>	<u>11,844</u>

The net book value of land and buildings comprises:

	2020 £(000)	2019 £(000)
Long leaseholds (over 50 years)	<u>11,472</u>	<u>11,374</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

12 Tangible fixed assets

On conversion to academy status Elmridge Primary School, Acre Hall Primary School and Barton Clough Primary School inherited the leasehold interest in the school land from Trafford Borough Council. Buildings to the value of £nil are included in fixed assets being the depreciated replacement cost, estimated by the trustees as at 1 September 2012 (Elmridge Primary School), 1 July 2013 (Acre Hall Primary School) and 1 March 2018 (Barton Clough Primary School).

The leasehold interest in the land at Barton Clough Primary School, Audley Avenue, Stretford, M32 9TG was transferred to The Dunham Trust from Trafford Borough Council on 1 March 2018 for £nil consideration. The trustees have valued this land at £400,000, based on academies with similar sized plots in the locality.

On 1 July 2017 Lime Tree Primary school transferred into the trust from The Enquire Learning Trust. Land and buildings were transferred at a value based on a professional valuation carried out at 31 August 2014. Land was transferred at £2,403,000 and buildings at a depreciated valuation of £3,574,000. ICT equipment was transferred at depreciated cost of £30,000 and fixtures and fittings at a depreciated cost of £65,000.

Transfer of the title of the land and buildings at Lime Tree Primary School, Budworth Road, Sale, M33 2RP, occurred on 1 July 2017 from The Enquire Learning Trust to The Dunham Trust.

The total land value included in fixed assets is £3,461,000.

13 Debtors

	2020 £(000)	2019 £(000)
Trade debtors	19	7
VAT recoverable	49	54
Other debtors	-	22
Prepayments and accrued income	215	258
	<u>283</u>	<u>341</u>

14 Creditors: amounts falling due within one year

	2020 £(000)	2019 £(000)
Government loans	1	1
Trade creditors	231	217
Other creditors	16	157
Accruals and deferred income	313	443
	<u>561</u>	<u>818</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

15 Creditors: amounts falling due after more than one year

	2020 £(000)	2019 £(000)
Government loans	4	5
	<u>4</u>	<u>5</u>
Analysis of loans	2020 £(000)	2019 £(000)
Wholly repayable within five years	5	6
Less: included in current liabilities	(1)	(1)
	<u>4</u>	<u>5</u>
Amounts included above	4	5
	<u>4</u>	<u>5</u>
Loan maturity		
Debt due in one year or less	1	1
Due in more than one year but not more than two years	1	1
Due in more than two years but not more than five years	3	3
Due in more than five years	-	1
	<u>5</u>	<u>6</u>

The Government loan is part of the funding approved by the ESFA for the improvements to Acre Hall Primary School. The funding was delivered as a combination of capital grant and a 0% Salix loan.

16 Deferred income

	2020 £(000)	2019 £(000)
Deferred income is included within:		
Creditors due within one year	189	141
	<u>189</u>	<u>141</u>
Deferred income at 1 September 2019	141	114
Released from previous years	(141)	(114)
Resources deferred in the year	189	141
	<u>189</u>	<u>141</u>
Deferred income at 31 August 2020	189	141

At the balance sheet date, the academy trust was holding UIFSM income, nursery income, British Council Grant income, NLE income, Schools Direct income and local authority top up income received in advance of the 2020/21 academic year.

