

Company Registration No. 10768218 (England and Wales)

**THE GRAND UNION PARTNERSHIP
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**



THE GRAND UNION PARTNERSHIP

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 11
Governance statement	12 - 16
Statement on regularity, propriety and compliance	17
Statement of trustees' responsibilities	18
Independent auditor's report on the financial statements	19 - 21
Independent reporting accountant's report on regularity	22 - 23
Statement of financial activities including income and expenditure account	24
Balance sheet	25
Statement of cash flows	26
Notes to the financial statements including accounting policies	27 - 45

THE GRAND UNION PARTNERSHIP

REFERENCE AND ADMINISTRATIVE DETAILS

Members

M Hamerla (Resigned 10 August 2021)
 L Mirfin
 L Styles
 M Leeder (Appointed 14 June 2021)
 I Franklin (Appointed 1 September 2021)

Trustees

P Webster (Chief Executive & Accounting Officer)
 R Amery
 I Franklin (Resigned 31 August 2021)
 R Owen
 A Brodie (Chair)
 S Forman
 J Buck
 L Parker (Appointed 2 February 2021)

Senior management team

- Chief Executive Officer & Head Teacher - New Bradwell Primary School	P Webster
- Head Teacher - Jubilee Wood Primary School (Appointed 1 June 2020)	M O'Brien
- Head Teacher - Old Stratford Primary School	K Sarbutts
- Head of Development	J Wilsdon

10768218 (England and Wales)

Company registration number

New Bradwell School

Principal and registered office

Bounty Street
 New Bradwell
 Milton Keynes
 MK13 0BQ

Academies operated

New Bradwell Primary School
 Jubilee Wood Primary School
 Old Stratford Primary School

Location

New Bradwell, Milton Keynes
 Fishermead, Milton Keynes
 Old Stratford, Milton Keynes

Principal

P Webster
 M O'Brien
 K Sarbutts

Independent auditor

Ellacotts Audit Services Limited
 Countrywide House
 23 West Bar
 Banbury
 Oxfordshire
 OX16 9SA
 England

THE GRAND UNION PARTNERSHIP

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank PLC
28 Secklow Gate West
Central Milton Keynes
MK9 3EH

Solicitors

Neves Solicitors LLP
Aurora House
Deltic Avenue
Rooksley
Milton Keynes
MK13 8LW

THE GRAND UNION PARTNERSHIP

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates 3 academies for pupils aged 4-11 in Milton Keynes and Northampton. Its academies have a combined pupil capacity of 1563 and had a roll of 1301 in the school census on 21st January 2021.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. the trustees of The Grand Union Partnership Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Grand Union Partnership.

The trustees of The Grand Union Partnership are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these financial statements are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member. The insurance provides cover for claims involving loss in any one claim that is unlimited. Public liability insurance also covers the board of trustees for claims involving personal injury, property damage etc. which is unlimited.

Trustees' indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty which they may be guilty in relation to the Academy Trust. Details of the cost of insurance can be found in note 12 of the accounts.

Method of recruitment and appointment or election of trustees

The Trustees have set up procedures that will enable regular review to be carried out of the mix of skills that should be available to the Board. New Trustees are then sought with these skills, either as additional or replacements when existing Trustees stand down. The great majority of new Trustees are drawn from the local community being either parents or guardians of pupils at one of the schools or others that have shown an interest in the future well-being of the Trust and its students. Recruitment is therefore through a combination of approaches to individuals with known skills and by wider communications to those within the Milton Keynes and Northampton area.

New Trustees are appointed to the Board by the Members until the date of the next Annual General Meeting at which time they are eligible for re-election for a period of four years. At the end of a four-year term, retiring Trustees are eligible for re-election for a further term of office. Potential new Trustees are interviewed, and references are taken up to check their suitability for the role.

Policies and procedures adopted for the induction and training of trustees

Individual Trustees attend training courses and conferences organised by appropriate bodies in order to ensure their knowledge and understanding is fully up to date. A series of briefings for the Board and the senior management team of the schools as a whole is also designed when necessary based on areas of potential interest and/or concern.

THE GRAND UNION PARTNERSHIP

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

Organisational structure

- Members – who establish the trust and set out the constitution of the school, through signing its memorandum and articles of association. They can appoint and dismiss Trustees/Governors;
- Trustees – who set the strategic direction for the MAT and are accountable to the Secretary of State for the performance of the schools within it.
- Local Governing Boards – who oversee different functions of schools within the Trust, depending on the responsibility delegated to them by Trustees;
- Chief Executive – who provides the professional leadership of the Trust;
- Heads of School – who are responsible for the day-to-day running of each school in the MAT and who are accountable to the Trustees/LGBs, depending on where responsibility is delegated within the MAT. The CEO may also be a Head of School.

Arrangements for setting pay and remuneration of key management personnel

The Chief Executive Officer's pay is determined by the Trustees and benchmarked against similar roles. Arrangements for setting pay for the Senior Leadership Team are determined by the respective Teacher and Support Staff Pay Policies.

All pay for key management personnel is determined as an outcome of the performance management process which is used to make recommendations to the relevant Governor Pay Committee as to the level of pay increase as set out in the pay policy. Pay increases can only be actioned with Governor approval.

There are two union representatives employed by the academy trust. No time has been taken from their usual school hours to undertake any of this work.

Related parties and other connected charities and organisations

The trust and its schools have forged links with Bourton Meadow Training School and trainee teachers are taken on across the schools within the trust.

Arbor is used across all three schools to maintain central information.

Swift IT support all schools with managed IT services.

Trade union facility time

Facility Time is the provision of paid or unpaid time off from an employee's normal role to undertake trade union duties and activities as a trade union representative. The Trade Union (Facility Time Publication Requirements) Regulations 2017 requires the Academy Trust to publish data in relation to their employees who are trade union representative and the time spent as representatives.

