
JOHN TAYLOR MAT
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



JOHN TAYLOR MAT
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 21
Governance statement	22 - 27
Statement on regularity, propriety and compliance	28
Statement of Trustees' responsibilities	29
Independent auditor's report on the financial statements	30 - 33
Independent reporting accountant's report on regularity	34 - 35
Statement of financial activities incorporating income and expenditure account	36 - 37
Balance sheet	38 - 39
Statement of cash flows	40
Notes to the financial statements	41 - 70

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	C Hopkins G Moss Church of England Central Education Trust J Jessel
Trustees	G Moss, (Chair) T Hopkins B Richardson (resigned 31 August 2021) A Grandfield MBE (resigned 25 February 2021) D Beaty A Lee A Stainer A Swift (appointed 17 May 2021) G Evans (appointed 12 July 2021) N Warner (appointed 12 July 2021) M Donoghue, (Accounting Officer)
Company registered number	07421140
Company name	John Taylor MAT
Principal and registered office	John Taylor Free School Branston Road Tatenhill Burton on Trent Staffordshire DE13 9SA
Company secretary	B Mahoney

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

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

Senior management team

M Donoghue, JTMAT CEO
K Cochrane, Head of School John Taylor High School
M Mincher, Head of School Kingsmead School
L Farmer, Co-Head of Thomas Russell Infant's School
S Burton, Co-Head of Thomas Russell Infant's School
S Draper, Headteacher of Yoxall St Peter's C of E Primary School
R Cruise, Headteacher of Rykneld Primary School
D Adams, Headteacher of Shobnall Primary School
M Baxter, Headteacher of Mosley Academy
A Goodson, Headteacher of Winshill Village Primary and Nursery School
B Mahoney, Chief Operating Officer, JTMAT
S Plant, Head of School, John Taylor Free School
C Gethin, Executive Headteacher of All Saints C of E and Needwood C of E Primary Schools (resigned 31 August 2021)
S Rowe, Headteacher of Walton on Trent C of E Primary and Nursery School
L Mansell, Co-Head of Church Gresley Infant and Nursery School
J Cripps, Co-Head of Church Gresley Infant and Nursery School
I McArthur, Headteacher of Paulet High School

Independent auditor

Mazars LLP
Chartered Accountants
Statutory Auditor
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Bankers

Lloyds TSB
High Street
Burton on Trent
Staffordshire
DE13 9LT

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Members and Directors present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a Trustees' Report, and a Director's Report under company law.

During 2020/21 the Trust operated fourteen academies (fourteen in 2019/20) for pupils aged 2 to 19 serving catchment areas in Barton under Needwood, Burton Upon Trent, Yoxall and Hednesford (Staffordshire) and Walton on Trent and Church Gresley (Derbyshire).

Achievements of John Taylor Multi Academy Trust during 2020/21:

- The growth of the Trust through the successful application (Wave 14) to sponsor an all-through school in Rugeley on the site of the former power station.
- The expansion of the Trust's core team to include an additional IT technician, additional HR/administration support and a further member to the finance team.
- The growth of our collaborative networks and our Teaching and Learning Repository, even during lockdown restrictions.
- A successful application to lead a Teaching School Hub (one of 87 nationally), providing initial teacher training, leadership programmes and other services for the 250 schools of North Warwickshire, Nuneaton and Bedworth, Tamworth, Lichfield, East Staffordshire and Cannock Chase districts.
- Provision of the highest quality education throughout enhanced Covid 19 restrictions and the successful completion of the Teacher Assessed Grade process for final assessment in Year 11 and Year 13 in lieu of external examinations.

Structure, governance and management

a. Constitution

The Trust is a company limited by guarantee (registration number 07421140) and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust. John Taylor Multi Academy Trust was formed on 1 June 2015 and has adopted the above registration number with revised memorandum and articles of association

The Trustees of John Taylor MAT are also Directors for the Charitable Company for the purpose of company law. The Charitable Company is known as John Taylor MAT (JTMAT).

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

During the year under review 6 Trustee Board meetings were held and an Annual General meeting. The training and induction provided for new Directors will depend on their existing experience. Where necessary, induction will provide training on charity and educational legal and financial matters. All Directors are provided with copies of relevant policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role.

b. Members' liability

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

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

Structure, governance and management (continued)

c. Directors' indemnities

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 business, and provides unlimited cover. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

d. Method of recruitment and appointment or election of Trustees

Directors of the Trust are appointed by existing Members in accordance with the Trust's Articles of Association. Chairs of each Local Governing Body and its Committees are annually elected to their roles at the final committee meeting of the academic year in each academy's Local Governing Body (LGB). Directors are appointed because of the range of skills and expertise they can bring to help realise JTMAT's vision and values for the Trust, enhance the effective strategic leadership and management of the Trust, and effectively represent stakeholder interest within the Trust. Two Directors shall be appointed to the Board from the LGBs of its academies.

e. Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for each new Director will depend on their existing experience. The Trust purchases support that provides for individual and collective training through an annual programme of training which is reviewed each year to reflect any changes in practice and legislation. The Trust, as a matter of course, will annually revisit training needs of existing Directors and discuss in their induction process any needs pertaining to new Directors. This practice is replicated for governors serving on the Local Governing Bodies of academies within the Trust.

f. Organisational structure

The Directors and Key Management Personnel are responsible for setting general policy, adopting a strategic plan and budget, monitoring academies by the use of budgets and making major decisions about the direction of the Trust and its academies capital expenditure and senior staff appointments. They are also bound by duties and responsibilities as set out in charity law and the duties of a Director as set out in company law. The Chief Executive Officer is accountable for the overall financial viability and sustainability of the Trust and for the development of relationships with key internal and external stakeholders for the benefit of its pupils and the wider communities. As the Accounting Officer for JTMAT, the Chief Executive Officer has personal responsibility for ensuring value for money, regularity and propriety. Each Local Governing Body has established a Managing and Organising Committee whose role is to improve, monitor and evaluate the efficiency and effectiveness of systems, procedures and structures of the Academy and the deployment of resources required to ensure them.

These Committees meet half termly and have responsibility for a number of related areas.