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

	Balance at 1 September 2019 £(000)	Income £(000)	Expenditure £(000)	Gains, losses and transfers £(000)	Balance at 31 August 2020 £(000)
Restricted general funds					
General Annual Grant (GAG)	220	5,342	(5,052)	(5)	505
Other DfE / ESFA grants	20	903	(880)	-	43
Other government grants	-	1,352	(1,352)	-	-
Other restricted funds	5	24	(29)	-	-
Pension reserve	(3,431)	-	(543)	(853)	(4,827)
	<u>(3,186)</u>	<u>7,621</u>	<u>(7,856)</u>	<u>(858)</u>	<u>(4,279)</u>
Restricted fixed asset funds					
Inherited on conversion	6,934	-	(80)	-	6,854
DfE group capital grants	4,513	45	(183)	-	4,375
Capital expenditure from GAG	122	-	(40)	5	87
Private sector capital sponsorship	451	-	(10)	-	441
	<u>12,020</u>	<u>45</u>	<u>(313)</u>	<u>5</u>	<u>11,757</u>
Total restricted funds	<u>8,834</u>	<u>7,666</u>	<u>(8,169)</u>	<u>(853)</u>	<u>7,478</u>
Unrestricted funds					
General funds	-	405	(349)	-	56
Total funds	<u>8,834</u>	<u>8,071</u>	<u>(8,518)</u>	<u>(853)</u>	<u>7,534</u>

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objectives of the trust.

Restricted fixed asset funds are those funds relating to the long term assets of the trust used in delivering the objectives of the trust.

Unrestricted funds are those funds to which the board of trustees may use in the pursuance of the trust's objectives and are expendable at the discretion of the trustees.

The transfer from General Annual Grant restricted general fund to restricted fixed asset funds is to meet the cost of fixed asset additions for which there was no specific capital funding in the year.

Included in restricted general funds is £43,000 of sports premium funding carried forward to next year.

Included in the balance on restricted fixed asset fund is £13,000 DFC and £8,000 other capital grants carried forward to next year.

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

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

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

	Balance at 1 September 2018 £(000)	Income £(000)	Expenditure £(000)	Gains, losses and transfers £(000)	Balance at 31 August 2019 £(000)
Restricted general funds					
General Annual Grant (GAG)	-	5,369	(5,148)	(1)	220
Other DfE / ESFA grants	-	750	(730)	-	20
Other government grants	100	1,064	(1,064)	(100)	-
Other restricted funds	48	39	(61)	(21)	5
Pension reserve	(1,708)	-	(419)	(1,304)	(3,431)
	<u>(1,560)</u>	<u>7,222</u>	<u>(7,422)</u>	<u>(1,426)</u>	<u>(3,186)</u>
Restricted fixed asset funds					
Transfer on conversion	7,009	-	-	-	7,009
DfE group capital grants	4,147	392	(266)	121	4,394
Capital expenditure from GAG	156	-	-	1	157
Private sector capital sponsorship	460	-	-	-	460
	<u>11,772</u>	<u>392</u>	<u>(266)</u>	<u>122</u>	<u>12,020</u>
Total restricted funds	<u>10,212</u>	<u>7,614</u>	<u>(7,688)</u>	<u>(1,304)</u>	<u>8,834</u>
Unrestricted funds					
General funds	<u>35</u>	<u>480</u>	<u>(515)</u>	<u>-</u>	<u>-</u>
Total funds	<u>10,247</u>	<u>8,094</u>	<u>(8,203)</u>	<u>(1,304)</u>	<u>8,834</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

	Balance at 1 September 2018 £(000)	Income £(000)	Expenditure £(000)	Gains, losses and transfers £(000)	Balance at 31 August 2019 £(000)
Total funds analysis by academy					
				2020 £(000)	2019 £(000)
Fund balances at 31 August 2020 were allocated as follows:					
Barton Clough Primary School				59	40
Central Services				(191)	(310)
Elmridge Primary School				55	38
Acre Hall Primary School				62	(6)
The Orchards				94	107
Lime Tree Primary School				525	376
				<hr/>	<hr/>
Total before fixed assets fund and pension reserve				604	245
Restricted fixed asset fund				11,757	12,020
Pension reserve				(4,827)	(3,431)
				<hr/>	<hr/>
Total funds				7,534	8,834
				<hr/>	<hr/>

The deficit on the central fund at 31 August 2020 comprises both the remaining ill health liability (£75,000 at 31 August 2020), along with a deficit returned during the year due to an excess of staffing costs over centrally retained funds. In order to manage this deficit, trustees are looking to reduce costs in the central team during the financial year, and have presented a balanced budget for 2020/21 and beyond.