During the period in question the Academy Trust had no employees who were relevant union officials and no union facility time was spent by the Academy Trusts staff.

THE GRAND UNION PARTNERSHIP

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

Objectives and activities

Objects and aims

Strategic Objectives for 2020-23

Quality of Education

Enhance curriculum design and implementation to ensure that children in all our schools consistently make good progress in the acquisition of knowledge and development of skills across a rich and varied curriculum

Our ambition is to see all children at our schools accessing a broad-based learning experience that enables them to make good progress and achieve their potential. Our progress with this objective will be assessed by considering our performance versus established national averages and the development of a set of metrics that considers wider progress against the full breadth of the curriculum. By 2023 performance data will demonstrate that the progress children make, across the Trust, is above the equivalent national rates.

Growth

Build the capacity of the Trust to deliver education in the local area to circa 2,500 children by 2023

The Trust currently includes three schools, delivering education to just over 1,300 children. Our ambition is to see the Trust grow to around 2,500 children; this is likely to see the Trust expand to include up to three additional schools.

THE GRAND UNION PARTNERSHIP

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

Project 1- Teaching Learning and Assessment

Out of all the activities that the Trust engages with, the quality of teaching, learning and assessment across our schools is what has the most significant impact for children. Continuing to secure improvements linked to the core of what we do is therefore key to the development and progress that children across the Trust make.

Project 2- Curriculum Design

Promoting excellence in the design of the curriculum and deepening our understanding of the impact that it has for children in each of our schools is another critical factor in shaping the quality of experience that we deliver.

Whilst the wider curriculum is rich and varied at each of our schools and we don't prescribe a particular curriculum for our schools to adopt, the way in which we assess the progress and development of the knowledge and skills that children secure for wider foundation subjects is an area for further development. This project will establish a more robust evidence base to assess the impact of the wider curriculum offered.

Project 3- Establish a Leadership and Governance Development Programme

Securing both growth and continued improvements in the quality of education will require excellent leadership at all levels across the Trust. Investing in the development of future middle leaders will positively impact the quality of education across the Trust, it will also build capacity to provide support to partner schools exploring potential Trust membership. Building this capacity applies equally to the development of our local governing body members and Trustees. The way we attract, induct and train existing and new people into governance roles across the Trust will also be key.

This project will establish the shape of a leadership programme to blend opportunities to develop sector specific aspects of educational leadership alongside broader management and leadership development themes.

Project 4- Support Deanshanger Primary School to continue its trajectory towards Trust membership

Deanshanger is the most likely candidate to be the next school to join the Trust. The activities included within this project are focused on supporting their current team to secure improvements in the quality of education and a good outcome at the next Ofsted inspection. Success with this project will open the way to Deanshanger joining the Trust and further enhance our reputation as an effective school improvement partner.

Project 5- Marketing

A range of marketing activities will be taken forward to better position the Trust to identify and develop relationships with other schools wanting to join the Trust.

Project 6- Review the current central financing model to ensure value for money

A variety of different approaches to arriving at a central Trust fund are now being used by Multi Academy Trusts. This project will review these methods and assess the degree to which the current approach is working for each school (and the Trust as a whole), is equitable (given potential differences in the level of central support that each school requires) and represents value for money compared to alternative approaches.

THE GRAND UNION PARTNERSHIP

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

Public benefit

These overarching objectives and Trust level action plans inform each school's development plans and associated action plans. The board of Trustees and Local Governing Bodies monitor the implementation of improvement strategies and evaluate their impact on a termly basis.

The Trustees have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document 'The Advancement of Education for the Public Benefit') into consideration in preparing their statements on public benefit contained within this Trustees' annual report.

Benefits & Beneficiaries

In accordance with its charitable objectives, the Academy Trust strives to:

- Advance the education of the children and young people attending its Academies. The Trust's primary beneficiaries are therefore the students, and benefits to students are provided through continuing to maintain a high standard of education throughout its schools;
- Promote for the benefit of the inhabitants of the area in which the Academies are located, and the surrounding areas, the provision of facilities for recreation and leisure time activities.

To determine whether or not the Trust has fulfilled its charitable objectives for public benefit, the Trustees gather Trustees' Assessment of Public Benefit evidence of the success of The Grand Union Partnership's activities using the range of measures developed and monitored through the staffing document for the Trust.

Strategic report

Achievements and performance

The Grand Union Partnership aims to provide high quality education for children and young people in Milton Keynes. Schools sharing the Trust's aims and objectives are welcome to join the Trust in keeping with the strategic priority of growing the Trust in a substantial manner. Due to the COVID pandemic, the data can not be completed for this report so we have included the 18-19 data which is obviously out of date. Schools did carry out their own assessments in this financial year and this was reported to LGBs and trustees to help support next steps for each school.

THE GRAND UNION PARTNERSHIP

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

Key performance indicators

Key Indicators	National	The Grand Union Partnership	New Bradwell School	Jubilee Wood School	Old Stratford School
% of EYFS pupils achieving GLD	72	67	72	66	63
% of Year 1 pupils will pass the phonics screening	82	82	84	66	97
% of pupils working at the national standard (KS1) in reading, writing & maths	Reading 75 Writing 69 Maths 76	73 66 71	70 60 70	67 62 64	83 77 80
% getting combined reading, writing & maths at expected level (KS2)	65	67	81	40	80
% Reading, writing, maths: Pupils achieving a high score	10	10	18	2	10
Reading progress score	0	-0.5	4.1	-3.3	0
Writing progress score	0	0.2	4.3	-2	-0.6
Maths progress score	0	0.3	4.1	-3.9	0.7
% at expected standard for reading	73	73	83	49	87
% achieving a high standard in reading		29	39	11	37
% expected standard for writing	78	81	87	60	93
% achieving a high standard in writing		16	28	7	13
% at expected standard for maths	76	76	84	56	87
% achieving a high standard in maths		31	37	5	50
% at expected standard for SPAG	78	76	86	56	87
Average scaled score in Reading	104	104	106	100	106
Average scaled score in Maths	105	105	107	100	107
Average scaled score in SPAG	106	107	109	101	110

Going concern

Whilst there are concerns about the future of education funding in general, the Trustees have confidence in the Trust 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 these financial statements and have concluded the Academy Trust has adequate resources to be able 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 annual report and financial statements.