The CEO meets with the key management personnel of the Trust (listed on p.1) as an Executive Group 6 times per year. Senior Leadership Teams comprising Heads of School, Deputy and Assistant Heads and Directors of Business (or their schools' equivalents) lead Trust academies at an executive level implementing the policies ratified by the Governors of the LGB and reporting back to them. As a group, the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets and the appointment of staff through appointment panels, which always contain a Governor. Some spending control is devolved to members of staff within leadership responsibilities that lie below senior level (e.g. curriculum or phase leaders), with limits above this being countersigned by the Head of School, a Deputy/Assistant or the Business/Finance Manager, in line with the approved Scheme of Delegation for that Academy.

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

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The rules for determining the pay and remuneration of JTMAT key management and senior personnel are set out in the Trust Pay Policy which follows closely the stipulations embodied in the School Teachers' Pay and Conditions (STPCD) and Green Book documents. The remuneration of the CEO is discussed, reviewed annually and set by the MAT Board, using benchmarking information to support their considerations. The Trustees have established pay ranges for each individual school within the MAT based on the total unit score calculation and remuneration for key management personnel does not exceed the maximum permissible within each school group size.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	6
Full-time equivalent employee number	6

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	5
1%-50%	1
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£000
Total cost of facility time	519
Total pay bill	27,483,146
Percentage of total pay bill spent on facility time	0.00189 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100 %
---	-------

i. Related parties and other connected charities and organisations

As a multi academy trust, John Taylor MAT has no structural or commercial affiliation to any other organisations. All pecuniary interests for staff and directors are recorded, and reviewed annually. "Pecuniary interests" is a standing item on every MAT Board and LGB meeting.

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

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons) (Section 172 Statement)

John Taylor Multi-Academy Trust recognises the importance of employee engagement as a means of aiding recruitment, securing employee retention and productivity, and as a way to ensure wellbeing. It seeks to engage its employees via a number of strategies:

- An annual staff survey regarding workload, workplace relationships, training and support and other features that enable us to review and refine our provision.
- The issuing of the Trust's strategic plan to all employees on an annual basis to ensure their awareness of the Trust's key priorities and strategies.
- Staff representation (teaching and support) on all schools' Local Governing Bodies to enable direct engagement in the decision making process and the setting of strategic direction for schools.
- A regular and engaging social media presence, with open access for all employees to follow events, news and developments within JTMAT and our partnerships.
- Engagement with trade unions and professional associations via paid facilities time and local forums.
- A standardised performance management system which ensures all employees have access to support, professional development and career advancement opportunities.

The Academy Trust considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment with the Trust continues. The Trust's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees. Policy and its implementation is reviewed annually by Directors and its implementation by governors at each academy's LGB.

- During employment the Academy Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential
- Volunteers' policy
- Health & safety policy

In accordance with the Academy Trust's equal opportunities policy, the Academy Trust has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Academy Trust's offices.

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

Structure, governance and management (continued)

k. Engagement with suppliers, customers and others in a business relationship with the Academy Trust
(Section 172 Statement)

JTMAT recognises that it has a duty to act in a professional and ethical manner with all with whom we engage. As a charitable company, and a public sector body, we are acutely aware that we have multiple stakeholders. These include:

- Children in our schools
- The parents and families of children in our schools
- The Trust's employees
- The wider communities within which our schools operate
- The Department for Education and its agencies (ESFA, Ofsted)
- Other government departments to whom the electorate and the taxpayer are accountable
- The Members of the Trust
- Commercial and non commercial partners and suppliers

The Trust's Communications Policy, underpinned by the National Standards for Teachers, the National Standards for Headteachers, the Nolan Principles for Public Life and statute, set out the standards and media through which we should engage with all stakeholders. Should the Trust, or an employee within it, exceed or fall short of these standards, JTMAT's Compliments, Comments and Complaints Policy is available for stakeholders to express satisfaction or seek redress. This Policy can be viewed on the Trust's website.

Objectives and activities

a. Objects and aims

To provide an excellent broad and balanced curriculum for all learners in MAT academies that ensures each individual achieves stretching personal goals and fulfils their potential. The principal object and activity of the charitable company is the operation of John Taylor MAT to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

In accordance with the articles of association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to its academies, the catchment areas from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

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

Objectives and activities (continued)

The main objectives of the Trust during the year ended 31 August 2021 are summarised below:

- Children are well prepared for the next stage in their lives through experiencing the best learning opportunities through exceptional teaching and support, and access to high quality resources and provision in and beyond the classroom.
- Children achieve more, and make better progress, by attending a JTMA academy than would otherwise be expected. We add value.
- Our academies are full, and always oversubscribed as a result of their popularity, reputation and success.
- Our academies are staffed with high performing professionals, exhibiting passion and taking pride in their work, in a context of effective support and challenge.
- Accommodation and premises are safe, well maintained, and with facilities that are constantly improving.
- Infrastructure is both effective and efficient, underpinned by sound financial management practices whereby value for money is always given due regard.
- Management systems are coherent and cohesive, and staffed by colleagues who are innovative, adaptable, and capable of absorbing new initiatives.
- Our academies, and the Multi Academy Trust, are held in the highest regard by others within and beyond the education sector, and our work and its impact is validated by external accreditation and inspection.

b. Objectives, strategies and activities

The Trust's main strategy is enshrined in its mission statement which is that 'we believe in the power of education to improve lives – and the world'. The keys to our success are:

Our commitment to ensure learning is at the heart of all we do: Keeping "the main thing, the main thing" – prioritising our people, time, energy and funding to the improvement of the educational experience – both formal and informal – we provide:

A passion for excellence: Only comparing ourselves with the best. When finding it, seeking to match and then surpass it.

Restlessness and curiosity: Looking for opportunity to be involved and to learn from new experiences.

Courage to innovate: Leading change – in teaching and learning, curriculum development, organisational structures.

Tenacity and resilience: Holding to our mission in times of turbulence, and remaining resolute until we achieve what we set out to do.

Collegiality: listening to others, sharing with others, learning from others.

In line with our Equality Policy the Trust is committed to ensuring equality of opportunity for all who learn and work here.

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

Objectives and activities (continued)

c. Public benefit

The Directors have complied with the duty in Section 17 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Directors consider how planned activities will contribute to the aims and objectives they have set. The Trust has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

d. Equality statement

The Academy Trust seeks to achieve the objectives set down in the Equality Act 2010.