Included within the fund balance for Lime Tree Primary School is £90,000 (2019 - £62,000) of restricted funds relating to the Schools Direct Programme. Lime Tree Primary School is the lead school and fund holder for the programme, which is managed by the EveryoneLearning@ Teaching School Alliance and funded by the University of Cumbria.

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

	Balance at 1 September 2018 £(000)	Income £(000)	Expenditure £(000)	Gains, losses and transfers £(000)	Balance at 31 August 2019 £(000)
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Total cost analysis by academy

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

	Teaching and educational support staff £(000)	Other support staff costs £(000)	Educational supplies £(000)	Other costs excluding depreciation £(000)	Total 2020 £(000)	Total 2019 £(000)
Barton Clough Primary School	787	121	38	195	1,141	1,172
Central Services	224	626	12	138	1,000	574
Elmridge Primary School	664	149	24	198	1,035	1,015
Acre Hall Primary School	1,194	169	29	250	1,642	1,607
The Orchards	834	147	40	115	1,136	933
Lime Tree Primary School	1,349	275	58	587	2,269	2,217
	<u>5,052</u>	<u>1,487</u>	<u>201</u>	<u>1,483</u>	<u>8,223</u>	<u>7,518</u>

18 Analysis of net assets between funds

	Unrestricted Funds £(000)	Restricted funds: General £(000)	Fixed asset £(000)	Total Funds £(000)
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	11,736	11,736
Current assets	56	1,113	21	1,190
Creditors falling due within one year	-	(561)	-	(561)
Creditors falling due after one year	-	(4)	-	(4)
Defined benefit pension liability	-	(4,827)	-	(4,827)
Total net assets	<u>56</u>	<u>(4,279)</u>	<u>11,757</u>	<u>7,534</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Analysis of net assets between funds

	Unrestricted Funds £(000)	Restricted funds: General £(000)	Fixed asset £(000)	Total Funds £(000)
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	11,844	11,844
Current assets	-	1,068	176	1,244
Creditors falling due within one year	-	(818)	-	(818)
Creditors falling due after one year	-	(5)	-	(5)
Defined benefit pension liability	-	(3,431)	-	(3,431)
Total net assets	-	(3,186)	12,020	8,834

19 Pensions and similar obligations

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 Tameside Metropolitan Borough Council. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2016.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme to which 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 DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pensions and similar obligations

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The pension costs paid to the TPS in the period amounted to £613,000 (2019: £411,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 25% for employers and between 5.5 and 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £395,000.

Total contributions made	2020 £(000)	2019 £(000)
Employer's contributions	380	355
Employees' contributions	106	102
Total contributions	486	457

Principal actuarial assumptions	2020 %	2019 %
Rate of increases in salaries	3.0	3.1
Rate of increase for pensions in payment	2.2	2.3
Discount rate	1.7	1.8

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pensions and similar obligations

The sensitivity regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 August 2020:

	Approximate % increase to employer liability	Approximate monetary amount £'000
0.5% decrease in real discount rate	13%	1,439
0.5% increase in the salary increase rate	2%	126
0.5% increase in the pension increase rate	12%	1,288

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

	2020 Years	2019 Years
Retiring today		
- Males	20.5	20.6
- Females	23.1	23.1
Retiring in 20 years		
- Males	22.0	22.0
- Females	25.0	24.8

The academy trust's share of the assets in the scheme

	2020 Fair value £(000)	2019 Fair value £(000)
Equities	4,162	3,816
Bonds	979	841
Cash	551	449
Property	429	506
Total market value of assets	6,121	5,612

Actual return on scheme assets - gain/(loss)	113	(248)
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Amounts recognised in the statement of financial activities