THE GRAND UNION PARTNERSHIP

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

Financial review

Financial Review

Most of the Trust's income is obtained from the DfE in the form of recurrent and capital grants, the use of which is restricted to particular purposes. The grants received during the 2020/21 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Restricted Fixed Asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period to 31 August 2021, total revenue expenditure of £8,067,794 (excluding depreciation) was covered by recurrent grant funding from the DfE together with other incoming resources. The excess of expenditure over revenue for the year (excluding restricted fixed asset funds and other funds inherited on conversion) was £343,828.

On 31st August 2021, the net book value of fixed assets was £17,298,739 and movement in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and associated support services to the pupils of the Academy.

The Trust has a number of restricted funds. The purpose of these funds is set out in Note 16.

Reserves policy

The Trustees' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the schools to fund future projects. Trustees measure reserves on the basis of the number of months reserves cover held based on average monthly expenditure during the year.

At the balance sheet date, the Trust had free reserves of £169,404 (2020 - £92,121). The Trustees intend to utilise these reserves in the near future to continue to develop the aims of the Trust, insure against concerns surrounding the reduced funding and for capital development programmes. The Trust monitors reserves to identify early warning signs in the reserves going forward. This allows Trustees to work with senior management to protect reserves and to adopt strategies to allow the Trust to meet its reserves policy.

At 31 August 2021 the total funds comprised:

Unrestricted	£	169,404
Restricted:		
Fixed asset funds		£17,298,739
Pension Reserve		£ (5,090,000)
Other	£	547,647
Total		£12,925,790

Investment policy

The Trustees' investment powers are set down in the Trust's Memorandum and Articles of Association, which permit the investment of monies of the Trust no immediately required for its purposes in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

All the Trust's funds to date have been held in Lloyds Bank accounts which attract a return of 0.50% above Base Rate. The Trust's investment policy has been reviewed and consideration given to the use of short-term deposits.

THE GRAND UNION PARTNERSHIP

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

Principal risks and uncertainties

1. Reputational risk – where poor performance by schools within the Trust affects the amount of parents wanting to send children to our schools
2. Financial risks – where schools within the Trust are failing to ensure that they are maintaining a sound financial position or are failing to comply with the financial rules as set out by the Trust.
3. Staff retention and recruitment – where schools within the Trust are unable to retain or recruit good quality teaching staff. The quality of teaching is key to the success of the schools within the Trust.
4. Drop in birth rates within school catchment areas – this will in turn affect the pupil intake numbers for the Trust. A drop in the intake will result in a decrease of funding.

Fundraising

The PTA committees within the Trust have raised funds for the Schools within the Trust. During the 2020-21 Financial Year, the schools received a total of £948 (2020: £22,948) of funding from the PTA and other parent contributions.

Plans for future periods

The Trust's improvement priorities for the period 2018-2021 include:

1. External review of school improvement activities for each school and the central trust to access an external view of current progress
2. Further develop the sharing and transfer of best practice across the trust in relation to both teaching and learning and curriculum design
3. Refine monitoring activities at school and trust level to provide leaders, governors and trustees with greater insight into school improvement
4. Develop a leadership programme that promotes a talent pipeline that supports succession planning
5. Continue to develop the capacity of the trust to deliver growth and build our local reputation

The development plans for the Academies within the Trust will focus on these priorities. Robust self-evaluation of past performance informs future plans and the allocation of resources at school level.

Each school development plan focuses on how the Trust supports schools to improve the outcomes of children and young people and central resources are deployed to support this work.

The main strategy for improving the quality of teaching and learning will be a continued focus on improving assessment for learning and the implementation of initiatives such as the Read Write Inc.

Funds held as custodian on behalf of others

Although the Trust maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, The Grand Union Partnership does not hold, and the Trustees do not anticipate that it will in the future hold, any funds as custodian for a third party.

THE GRAND UNION PARTNERSHIP

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

Employee involvement and employment of the disabled

The Trust encourages the involvement of its employees in its management through its practice of consulting on significant changes. Staff are represented on the Board of Trustees at each Local Governing Body. Staff representative are responsible for the dissemination of information of particular concern to employees, including financial and economic factors affecting the performance of the Trust and for receiving their view on important matters of policy.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of staff becoming disabled, every effort is made to ensure that their employment within the Trust continues and that the appropriate training is arranged. It is the policy of the Trust that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

The Trust's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and non-financial factors affecting the Trust's performance.

Auditor

In so far as the trustees are aware:

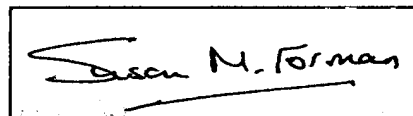
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Ellacotts Audit Services Limited were appointed as auditor of the charitable company and a resolution that they be reappointed will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on Thursday 16th December 2021 and signed on its behalf by:



A Brodie
Chair



Sue Forman
Vice Chair

THE GRAND UNION PARTNERSHIP

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the chief executive, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Grand Union Partnership and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 13 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
P Webster (Chief Executive & Accounting Officer)	13	13
R Amery	13	13
I Franklin (Resigned 31 August 2021)	10	10
R Owen	13	13
A Brodie (Chair)	6	10
S Forman	12	13
J Buck	11	13
L Parker (Appointed 2 February 2021)	4	4

This year the Trustees have separated duties into two separate committees. Firstly Teaching and Learning and secondly Resources.