- a) As part of its accommodation strategy the Trust updates its access audit as required.
- b) The Trust has, in each Academy, an appointed SEND Co-ordinator, who provides information, advice and arranges support where necessary for students with disabilities.
- c) There is a list of specialist equipment held by each Academy which the Trust can make available for use by pupils and a range of assistive technology is available in each Special Educational Needs Department.
- d) The policy for the admittance of all pupils is described in the Trust's Admissions Policy. Appeals against a decision not to offer a place are dealt with under the appeals procedure outlined within the admissions policy.
- e) The Trust has made a significant investment in the appointment of specialist teachers to support pupils with learning difficulties and/or disabilities. There is a continuing programme of staff development in each academy to ensure the provision of a high level of appropriate support for pupils who have learning difficulties and/or disabilities.
- f) Specialist programmes are described in Academy prospectuses, and achievements are recorded and published in the standard format.
- g) We inform pupils and parents, at the point of transfer to Academies within the MAT, of the Academy's pastoral system and identified staff e.g. Head of Year, to whom they can go to if they require support or assistance of any kind.

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

Strategic report

Achievements and performance

a. Key performance indicators

Academies within the Trust continue to perform strongly or are improving in a range of key performance indicators. Academic achievement is clearly very closely aligned to our strategic objectives as articulated on pages 8 and 9 – particularly regarding children's preparedness for the next stages of their lives (our first objective) and the most demonstrable way in which we can indicate that our Trust adds value (the second objective).

As a result of Covid 19 restrictions, no public examinations (secondary phase) or national tests (primary phase) were sat by children and young people in the summer of 2021. It is therefore unhelpful and problematic to attempt to report attributed outcomes for learners in a comparative manner or one which articulates our schools' and leavers' performance.

Internal assessment data will be used by the Trust's School Improvement Team to target areas for development across our schools.

Financial review

There have been several financial implications of Covid 19 on the education system as a whole however, the Trust has seen another strong year in terms of financial performance despite a stable year in terms of school joiners. We have been able to recruit additional staff to the Central Support team and offer additional services to our schools. The Trust and its schools had surplus reserves at the outbreak of the pandemic and therefore most schools have finished the 2020-21 financial year in a better position than might otherwise have been anticipated, despite significant reductions in locally generated income. The loss in learning encountered during periods of lockdown has yet to be fully recovered and the need for additional catch-up work from September 2021 continues. Whereas only a small number of our schools were eligible for the government's 2019-20 exceptional costs reimbursement, all will benefit from the 2021-22 recovery premium funding being rolled out from October 21. From September 21, the format of Teaching Schools is changing and John Taylor has been designated as a Teaching School HUB – one of 87 nationally (11 in the West Midlands). This has mitigated against any potential financial or operational impact from the cessation of the Teaching School status.

We know from past experience that the true impact of significant events on education budgets can be somewhat delayed, so the Trust will continue to be proactive in terms of income generation, prudent in terms of expenditure plans and will adopt a cautious approach to large projects, ensuring they can be fully funded with no potential risk.

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

a. Reserves policy

The appropriate level of reserves will be determined by the JTMAT Audit Committee in line with its Reserves Policy and will be subject to annual approval by the Trust Board (currently up to 12% of total GAG income). The Trust aims to maintain an adequate level of uncommitted reserves to:

- provide a working balance to cushion the impact of uneven cash flows and avoid necessary short term borrowing;
- provide a contingency to cushion the impact of unexpected events, emergencies and large shortfalls in budgets;
- plan for potential major items of expenditure.

The Group's current level of free reserves (total funds less the amount held in fixed assets and restricted pension funds) is £7,581k (2020 - £6,045k) which is higher than the desired level. Two High Schools who are contributing to the high balance have significant capital development plans in place to reduce the level of their reserves during the next 3 years. At JTH this is the replacement of outdated mobile classrooms and at KNG this is a number of projects including an additional dining facility and refurbishment of the science block. Progress is ongoing but the schedule of work has been hindered somewhat by the ongoing Covid 19 pandemic.

The Trust regularly monitors and reviews the level of reserves in the light of the changing funding and financial climate and other risks such as the potential cash impact on its pension scheme liability. This will be reviewed further following the release of the 2020 triennial pension scheme valuation.

The Trust held total fund balances at 31 August 2021 of £90,715k (2020 - £95,173k) comprising £87,294k (2020 - £91,525k) of restricted funds and £3,421k (2020 - £3,648k) of unrestricted general funds and included within the restricted reserves is a pension reserve deficit of £18,546k (2020 - £13,744k).

The Trust has a restricted fixed assets fund, with a balance of £101,680k which is in respect of fixed assets and capital expenditure of the Trust, which is not available for general purpose of the Trust and will only be realised by disposing of the tangible assets.

The pension liability at 31 August 2021 is £18,546k which is shown separately in a restricted fund and the Trustees continue to review the contribution due based on the reports received from the schemes actuaries ensuring the cash is available to meet contributions as they fall due.

b. Investment policy

The Academy Trust does not currently have an investment policy as there are no investments. Should a decision be taken to consider a strategy requiring investment, this would be enshrined in policy. The Trust does however look to maximise its income through the transfer of uncommitted balances to short term higher interest deposit accounts which it regards as a low risk strategy.

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

c. Financial and risk management objectives and policies

The Directors have adopted the statement of recommended practice (SORP) approach to identifying and managing the risks of the Trust. The Trust's exposure to risk is largely bank balances, trade creditors and debtors plus its inherited Local Government Defined Benefits pension scheme deficit for support staff across the Trust. The Trust assesses the risks arising from its operations and examines the likelihood and materiality of each risk. The Trust has operational and strategic risk registers which describe the control mechanisms in place to manage or mitigate each risk. The Trust addresses the risk of misappropriation of funds through theft, fraud or other means by engaging positively with accountancy and internal and external auditing services and verification processes and using industry standard, bespoke financial packages and systems designed to mitigate risk.