	2020 £(000)	2019 £(000)
Current service cost (net of employee contributions)	856	630
Net interest cost	66	52
Past service cost	1	92
Total operating charge	923	774

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pensions and similar obligations

Changes in the present value of defined benefit obligations	2020 £(000)	2019 £(000)
Obligations at 1 September 2019	(9,043)	(6,669)
Current service cost	(856)	(630)
Interest cost	(171)	(196)
Employee contributions	(106)	(102)
Actuarial gain	(861)	(1,408)
Benefits paid	90	54
Remeasurements	(1)	(92)
	<u>(10,948)</u>	<u>(9,043)</u>
At 31 August 2020	<u>(10,948)</u>	<u>(9,043)</u>

Changes in the fair value of the academy trust's share of scheme assets

	2020 £(000)	2019 £(000)
Assets at 1 September 2019	5,612	4,961
Interest income	105	144
Return on plan assets (excluding amounts included in net interest): Actuarial gain	8	104
Employer contributions	380	355
Employee contributions	106	102
Benefits paid	(90)	(54)
Effect of business combinations and disposals	-	-
	<u>6,121</u>	<u>5612</u>
At 31 August 2020	<u>6,121</u>	<u>5612</u>

Parliament has agreed, at the request of the Secretary of State for Education, to 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.

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Reconciliation of net expenditure to net cash flow from operating activities

	2020 £(000)	2019 £(000)
Net expenditure for the reporting period (as per the statement of financial activities)	(447)	(109)
Adjusted for:		
Capital grants from DfE and other capital income	(45)	(392)
Investment income receivable	(1)	-
Finance costs payable	5	-
Defined benefit pension costs less contributions payable	477	367
Defined benefit pension scheme finance cost	66	52
Depreciation of tangible fixed assets	295	266
Loss on disposal of fixed assets	18	-
Decrease/(increase) in debtors	5	(50)
(Decrease)/increase in creditors	(257)	201
Net cash provided by operating activities	116	335

21 Analysis of changes in net funds

	1 September 2019 £(000)	Cash flows £(000)	31 August 2020 £(000)
Cash	903	4	907
Loans falling due within one year	(1)	-	(1)
Loans falling due after more than one year	(5)	1	(4)
	<u>897</u>	<u>5</u>	<u>902</u>

22 Commitments under operating leases

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

	2020 £(000)	2019 £(000)
Amounts due within one year	9	16
Amounts due in two and five years	1	9
	<u>10</u>	<u>25</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

23 Capital commitments

	2020 £(000)	2019 £(000)
Expenditure contracted for but not provided in the accounts	-	112

Works to replace windows at Barton Clough Primary were ongoing at 31 August 2019, with £112,000 CIF funding to spend in the year ended 31 August 2020.

24 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account.

During the year the trust was invoiced £3,067 (2019 £18,496) by Eversheds for legal advice relating to the trust. The wife of M Edmundson, head of school at Elmridge Primary School, is a senior partner at Eversheds. £0 was owed by the academy trust at 31 August 2020 (2019 £4,204).

In carrying out these transactions, the academy trust is complying with the requirements of the Academies Financial Handbook 2019.

S Butler, daughter-in-law of P Reilly, trustee (until 24.9.19) and member, is employed by the academy trust as a midday assistant at Elmridge Primary School. S Butler's appointment was made in open competition and P Reilly was not involved in the decision making process regarding the appointment. S Butler is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

25 Members' liability

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

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

26 Teaching school trading account

	2020		2019	
	£(000)	£(000)	£(000)	£(000)
Income				
- Teaching school grant		20		20
Expenditure				
- Direct staff costs	16		16	
- Support staff costs	4		4	
		(20)		(20)
Total expenditure		(20)		(20)
Transfer between funds		-		-
Surplus/(deficit) from all sources		-		-
Teaching school balances at 1 September 2019		-		-
Teaching school balances at 31 August 2020		-		-