Finance

- To oversee the school budgets for all schools in the Trust.
- To recommend to the Board of Directors approval of the consolidated annual budget plan for the forthcoming financial year in accordance with the schedule published by The Grand Union Partnership's Finance Director
- Put in place a process of cash flow forecasting and review such forecasts periodically to ensure that Trust remains solvent at all times.
- To review the spending and income received in each Trust school.
- To receive termly consolidated management reports, to facilitate the monitoring of the Trust's actual financial performance compared with budgeted priorities and cash flow, and to take remedial action as necessary. Such action will be reported to the Local Governing Body and The Grand Union Partnership Finance Director. In all cases liaison must be maintained with other appropriate committees.
- To make decisions or recommendations to the Board of Trustees to requests from Local Academy Boards that will impact on the Trust's financial position.
- To make decisions on expenditure within the Trust's delegated powers.
- To review annually The Grand Union Partnership Trusts Financial Regulations and Scheme of Delegation
- To ensure the Register of Pecuniary and Non-Pecuniary Interests is kept up to date and reviewed annually for Trustees and Governors.
- To ensure that funding from the ESFA and other sources is used only in accordance with any conditions attached.

THE GRAND UNION PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Finance (cont'd)

- To Ensure that the Trust schools operate within all relevant financial and legal regulations (including Company and Charity Law and the requirements of the Funding Agreement together with all Tax legislation)
- To ensure the Trust schools adhere to the policies and procedures as specified by the Department for Education and the Academies Financial Handbook.
- To ensure that the Trust schools comply with The Grand Union Partnership Trusts Scheme of Delegation and associated documents.
- To ensure that all financial controls are adhered to in order to protect against fraudulent or improper use of public money and assets.
- Ensure arrangements are in place for the proper custody of the Trust's assets.
- Undertake, with the Finance Director of The Grand Union Partnership Trust, and annual review of the Trust schools' financial management.

Facilities

- In conjunction with the Local Governing Bodies, to ensure that the buildings and grounds within the Trust are inspected annually and that a statement of priorities for maintenance and development is prepared.
- To advise Board of Trustees on priorities, including Health and Safety, for the maintenance and development of Trust premises.
- Ensure that the responsibilities of the Trust are discharged under the Health and Safety at Work Act 1974.

Personnel

- To review the staffing structure of the Trust in consultation with The Grand Union Partnership Trust Chief Executive Officer and the Local Academy Boards;
- To ensure The Grand Union Partnership Trust procedure for recruitment and appointment of staff are followed;
- To oversee the process leading to staff reductions and restructuring;
- To ensure that established procedure when advertising, selecting and appointing new members of staff are followed by the Trust;
- To ensure that each Local Governing Body works within The Grand Union Partnership adopted personnel policies, such as discipline, capability, grievance and redundancy;
- To monitor action taken under the capability or disciplinary procedures;
- To ensure The Grand Union Partnership Trust's Policy for reviewing the Performance of Staff is implemented.
- To review reports on accidents, near misses and incidents of aggressive behaviour involving The Grand Union Partnership Trust's central staff.

Audit

- To advise the Board of Directors on the adequacy and effectiveness of the Academy Trust's system of internal financial control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money);
- To advise the Board of Directors on the appointment, re-appointment, dismissal and remuneration of the financial statements auditor and the Internal Audit Service;
- To advise the Board of Directors on the scope and objectives of the work of the financial statements auditor and the Internal Audit Service;
- To ensure effective co-ordination between the Internal Audit Service and financial statements auditor purposes;
- To consider and advise the Board of Directors on the audit strategy and annual programme of work for Internal Audit Service;
- To advise the Board of Directors on internal audit reports and on control issues included in the financial statements auditor's management letters, and management's responses to these;
- To monitor, within an agreed time-scale, the implementation of agreed recommendations relating to Internal Audit Service reports and financial statements auditor's management letter;

THE GRAND UNION PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

- To consider and advise the Board of Directors on relevant reports by the National Audit Office, the ESFA and other funding bodies and, where appropriate, management's responses to these;
- To establish, in conjunction with Academy Trust management, relevant performance measures and indicators, and to monitor the effectiveness of the Internal Audit Service and financial statements auditor through these measures and indicators;
- To receive and comment on the content of any audit report and to monitor the implementation of the agreed action plan;
- To produce an annual report for the Board of Directors and Accounting Officer which includes the Committee's advice on the effectiveness of the Academy Trust's risk management control and governance processes. The report must incorporate any significant matters arising from the work of the Internal Audit Service and the financial statements auditor;
- To ensure that allegations of fraud and irregularity are properly followed up;
- To receive reports on any additional services undertaken by the Internal Audit Service and the financial statements auditors.

To exercise its role, the Committee is empowered to:

- Investigate any activity within its terms of reference;
- Seek any information it requires from the Internal Audit Service, the external auditor, Trustees, Committees and Academy Trust employees, plus relevant information from sub-contractors and other third parties;
- Obtain external professional advice.

Governance Reviews

The trust is in its fourth year and has seen a number of changes at member and trustee level. This has been due to some people not really understanding the commitment needed for the role and some moving onto roles within the trust. Moving work to the teaching and learning committee and resources committee has meant the trust has been more focused within its structures. The following has been completed:

- A skills audit has been carried out and highlighted areas to develop;
- Trustees took on new roles across the different committees
- New Trustees are being sought through academy ambassadors to ensure the balance of trustees is correct
- A successful round of meetings was carried out and improvements are being planned for at local governing body and trustee levels
- Clear success criteria has been developed to monitor the success of the trust and individual schools within the trust.

During the year 1 new trustee joined the committee.

Review of value for money

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

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

- Using approved purchasing and tendering frameworks to obtain value for money for the purchase of new equipment and software packages. The Trust's schools have benefited from competitive prices and terms that they would not have been able to achieve alone.
- Restructuring at Jubilee Wood School

THE GRAND UNION PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Grand Union Partnership for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees;
- Regular review by the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint an internal auditor (Chromium Financial Services).