The MAT strategic risk register is reviewed at all MAT Board meetings and mitigating actions agreed as required and all changes documented. Each Academy's strategic and operational risk registers are reviewed regularly by the Local Governing Body via a standing item at their meetings.

d. Financial review

Most of the Trust's income is obtained from the Education Skills and Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also receives grants for tangible fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' SORP (FRS102), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2021, total expenditure of £40,850k (2020 - £35,144k) was covered by recurrent grant funding from the ESFA and other incoming resources. The surplus of income over expenditure for the year (excluding a deficit on restricted fixed asset funds of £1,191k) was £33k (2020 - £878k).

At 31 August 2021 the net book value of fixed assets was £99,524k (2020 - £101,563k). Assets were used exclusively for providing education and the associated support services to the students of the academies within the Trust.

The deficit of the pension reserve of £18,546k (2020 - £13,744k) relates to the non-teaching staff pension scheme, where, unlike the teachers' scheme, separate assets are held to fund future liabilities as discussed in note 24. The deficit can be met in the longer term from any combination of increased employer to employee contributions, increased government funding or changes to scheme benefits.

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

e. Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust and its Central Team continues to grow which enables it to support its schools during difficult times such as the recent/current pandemic. This has resulted in our schools suffering no or only minimal detriment throughout the continuing situation. Most Trust schools are regularly over subscribed and enjoy an excellent reputation amongst the communities they serve. This, together with careful financial management, has resulted in all schools having a positive reserve position of varying levels, enabling some to undertake significant capital planning during the next few years. For this reason the Trust continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Promoting the Success of the Company (Section 172 Statement)

The Board and its Directors are acutely aware of the impact of their decisions upon the success of the company, and the consequent impact the Trust's success has on the lives, outcomes, and life chances of the children we make provision for. Clear moral purpose, combined with financial prudence and informed and effective strategic risk management combine to ensure decisions made regarding growth, investment, and organisational change are taken with due sobriety and measurement. The Trust's risk management strategy has evolved over many years, and is seen as a model of effective practice.

All associated with the Trust are aware of its reputational value, and that individual and corporate actions will enhance or erode that value. As such, we actively monitor and evaluation our engagement with stakeholders, and seek feedback on how we can improve (see previous section on Engagement with suppliers, customers and others in a business relation with the Trust). Reputational value assists the Trust in securing pupil admissions by gaining and retaining the parental confidence of the communities we serve. It helps to ensure the recruitment of high calibre professionals who have ambitions to work for a highly regarded employer that is noted for its performance and its staff development. It assures the Department for Education and other governmental agencies that the Trust is worthy of serious consideration for new strategic growth opportunities and consequent funding streams.

f. Key performance indicators:

Members and Directors must have the skills, knowledge and experience to run the Multi Academy Trust. Their duties include ensuring that the Trust's funds are used only in accordance with the law, its articles of association, its funding agreement and the Academies Financial Handbook. The Trust will continue to grow and has reached its target of at least fourteen schools by 2021, having already out stripped its previous growth projection (eight schools by 2019). Updated growth targets will be articulated in a new strategic plan to encompass the period 2021-24.

Governance KPI's

1. Ensure that distinction is achieved between Member and Director roles within the MAT as enshrined in documentation.
2. All Members and Directors fully understand their duties as Company Directors and Charity Trustees as laid out in the Companies Act 2006 and Charity Commission guidance as exemplified in a skills audit.
3. All schools have a full complement for their Local Governing Bodies, with an appropriate set of skills and experiences to undertake their defined responsibilities.

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

Financial KPI's

1. Ensure economy, efficiency and effectiveness over the use of Trust funds (value for money).
2. Assurance received that annual financial accounts have been properly prepared and are free of material misstatements.
3. Accounts filed with Companies House for public access by 31 December each year and on the Trust website by 31 January of the following year.
4. All statutory returns submitted on time.
5. Staffing costs should be capped at 80% of total Trust income (excluding restricted fixed asset funds and the income on conversion/transfer of existing academies) however actual staff costs for 2020/21 were 81%.
6. Alternative sources of funding are pursued, consistent with the Trust's core competencies.
7. Sufficient levels of income are generated to support the asset base of the Trust.
8. Sources of funding pursued for capital development projects.

Human Resource KPI's

1. All MAT academies fully staffed with high calibre staff.
2. Pupil to teacher ratios are favourable compared to national levels.
3. Development opportunities made available to staff to work across schools in the MAT.
4. 100% training penetration rate achieved (calculated as % of employees completing a course of training compared to total number of employees employed).
5. 100% performance management penetration for all eligible staff across all MAT schools.

School Standards KPI's

1. All MAT schools retain or improve their Ofsted inspection rating.
2. Parent, staff and student survey data illustrates satisfaction.
3. Schools can demonstrate the adding of value to children of all ages, abilities, and backgrounds.
4. All schools are fully compliant with health and safety, safeguarding and other statutory requirements.

Plans for future periods

Future developments

The Academy Trust will continue striving to improve the levels of performance of its pupils and students at all levels and will continue its efforts to ensure they secure employment or a place in Higher Education once they leave school. Key priorities are identified in our Strategic Plan 2018-21:

Opportunities for Strategic Development 1: Teaching and Curriculum

- a. Shared training plans to derive and exploit opportunities for collaboration and cross fertilisation of expertise.
- b. Shared training days calendared across MAT schools to facilitate the above.
- c. An annual teaching and learning event to showcase innovation and celebrate excellent practice
- d. Close alignment of key performance indicators for teachers across the MAT regarding appraisal to promote consistency of challenge
- e. Formal teacher secondments and regular development opportunities for teachers – across schools, across phases.
- f. An on-line repository of learning resources and lesson video footage to be shared across all schools within the MAT.
- g. School improvement reviews to be commissioned on a regular cycle for all schools within the MAT.
- h. A greater number of Specialist Leaders of Education are recruited from the MAT'S schools to work out of the National Forest Teaching School.

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

Opportunities for Strategic Development 2: Leadership

- a. Key performance indicators across the MAT'S schools (e.g. financial position, pupil progress, school improvement activities, appraisal) can be monitored centrally via a single 'dashboard'.
- b. An asset register of all MAT assets is clearly formatted and accurate.
- c. All teaching and learning responsibility (TLR) holders have undertaken recognised middle leader training within two years of taking up their position within the MAT.
- d. All leadership group (LG) post holders have undertaken recognised senior leader training within two years of taking up their position within the MAT.
- e. An annual governance event takes place to enable networking and skills development for all Local Governing Bodies
- f. Policy (and contracts where applicable) alignment across all MAT schools exists, with local contexts taken into account regarding procedures and protocols.
- g. Formal leadership secondments and regular development opportunities across the MAT.
- h. The Executive Group and School Representation Group are high functioning, effective structures to support communication and decision making.

Opportunities for Strategic Development 3: IT infrastructure

- a. Key organisational architecture – calendars, agendas and minutes, policies – are shared with all staff across the MAT to improve efficiency and coherence.
- b. A MAT wide IT hardware and software inventory is maintained.
- c. Common IT procedures are implemented across MAT schools to improve efficiency.
- d. Cross site opportunities for data storage and back up are fully utilised.
- e. Relevant spare stock is stored by the MAT for emergency replacement to its schools, minimising disruption to teaching and management through 'down time'.
- f. JTMAT web presence, and via social media, is effective in communicating to existing stakeholders and the wider community.
- g. Harnessing technology is a regular feature of both the MAT'S teaching and governance annual events.
- h. IT related training is delivered to MAT staff on a needs driven, as opposed to school driven, basis.
- i. Existing inter site connectivity is exploited to enable cross site working.

Opportunities for Strategic Development 4: Support services

- a. Key support staff – IT technicians, cover supervisors, teaching assistants work effectively across the MAT'S schools, demonstrating an increased responsiveness to need, supported by high quality training, and opportunities to appoint staff into student support roles across schools are taken where appropriate.
- b. The MAT develops an impressive package of traded services, in conjunction with the National Forest Teaching School, and delivers high quality school improvement, financial support and other packages to other schools and MATs.
- c. Commercial income is maximised through a centralisation of lettings provision across the Trust's schools.

N.B: A new, three-year strategic plan (for 2021-24) has been constructed and approved by the Board, and will be implemented from September 2021. A summary of this plan is available on the Trust's website.

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

Principal risks and uncertainties

The Academy Trust has undertaken further work during the year to develop and embed the system of internal control, including financial, operational and risk management which is designed to protect the Trust's assets and reputation.

Based on its Terms of Reference, the Audit Committee undertook a comprehensive review of the risks to which the Trust is exposed. They identified systems and procedures, including specific preventable actions which should mitigate any potential impact on the Academy Trust. In addition to the annual review, the Audit Committee also considered any risks which arose as a result of a new area of work being undertaken by the Trust.

The Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control, and during the year the review has been informed by the work of the Director assigned to check the Trust's internal controls and the external auditor, as well as the self assessment process.

A strategic risk register is maintained at the Trust level which is reviewed at least annually by all Directors and more frequently where necessary. For each Academy within the Trust, both strategic and operational risk registers are in place, reviewed by Governors on the LGB (it appearing as a standing item on all governing body agendas). The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Trust and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system.

Outlined below is a description of the principal risk factors that may affect the Trust. Not all the factors are within the Trust's control. Other factors besides those listed below may also adversely affect the Trust and its academies.

- Strategic & Reputational,
- Operational Risk,
- Compliance Risk,
- Financial Risk.

1. Government funding

The Academy has considerable reliance on continued government funding through the ESFA. In 2020-21, nearly 98% of the Academy's revenue was ultimately public funded. There can be no assurance gained that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

This risk is mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements.
- By ensuring the Trust is rigorous in delivering high quality education and training.
- Considerable focus and investment is placed on maintaining and managing key relationships with the ESFA.
- By ensuring that the Trust delivers good value in the use of public resources.

2. Maintain adequate funding of pension liabilities

The financial statements report the share of the pension scheme deficit on the Academy's Balance Sheet in line with the requirements of FRS 102.

Uncertainty remains around the impact of leaving the European Union and how that could potentially impact our operations, service users and suppliers. We are reviewing and monitoring the impact of this on an ongoing basis.

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

Fundraising

John Taylor Multi Academy Trust does not undertake formal fundraising via external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Streamlined Energy and Carbon Reporting

John Taylor Multi Academy Trust is a large company as determined by sections 465 and 466 of the companies Act 2006 and consumes more than 40,000 KWh of energy in a reporting period. This report has been compiled using energy data from the period 1st September 2020 to 31st August 2021. This is the second annual report from John Taylor Multi Academy Trust and whilst there has been a small increase in its overall carbon emissions, it is important to consider the effects of the global Coronavirus Pandemic on the energy use during this reporting period. Energy consumption has been impacted negatively for the period schools were required to participate in the national lockdown procedures between October 2020 and January 2021 and further lockdowns between January 2021 and March 2021. Most Trust schools were operational during these periods, delivering education to the children of key workers, in some settings this was up to 50% of the normal school pupil numbers. The most significant impact on schools energy use presented itself during the return to education in March 2021. To facilitate this return schools were advised to adequately ventilate buildings in an effort to mitigate against further infections from Covid 19, a strategy which presented a conflict for schools' ability to provide a comfortable heated environment with suitably ventilated areas. This has been borne out by considerably increased gas consumption compared with the comparable 2019 period. One area of good news was the marked decrease in carbon emissions due to vehicle mileage, this saving has arisen from the reduced use of school transport needs and the use of online meetings decreasing the need for staff to meet face to face. It is likely that on-line meetings will continue for some time and no doubt continue to save claimed vehicle mileage. Unfortunately, the disruptive nature of the pandemic has resulted in another distortion of typical energy use for an academic year. This report includes the following for the stated period:

- its UK energy use and associated greenhouse gas emissions, as a minimum relating to gas, purchased electricity and transport fuel;
- its energy use and emissions;
- an emissions intensity ratio;
- methodologies used in the calculations;
- measures taken to improve energy efficiencies in the period.