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

- Comprehensive budgeting and monitoring system overseen by the Trust's Chief Finance Officer. Monthly finance reports and meetings to monitor the financial position on a regular basis, and termly monitoring by the Local Governing Bodies of the Trust schools;
- Summary Trust finance reports, including cash flow and risk analysis presented to the Board of Trustees;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties;
- Identification and management of risks.

THE GRAND UNION PARTNERSHIP

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Review of effectiveness

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

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

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

Approved by order of the board of trustees on 16th December 2021 and signed on its behalf by:



P Webster
Chief Executive & Accounting Officer



A Brodie
Chair

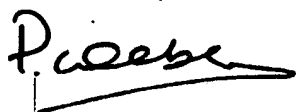
THE GRAND UNION PARTNERSHIP

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of The Grand Union Partnership, 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 2020.

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 2020.

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



P Webster
Accounting Officer

.....

THE GRAND UNION PARTNERSHIP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also the directors of The Grand Union Partnership for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the Academies Accounts Direction 2020 to 2021 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the trustees are required to:

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

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

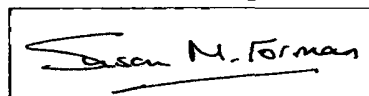
The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from ESFA/DfE have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

Approved by order of the members of the board of trustees on 16th December 2021 and signed on its behalf by:



A Brodie
Chair



Sue Forman
Vice Chair

THE GRAND UNION PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GRAND UNION PARTNERSHIP

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the financial statements of The Grand Union Partnership for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, 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 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 2020 to 2021.

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 financial statements' section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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

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

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

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

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

THE GRAND UNION PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GRAND UNION PARTNERSHIP (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 financial statements are prepared is consistent with the financial statements; 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

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

THE GRAND UNION PARTNERSHIP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GRAND UNION PARTNERSHIP (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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

- Enquiry of management, those charged with governance and the entity's solicitors (or in-house legal team) around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements 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.

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.



Charlotte Toemaes BSc FCA (Senior Statutory Auditor)
for and on behalf of Ellacotts Audit Services Limited
Chartered Accountants &
Statutory Auditor

Countrywide House
23 West Bar
Banbury
Oxfordshire
England
OX16 9SA

16/12/21

THE GRAND UNION PARTNERSHIP

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE GRAND UNION PARTNERSHIP AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 30 September 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Grand Union Partnership during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Grand Union Partnership's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Grand Union Partnership's funding agreement with the Secretary of State for Education dated 30 August 2017 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusions includes:

- reviewing the minutes of the meeting of the Board of Governors and other evidence made available to us relevant to our consideration of regularity;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- testing a sample of payroll payments to staff;
- testing a sample of payment to suppliers and other third parties;
- testing a sample of grants received and other income streams;
- evaluation the internal control procedures and reporting lines, and testing as appropriate.

THE GRAND UNION PARTNERSHIP

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE GRAND UNION PARTNERSHIP AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Ellacotts Audit Services Ltd

Reporting Accountant

Ellacotts Audit Services Limited
Countrywide House
23 West Bar
Banbury
Oxfordshire
OX16 9SA
England

Dated: 16/12/21.....

THE GRAND UNION PARTNERSHIP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021


	Notes	Unrestricted funds £	Restricted funds: General Fixed asset £ £		Total 2021 £	Total 2020 £
Income and endowments from:						
Donations and capital grants	2	-	-	233,441	233,441	167,730
Charitable activities:						
- Funding for educational operations	3	-	7,228,521	-	7,228,521	6,824,548
Other trading activities	4	80,201	33,644	-	113,845	164,291
Investments	5	122	-	-	122	1,127
Total		<u>80,323</u>	<u>7,262,165</u>	<u>233,441</u>	<u>7,575,929</u>	<u>7,157,696</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	3,040	7,683,276	381,478	8,067,794	7,557,215
Total	6	<u>3,040</u>	<u>7,683,276</u>	<u>381,478</u>	<u>8,067,794</u>	<u>7,557,215</u>
Net income/(expenditure)		77,283	(421,111)	(148,037)	(491,865)	(399,519)
Transfers between funds	16	-	(161,668)	161,668	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	18	-	(466,000)	-	(466,000)	(503,000)
Net movement in funds		77,283	(1,048,779)	13,631	(957,865)	(902,519)
Reconciliation of funds						
Total funds brought forward		92,121	(3,493,574)	17,285,108	13,883,655	14,786,174
Total funds carried forward		169,404	(4,542,353)	17,298,739	12,925,790	13,883,655

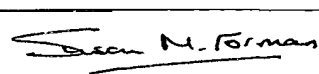
THE GRAND UNION PARTNERSHIP

BALANCE SHEET AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12	17,298,739		17,239,733	
Current assets					
Debtors	13	128,539		153,819	
Cash at bank and in hand		762,263		899,765	
		890,802		1,053,584	
Current liabilities					
Creditors: amounts falling due within one year	14	(173,751)		(405,662)	
Net current assets		717,051		647,922	
Net assets excluding pension liability		18,015,790		17,887,655	
Defined benefit pension scheme liability	18	(5,090,000)		(4,004,000)	
Total net assets		12,925,790		13,883,655	
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds		17,298,739		17,285,108	
- Restricted income funds		547,647		510,426	
- Pension reserve		(5,090,000)		(4,004,000)	
Total restricted funds		12,756,386		13,791,534	
Unrestricted income funds	16	169,404		92,121	
Total funds		12,925,790		13,883,655	

The financial statements on pages 24 to 45 were approved by the trustees and authorised for issue on 16th December 2021 and are signed on their behalf by:


A Brodie
Chair


Sue Forman
Vice Chair

Company Number 10768218

THE GRAND UNION PARTNERSHIP

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by operating activities	19		69,419		333,866
Cash flows from investing activities					
Dividends, interest and rents from investments		122		1,127	
Capital grants from DfE Group		27,180		105,723	
Capital funding received from sponsors and others		206,261		62,008	
Purchase of tangible fixed assets		(440,484)		(175,313)	
Net cash used in investing activities			(206,921)		(6,455)
Net (decrease)/increase in cash and cash equivalents in the reporting period			(137,502)		327,411
Cash and cash equivalents at beginning of the year			899,765		572,354
Cash and cash equivalents at end of the year			<u>762,263</u>		<u>899,765</u>

THE GRAND UNION PARTNERSHIP

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

1 Accounting policies

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

1.1 Basis of preparation

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

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 financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

Grants

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

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

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

Sponsorship income

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

Donations

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

THE GRAND UNION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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.