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

Streamlined Energy and Carbon Reporting (continued)

UK Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021	
Energy consumption used to calculate emissions (kWh)	7,878,002
Energy Consumption break down (kWh)	
• <u>Gas</u>	4,883,694
• <u>Electricity</u>	2,068,861
• <u>Transport fuel</u>	8,639
• <u>Heating Oil</u>	398,430
• <u>Liquid Petroleum Gas (lpg)</u>	80,940
• <u>Biomass</u>	437,437
<u>Scope 1 emissions in metric tonnes CO2e</u>	
Gas consumption	894.50
Heating LPG	17.75
Heating Oil	99.54
Biomass	6.62
Owned transport – mini- buses	0.87
Total Scope 1	1,019.28
<u>Scope 2 emissions in metric tonnes CO2e</u>	
Purchased electricity	439.28
<u>Scope 3 emissions in metric tonnes CO2e</u>	
Business travel in employee owned vehicles	0.94
Total gross emissions in metric tonnes CO2e	1,459.49
<u>Intensity ratio</u>	
Tonnes CO2e per pupil	0.221

Quantification and Reporting Methodology

The Trust has followed the 2021 HM Government Environmental Reporting Guidelines. We have used the GHG Reporting Protocol – Conversion factors from Department for Business, Energy & Industrial Strategy 'Government conversion factors for company reporting of greenhouse gas emissions' 2021.

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

Streamlined Energy and Carbon Reporting (continued)

John Taylor Multi Academy Trust summary of energy use 2020/2021

Current Year 2020						
Energy Source	Period of Consumption	Consumption		Scope	Emissions calculation	
Gas – total kWh (kilowatt-hours)	01/09/2020 - 31/08/2021	4,883,694	kWh (gross CV (calorific value))	Scope 1	894.50	tCO ₂ e
Electricity – total kWh (kilowatt-hours)	01/09/2020 - 31/08/2021	2,068,861	kWh	Scope 2	439.28	tCO ₂ e
Heating Oil – total kWh (kilowatt-hours)	01/09/2020 - 31/08/2021	398,430	kWh	Scope 1	99.54	tCO ₂ e
Heating LPG – total kWh (kilowatt-hours)	01/09/2020 - 31/08/2021	80,940	kWh	Scope 1	17.75	tCO ₂ e
Biomass – total kWh (kilowatt-hours)	01/09/2020 - 31/08/2021	437,437	kWh	Scope 2	6.62	tCO ₂ e
Transport – School Fleet miles	01/09/2020 - 31/08/2021	3,469	kWh	Scope 1	0.87	tCO ₂ e
Transport – (Grey Fleet) Value Chain	01/09/2020 - 31/08/2021	5,170	kWh	Scope 3	0.94	tCO ₂ e
Total		7,878,002	kWh		1459.49	tCO ₂ e
		Pupil Numbers			KPI	
Intensity ratio		6600	Pupils		0.221	tCO ₂ e per pupil

Comparison Year 2019					
Period of Consumption	Consumption		Scope	Emissions calculation	
01/09/2019 - 31/08/2020	3,221,354	kWh (gross CV (calorific value))	Scope 1	692.31	tCO ₂ e
01/09/2019 - 31/08/2020	1,633,772	kWh	Scope 2	380.90	tCO ₂ e
01/09/2019 - 31/08/2020	503,142	kWh	Scope 1	118.97	tCO ₂ e
01/09/2019 - 31/08/2020	77,298	kWh	Scope 1	0.64	tCO ₂ e
01/09/2019 - 31/08/2020	430,093	kWh	Scope 1	6.48	tCO ₂ e
01/09/2019 - 31/08/2020	8,883	kWh	Scope 1	2.26	tCO ₂ e
01/09/2019 - 31/08/2020	20,841	kWh	Scope 3	4.35	tCO ₂ e
	5,895,383	kWh		1105.90	tCO ₂ e
	Pupil Numbers			KPI	
	6250	Pupils		0.177	tCO ₂ e per pupil

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

Streamlined Energy and Carbon Reporting (continued)

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil.

Measures taken to improve energy efficiency during the last twelve months

The Trust was successful in applying for government funding under the Low Carbon Skills Funding (LCSF) grant allocation, this enabled the Trust to engage with a specialist energy consultancy to carry out specific energy surveys to a number of its high energy use buildings. The sole purpose of the surveys was to identify the potential to reduce each site carbon emissions with the installation of low carbon technologies such as Electric heat pumps, LED lighting, Solar PV and other low carbon equipment. The survey data is intended to support the further applications for Public Decarbonisation Scheme Grants (PDCS) for the installation of such technologies and equipment. The Trust made an application under phase 1 of the PDCS unfortunately this scheme was vastly oversubscribed, and our application was unsuccessful. The Trust is working with Entrust Property Services to submit further applications to future phases of grant applications with the next phase having a due date of 6th October 2021. As part of the Trusts SCA works we have carried out the following energy related works.

- Winshill Primary School – Replacing four heating boilers with more efficient condensing boilers.
- Yoxall St Peter's – Replaced an aged gas water heater with a new thermally efficient model. Replaced two classrooms lighting with more efficient LED lighting.
- Shobnall Primary School – Replaced old boiler installation in Early Years building with fully condensing combination boiler allowing for the removal of 4 x 2kw water heaters. Saving both energy and maintenance costs. Replaced the roof covering to the Early Years classrooms including the installation of 130mm of insulation.
- All Saints C of E Primary School – Electrical upgrade of Early Years including LED lighting install and more efficient PAS 20 compliant electric heating.
- Kingsmead School – Replacement window scheme from single glazed to double glazed units, replacement of two roofs including the upgrading of loft insulation.
- The Mosley Academy - Refurbishment of five toilet areas including the fitting of sensor-controlled LED lighting.
- Rykneld Primary School – Replaced flat roof coverings to 7 flat roofs including the application of insulation to a depth of 130mm.
- Paulet High School – Replaced two aged heating boilers for more efficient units, replaced flat roof including the application of 130mm insulation.

Awareness of the need to save energy in the school environment is continued to be promoted both from an education and financial perspective.

Plans for future periods

It is likely that the Covid 19 Pandemic will continue to challenge and conflict indoor spaces for some time and the need for comfortably heated buildings may require re-thinking if ventilation of areas is a greater need for the safety of occupants. The Trust will continue to engage with school leaders in its current estate to educate and bring awareness of energy saving principles. The Trust will continue to engage with professional energy consultants in order to identify opportunities for grant funding to decarbonise its estate in line with expectations from central government.

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

Plans for future periods (continued)

The Trust has committed in its three year allocations of its school condition fund (SCA) to include energy efficient strategies when improving or extending the estate, eg re-roofing projects will include the upgrading of insulation as a standard specification requirement where possible as will the fitting of LED lighting when replacing old discharge style lighting. The Trust will continue to work with its current energy advice providers to look at best practice in relation to energy procurement, management and use.