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 GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

IT equipment assets costing £500 or more are capitalised and any other assets costing £1,000 or more are also 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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. 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/reducing balance] basis over its expected useful life, as follows:

Freehold Land & Buildings	2% Straight line
Long-term Leasehold Property	Straight line over the life of the lease & 10% Straight line
Plant & Machinery	15% Straight Line
Computer Equipment	25% Straight Line
Fixtures & Fittings	10% Straight Line
Motor Vehicles	20% Straight Line

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 Leased assets

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

1.8 Financial instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows.

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 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.

1.10 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 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 net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.11 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 funders where the asset acquired or created is held for a specific purpose.

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

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Capital grants	-	233,441	233,441	167,730

The income from donations and capital grants was £233,441 (2020: £167,730) of which £233,441 was restricted fixed assets (2020: £167,730).

3 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE/ESFA grants				
General annual grant (GAG)	-	5,579,161	5,579,161	5,364,086
Other DfE/ESFA grants:				
UFSM	-	150,062	150,062	177,163
Pupil premium	-	421,458	421,458	430,588
Others	-	316,521	316,521	227,410
	-	6,467,202	6,467,202	6,199,247
Other government grants				
Local authority grants	-	609,775	609,775	447,159
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	113,260	113,260	-
Other incoming resources	-	38,284	38,284	178,142
Total funding	-	7,228,521	7,228,521	6,824,548

The income from funding for educational operations was £7,228,521 (2020: £6,824,548) of which £7,228,521 was restricted (2020: £6,824,548).

The Academy Trust received £41,460 of funding for catch-up premium and costs incurred in respects of this funding totalled £41,460, with a balance of £Nil to be spent in 2021/22.

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Hire of facilities	59,517	-	59,517	47,076
Catering income	-	33,644	33,644	46,252
Trips, music and materials	20,684	-	20,684	70,963
	<u>80,201</u>	<u>33,644</u>	<u>113,845</u>	<u>164,291</u>

The income from other trading activities was £113,845 (2020: £164,291) of which £80,201 was unrestricted (2020: £118,039) and £33,644 was restricted (2020: £46,252).

5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Short term deposits	<u>122</u>	<u>-</u>	<u>122</u>	<u>1,127</u>

The income from funding for investment income was £122 (2020: £1,127) of which £122 was unrestricted (2020: £1,127).

6 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2021 £	Total 2020 £
Academy's educational operations					
- Direct costs	4,843,781	-	356,402	5,200,183	4,835,038
- Allocated support costs	1,673,825	811,390	382,396	2,867,611	2,722,177
	<u>6,517,606</u>	<u>811,390</u>	<u>738,798</u>	<u>8,067,794</u>	<u>7,557,215</u>

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Fees payable to auditor for:		
- Audit	10,243	9,950
- Other services	4,478	4,773
Operating lease rentals	14,905	17,523
Depreciation of tangible fixed assets	381,478	312,877
Loss on disposal of fixed assets	-	12,983
Net interest on defined benefit pension liability	<u>63,000</u>	<u>53,000</u>

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

7 Central services

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

- Management and administrative support

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

The central services charge is based on 5% (5% - 2020) of individual academy GAG income. In addition to this small recharges can be made for other one off items and services provided.

The amounts charged during the year were as follows:

	2021 £	2020 £
New Bradwell Primary School	127,949	107,777
Jubilee Wood Primary School	143,374	111,113
Old Stratford Primary School	44,659	35,382
	<u>315,982</u>	<u>254,272</u>

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Direct costs				
Educational operations	3,040	5,197,143	5,200,183	4,835,038
Support costs				
Educational operations	-	2,867,611	2,867,611	2,722,177
	<u>3,040</u>	<u>8,064,754</u>	<u>8,067,794</u>	<u>7,557,215</u>

The expenditure on charitable activities was £8,067,794 (2020: £7,557,215) of which £3,040 was unrestricted (2020: £6,256), £7,683,276 was restricted (2020: £7,225,099) and £381,478 was restricted fixed assets (2020: £325,860).

	2021 £	2020 £
Analysis of support costs		
Support staff costs	1,682,715	1,533,422
Depreciation	381,478	325,860
Technology costs	24,225	80,209
Premises costs	429,912	343,790
Other support costs	295,025	262,877
Governance costs	54,256	176,019
	<u>2,867,611</u>	<u>2,722,177</u>

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff

Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	4,522,867	4,278,583
Social security costs	357,789	311,866
Pension costs	1,539,760	1,380,313
Staff costs - employees	6,420,416	5,970,762
Agency staff costs	97,190	77,237
Staff development and other staff costs	30,960	13,789
Total staff expenditure	6,548,566	6,061,788

Staff numbers

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

	2021 Number	2020 Number
Teachers	70	68
Administration and support	126	131
Management	9	7
	205	206

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	1	-
£110,001 - £120,000	1	1

Key management personnel

The key management personnel of the academy trust comprise the trustees, the senior management team as listed on page 1 and other members of key management personnel. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £793,908 (2020: £442,942).