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that 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.

Auditor

The auditor, Mazars LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company Directors, on 13 December 2021 and signed on its behalf by:

Gareth Moss CPFA BA(Hons)
Gareth Moss CPFA BA(Hons) (Dec 15, 2021 09:02 GMT)

.....
G Moss
Chair of Trustees

GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
G Moss, (Chair)	6	6
T Hopkins	6	6
B Richardson	6	6
A Grandfield MBE	1	3
D Beaty	5	6
A Lee	4	6
A Stainer	5	6
A Swift (first meeting 17/05/21)	2	2
G Evans (first meeting 12/07/21)	1	1
N Warner (first meeting 12/07/21)	1	1
M Donoghue, (Accounting Officer)	6	6

John Taylor MAT has established robust governance structures with terms of reference for all committees and these will continue to be reviewed annually. The Board has undertaken a review and self evaluation of its own effectiveness and has carried out a skills audit of its members and organised training courses to address specific needs. A School Representation Group was constituted in 2018, in line with the Trust's growth trajectory, to ensure that academies within JT MAT have a clear and structured communication mechanism with the MAT Board.

The Board has undergone structural changes since the previous Trustee's Report. A Director (who represented CECET on the Board) passed away during the academic year and was replaced. A Director resigned due to relocation and two new Directors were appointed. The scale and scope of its work remains unchanged, and is discharged through Board meetings, two Committees (Audit and Compliance, and Achievement and Progress) and individual Director engagement with the CEO and other senior leaders within the Trust and its schools.

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Board annually reviews its competences, and its effectiveness, and will engage in formal self reflection following each Board meeting during 2021-22. JTMAT was subject to a routine Trust Review conducted by colleagues from the Department of Education Regional Delivery Division (RDD) in 2019, the outcome of which was extremely positive. JTMAT is signposted by the Department as a model of effective governance, and has hosted and led numerous training sessions for the Department on a range of topics – from CEO Induction through Academy finance to governance.

The Trust has established an Audit and Compliance Committee whose main purpose is to oversee the audit process and related matters in line with the Trust Scheme of Delegation. The committee met 3 times during the year. M Donoghue also attended 2 meetings and B Mahoney attended 3 meetings during the year.

The Board has also established an Achievement and Progress Committee to monitor standards of educational performance within and across the Trust's schools. The composition of this Committee includes Trustees with extensive educational experience and the Trust's primary and secondary improvement partners.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
B Richardson	3	3
J Hodgkinson	3	3
D Oates	2	3
P Freeman (appointed 10/03/21)	2	3

In addition to the MAT Board, the Trust has established Local Governing Body Managing and Organising Committees at each school which met 6 times during the year (pro rata for in year joiners). They receive Management Accounts and detailed financial reports at each meeting in addition to Capital, Health and Safety and Premises related income and expenditure issues.

Future Plans

In its previous Strategic Plan, the Trust proposed to become a group of eight academies by 2019 (compared with its four at the time of writing), with both primary (three further schools) and secondary growth (one school) anticipated. Naturally, these projections were subject to revision – and the proposed trajectory was exceeded, as the Trust by the end of the academic year 2018/19 comprised three secondary schools and nine primaries. A further infant and nursery school joined the Trust on 1st September 2019 and another secondary school on 1 February 2020. The Trust Board wholeheartedly and unanimously endorsed these incorporations as an ideal opportunity to provide exceptional educational provision to more communities in our area, and to further the Trust's objectives. Consequently, a revised Strategic Plan (for the period 2018-21) has been constructed and approved in order to recognise our new position. A new plan has been formulated for September 2021 for the period 2021-24.

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As Accounting Officer, the CEO has responsibility for ensuring that the Academy 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'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 has delivered improved value for money during the year by:

1. Robust governance and oversight of the Academy's finance

The Accounting Officer has responsibility for reviewing the effectiveness of the systems of internal control. He is informed by the internal audit service – commissioned by the Audit and Compliance Committee – who undertake reviews of key financial policies, procedures, and their implementation. Reports are produced which detail the Trust's compliance and demonstrate that the Trust has robust systems and financial controls in place. These reports are presented to the Audit and Compliance Committee in order to elicit a management response, agree any appropriate action be taken and any further distribution of the report and its implications (e.g. to the Managing and Organising Committees of Local Governing Bodies or the MAT Board). The MAT Board approves the budget each year and is mindful of the need to balance expenditure against income to ensure the Trust remains a "going concern". The MAT Board also receives and approves the Statutory Accounts and the External Auditor's Management Report.

2. Reviewing controls and managing risks

The budget is monitored on a regular basis by the Chief Operating Officer (COO) and the CEO through the production of reports that are generated direct from each Academy's financial management systems. Remedial action is taken to address any significant variances that may have an impact on the budget outturn.

The COO reports half termly to the MAT Board, presenting a budget monitoring report which details the consolidated financial position of the Academies to date and gives an update on the budget for the year, including any significant variances. In turn these are reported, at summary level, to the LGB Managing and Organising Committees of each academy indicating their own academy's financial position. A risk register is reviewed at every meeting by the Trust, and financial risk is reviewed further by the Audit Committee. The risk register details aspects of procedure and practice that contains risk, the extent of the impact should the risk manifest itself, the likelihood of the Trust's exposure to such an incidence, and the control mechanisms in place to mitigate likelihood and impact. Annually, the Audit Committee asks the CEO and COO the following:

- a) Have any risks recorded on the register materialised?
- b) Are there any new risks that have been added since the previous review?
- c) Are there any risks that have been removed as no longer applicable since the previous review?
- d) Have there been any adjustments to the control procedures detailed in the register since the previous review?

In addition, "Risk" is a standing item on all Trust and LGB committee agendas, providing a regular opportunity for senior leaders, Directors and Governors to discuss risk and its management outside of an annual review.

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

2. Reviewing controls and managing risks (continued)

The Trustees have produced a Reserves Policy which provides clarity on the extent and use of reserves generated by the Trust. This ensures sufficient working capital is provided to cover any cash flow issues that may arise between expenditure and receipt of grants, and provides a contingency to assist in the management of any unexpected and urgent costs e.g. emergency maintenance work on site, and provides the resources for future significant capital projects.