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff-trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits was as follows:

P Webster (Head Teacher of New Bradwell Primary School and Chief Executive):
Remuneration £115,001 - £120,000 (2020: £110,001 - £115,000)
Employers pension contributions £25,001 - £30,000 (2020: £25,001 - £30,000)

P Webster's remuneration includes approximately £30,000 in respect of his service as Chief Executive Officer of the Academy Trust, with the balance in respect to his full-time position as Head Teacher.

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020: Nil).

11 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust 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 membership.

THE GRAND UNION PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

12 Tangible fixed assets

	Freehold Land & Buildings £	Long-term Leasehold Property £	Plant & Machinery £	Computer Equipment £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost							
At 1 September 2020	8,064,149	9,685,422	137,114	141,633	50,324	7,500	18,086,142
Additions	-	175,289	106,289	73,673	85,233	-	440,484
At 31 August 2021	8,064,149	9,860,711	243,403	215,306	135,557	7,500	18,526,626
Depreciation							
At 1 September 2020	268,133	497,253	7,995	61,523	7,005	4,500	846,409
Charge for the year	89,377	193,989	35,003	49,460	12,149	1,500	381,478
At 31 August 2021	357,510	691,242	42,998	110,983	19,154	6,000	1,227,887
Net book value							
At 31 August 2021	7,706,639	9,169,469	200,405	104,323	116,403	1,500	17,298,739
At 31 August 2020	7,796,016	9,188,169	129,119	80,110	43,319	3,000	17,239,733

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

13 Debtors

	2021 £	2020 £
Trade debtors	13,700	5,244
VAT recoverable	20,490	46,399
Prepayments and accrued income	94,349	102,176
	<u>128,539</u>	<u>153,819</u>

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	670	199,083
Other taxation and social security	46,125	82,959
Other creditors	3,000	3,000
Accruals and deferred income	123,956	120,620
	<u>173,751</u>	<u>405,662</u>

15 Deferred income

	2021 £	2020 £
Deferred income is included within:		
Creditors due within one year	<u>113,877</u>	<u>104,512</u>
Deferred income at 1 September 2020	104,512	114,491
Released from previous years	(104,512)	(114,491)
Resources deferred in the year	<u>113,877</u>	<u>104,512</u>
Deferred income at 31 August 2021	<u>113,877</u>	<u>104,512</u>

Resources deferred during the period relate to Growth Protection Income grants and UIFSM funding relating to the following year.

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	510,426	5,579,161	(5,380,272)	(161,668)	547,647
UIFSM	-	150,062	(150,062)	-	-
Pupil premium	-	421,458	(421,458)	-	-
Catch-up premium	-	113,260	(113,260)	-	-
Other DfE/ESFA grants	-	316,521	(316,521)	-	-
Other government grants	-	609,775	(609,775)	-	-
Other restricted funds	-	71,928	(71,928)	-	-
Pension reserve	(4,004,000)	-	(620,000)	(466,000)	(5,090,000)
	<u>(3,493,574)</u>	<u>7,262,165</u>	<u>(7,683,276)</u>	<u>(627,668)</u>	<u>(4,542,353)</u>
Restricted fixed asset funds					
Inherited on conversion	16,957,288	-	(264,315)	-	16,692,973
DfE group capital grants	327,820	233,441	(117,163)	161,668	605,766
	<u>17,285,108</u>	<u>233,441</u>	<u>(381,478)</u>	<u>161,668</u>	<u>17,298,739</u>
Total restricted funds	<u>13,791,534</u>	<u>7,495,606</u>	<u>(8,064,754)</u>	<u>(466,000)</u>	<u>12,756,386</u>
Unrestricted funds					
General funds	92,121	80,323	(3,040)	-	169,404
Total funds	<u>13,883,655</u>	<u>7,575,929</u>	<u>(8,067,794)</u>	<u>(466,000)</u>	<u>12,925,790</u>

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

Restricted general funds will be used for educational purposes in line with the Academy Trust's objectives and its funding agreement with the EFSA.

Restricted fixed asset funds will be reserved against future depreciation charges. Unspent capital grants will be used to enhance the Academy Trust's facilities.

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

Transfer between Funds

The transfer of £161,668 from the unrestricted fund to the restricted fixed asset fund was to fund the additional capital expenditure arising during the year.

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

(Continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	170,927	5,364,086	(5,024,587)	-	510,426
UIFSM	-	177,163	(177,163)	-	-
Pupil premium	-	430,588	(430,588)	-	-
Other DfE/ESFA grants	49,478	227,410	(276,888)	-	-
Other government grants	51,928	447,159	(499,087)	-	-
Other restricted funds	39,559	245,227	(284,786)	-	-
Pension reserve	(2,969,000)	-	(532,000)	(503,000)	(4,004,000)
	<u>(2,657,108)</u>	<u>6,891,633</u>	<u>(7,225,099)</u>	<u>(503,000)</u>	<u>(3,493,574)</u>
Restricted fixed asset funds					
Transfer on conversion	17,230,958	-	(273,670)	-	16,957,288
DfE group capital grants	212,280	167,730	(52,190)	-	327,820
	<u>17,443,238</u>	<u>167,730</u>	<u>(325,860)</u>	<u>-</u>	<u>17,285,108</u>
Total restricted funds	<u>14,786,130</u>	<u>7,059,363</u>	<u>(7,550,959)</u>	<u>(503,000)</u>	<u>13,791,534</u>
Unrestricted funds					
General funds	<u>44</u>	<u>98,333</u>	<u>(6,256)</u>	<u>-</u>	<u>92,121</u>
Total funds	<u>14,786,174</u>	<u>7,157,696</u>	<u>(7,557,215)</u>	<u>(503,000)</u>	<u>13,883,655</u>

Total funds analysis by academy

	2021 £	2020 £
Fund balances at 31 August 2021 were allocated as follows:		
New Bradwell Primary School	492,077	412,581
Jubilee Wood Primary School	127,635	77,774
Old Stratford Primary School	69,158	21,597
Central services	28,181	90,595
Total before fixed assets fund and pension reserve	<u>717,051</u>	<u>602,547</u>
Restricted fixed asset fund	17,298,739	17,285,108
Pension reserve	(5,090,000)	(4,004,000)
Total funds	<u>12,925,790</u>	<u>13,883,655</u>

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
New Bradwell Primary School	2,323,613	474,984	182,913	176,026	3,157,536	2,797,237
Jubilee Wood Primary School	2,013,221	461,862	101,543	224,679	2,801,305	2,702,178
Old Stratford Primary School	626,157	91,679	39,101	48,662	805,599	873,102
Central services	50	-	77,586	224,242	301,878	326,836
	<u>4,963,041</u>	<u>1,028,525</u>	<u>401,143</u>	<u>673,609</u>	<u>7,066,318</u>	<u>6,699,353</u>

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	17,298,739	17,298,739
Current assets	171,734	719,068	-	890,802
Creditors falling due within one year	(2,330)	(171,421)	-	(173,751)
Defined benefit pension liability	-	(5,090,000)	-	(5,090,000)
Total net assets	<u>169,404</u>	<u>(4,542,353)</u>	<u>17,298,739</u>	<u>12,925,790</u>

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	17,239,733	17,239,733
Current assets	92,121	916,088	45,375	1,053,584
Creditors falling due within one year	-	(405,662)	-	(405,662)
Defined benefit pension liability	-	(4,004,000)	-	(4,004,000)
Total net assets	<u>92,121</u>	<u>(3,493,574)</u>	<u>17,285,108</u>	<u>13,883,655</u>

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension 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 Buckinghamshire County Council and Northamptonshire County Council. Both are multi-employer 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 that of the LGPS related to the period ended 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 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 employer's pension costs paid to the TPS in the period amounted to £618,703 (2020: £536,695).

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.

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

(Continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The estimated value of employer contributions for the forthcoming year is £405,000.

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

Total contributions made	2021 £	2020 £
Employer's contributions	389,000	365,000
Employees' contributions	105,000	101,000
Total contributions	494,000	466,000

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.9	3.25
Rate of increase for pensions in payment/inflation	2.9	2.25
Discount rate for scheme liabilities	1.65	1.6

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

	2021 Years	2020 Years
Retiring today		
- Males	21.6	21.8
- Females	25.0	25.1
Retiring in 20 years		
- Males	22.9	23.2
- Females	26.4	26.6

Scheme liabilities would have been affected by changes in assumptions as follows:
(the below percentages are approximates, and represent the average percentages from the three actuarial reports prepared)

Change in assumptions at 31 August 2021:	Approximate % increase to Employer Liability	Approximate monetary amount £'s
0.1% increase in Real Discount Rate	2.40%	252,000
1 Year Increase in Member Liability	4.14%	411,000
0.1% increase in the Salary Increase Rate	0.11%	16,000
0.1% increase in the Pension Increase Rate	2.28%	234,000

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

(Continued)

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

	2021 Fair value £	2020 Fair value £
Equities	2,638,920	2,022,000
Gilts	443,000	340,000
Bonds	716,200	561,000
Cash	70,760	99,000
Property	311,120	244,000
Other assets	567,000	325,000
Total market value of assets	<u>4,747,000</u>	<u>3,591,000</u>

The actual return on scheme assets was £703,000 (2020: £74,000).

Amount recognised in the statement of financial activities

	2021 £	2020 £
Current service cost	946,000	844,000
Interest income	(61,000)	(63,000)
Interest cost	124,000	116,000
Total operating charge	<u>1,009,000</u>	<u>897,000</u>

Within the financial year 31 August 2020 the actuary included an unrelated fund within deficit for Old Stratford School. The error created an additional deficit of £18,000 within the closing pension liability. This has now been removed and not included within the closing position for 31 August 2021. As this amount is not material no adjustment has been raised to the prior year financial statements.

Changes in the present value of defined benefit obligations

	2021 £
At 1 September 2020	7,595,000
Current service cost	946,000
Interest cost	124,000
Employee contributions	105,000
Actuarial loss	1,108,000
Benefits paid	(41,000)
At 31 August 2021	<u>9,837,000</u>

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations (Continued)

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

	2021
	£
At 1 September 2020	3,591,000
Interest income	61,000
Actuarial gain	642,000
Employer contributions	389,000
Employee contributions	105,000
Benefits paid	(41,000)
	<u>4,747,000</u>
At 31 August 2021	<u>4,747,000</u>

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

	2021	2020
	£	£
Net expenditure for the reporting period (as per the statement of financial activities)	(491,865)	(399,519)
Adjusted for:		
Capital grants from DfE and other capital income	(233,441)	(167,730)
Investment income receivable	(122)	(1,127)
Defined benefit pension costs less contributions payable	557,000	479,000
Defined benefit pension scheme finance cost	63,000	53,000
Depreciation of tangible fixed assets	381,478	312,877
Loss on disposal of fixed assets	-	12,983
Decrease in debtors	25,280	11,390
(Decrease)/increase in creditors	(231,911)	32,992
Net cash provided by operating activities	<u>69,419</u>	<u>333,866</u>

20 Analysis of changes in net funds

	1 September 2020	Cash flows	31 August 2021
	£	£	£
Cash	<u>899,765</u>	<u>(137,502)</u>	<u>762,263</u>

THE GRAND UNION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

21 Long-term commitments, including operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	26,107	29,554
Amounts due in two and five years	26,138	32,495
	<u>52,245</u>	<u>62,049</u>

22 Related party transactions

No related party transactions took place in the period of account other than certain trustees' remuneration and expenses already disclosed in note 10.

23 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.