3. Maximising income generation

The Trust deposits surplus cash balances in accounts which offer the best interest rates available for secure investment to maximise interest earning potential. The Trust explores every opportunity to generate income through fund raising and grant applications. The growth of the school – through 'converter' academies and new free school provision – has added to the Trust's infrastructure. As the hub school for a Teaching School Alliance (The National Forest Teaching School) and now as the host of both a Research School (The Staffordshire Research School) and, from September 2021, a Teaching School Hub (the John Taylor Teaching School Hub) we encourage applications for grants and funding streams that provide opportunities to engage in research and development, initial teacher training, school to school support and other strategies that directly relate to the Trust's core purpose and mission. The accommodation of nursery provision at several of our primary schools also generates income for the Trust. Income generated from lettings has also risen, and the Trust continues to seek ways in which it can enhance its use as a community resource and generate additional income towards its core activities in the process. Finally, the CEO's engagement as an NLE, as a member of the RSC's Headteacher Board (reconstituted as the Advisory Board from September 2021), and the West Midlands Lead for the Teaching School Council are all additional sources of income, where the resources are re-routed into our provision. This work is also exceptionally valuable in the enhancement of the influence and reputation of the Trust beyond its locality.

4. Ensuring value for money is achieved and resources are used efficiently and effectively

The CEO and COO prepare the budget for Directors' approval from the priorities established in the Strategic Plan produced with reference to the Academy's Strategic Plan 2018-21, available at www.jtmat.co.uk. Through the improvement planning and self-evaluation processes, the Trust evaluates the effectiveness of strategies introduced in previous years in order to secure greater effectiveness and efficiency of resource deployment in subsequent plans. This is also assisted by the use of a self-evaluation tool at Trust level.

The staffing structures of the Trust's academies are reviewed annually by the Local Governing Bodies of each Academy and staffing is deployed to drive and support curriculum delivery, intervention initiatives, and wider school improvement. Targeted and restricted funding (e.g. Pupil Premium) is deployed in accordance with criteria associated with it.

Contracts and services are regularly appraised and renegotiated when appropriate to ensure value for money. The Trust and its Academies seek multiple quotations for goods and services where possible. In exceptional circumstances when it is not possible to secure several alternative costings, the reason is recorded in the Procurement Waiver documentation. The Trust utilises benchmarking information where available.

The Trust works closely with other local schools and academies to ensure best value. Through the Teaching School Alliance and other partnerships, economies of scale can be gained when procuring teacher training courses and other resources relating to our core activities. The Trust always assesses the costs and benefits of various options before making a purchasing decision in order to ensure that such a decision is securing best value and is the right option for the Academy for the longer term.

GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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 John Taylor MAT for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

In addition to an internal audit on our Complaints procedures undertaken by the Chair of the Audit and Compliance Committee, the following areas were scrutinised by our external provider RSM UK:

- Business Continuity arrangements;
- Human Resources and Payroll controls;
- Key Financial controls;
- Health and Safety.

All planned work was completed within the year and no material control weaknesses were identified in any of the audit areas examined.

Capacity to handle risk

The Directors have reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. A log of discussions and amendments to the Risk Register is detailed at the foot of the document, providing a chronicle of changes over time. The MAT Board is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the MAT Board.

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 reviews by the Trust Board 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
- identification and management of risks
- exceptional risk assessments for Covid-19 related risks.

All of the above is augmented by the Trust's Whistleblowing Policy which is available to all stakeholders. The Audit and Compliance Committee has considered the need for a specific internal audit function and currently utilises the services of RSM UK Group LLP auditors as internal auditor which reports biannually. The key areas of focus for the audit committee has been around operational and regularity issues with a particular focus on the risk of fraud.

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

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

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

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

Gareth Moss CPFA BA(Hons)
Gareth Moss CPFA BA(Hons) (Dec 15, 2021 09:02 GMT)

.....
G Moss
Chair of Trustees

Date: 13 December 2021

M T Donoghue
M T Donoghue (Dec 14, 2021 10:31 GMT)

.....
M Donoghue
Accounting Officer

Date: 13 December 2021

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of John Taylor MAT I have considered my responsibility to notify the Academy Trust board of Trustees and the Education & Skills Funding Agency (the 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 Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 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 the ESFA.

M T Donoghue
M T Donoghue (Dec 14, 2021 10:31 GMT)

.....
M Donoghue
Accounting Officer

Date: 13 December 2021

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:

Gareth Moss CPFA BA(Hons)
Gareth Moss CPFA BA(Hons) (Dec 15, 2021 09:02 GMT)

.....
G Moss
Chair of Trustees

Date: 13 December 2021

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF JOHN TAYLOR MAT

Opinion

We have audited the financial statements of John Taylor MAT (the 'Academy Trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and 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, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2020 to 2021 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF JOHN TAYLOR MAT (CONTINUED)

Other information

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

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the 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.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF JOHN TAYLOR MAT (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement on page 29, the Trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 Academy Trust or to cease operations, 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 the financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Academy Trust and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Academy Trust which were contrary to applicable laws and regulations, including fraud.

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF JOHN TAYLOR MAT (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.


David Hoose (Dec 15, 2021 09:41 GMT)

David Hoose (Senior Statutory Auditor)
for and on behalf of
Mazars LLP

Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Dec 15, 2021

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO JOHN TAYLOR MAT AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 13 September 2021 and further to the requirements of the Education and Skills Funding Agency (the ESFA) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by John Taylor MAT during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of John Taylor MAT's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of John Taylor MAT's funding agreement with the Secretary of State for Education dated 28 May 2015 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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by the 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 conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO JOHN TAYLOR MAT AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

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


MAZARS (Dec 15, 2021 09:42 GMT)

Mazars LLP
Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Dec 15, 2021

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

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

		Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
	Note					
Income from:						
Donations and capital grants	3	98	-	1,830	1,928	28,104
Other trading activities	5	473	181	-	654	522
Investments	6	14	-	-	14	43
Charitable activities	4	116	35,569	-	35,685	30,383
Teaching schools	29	-	1,411	-	1,411	1,204
Total income		701	37,161	1,830	39,692	60,256
Expenditure on:						
Raising funds	7	395	111	-	506	521
Charitable activities	8	311	35,605	3,228	39,144	33,620
Teaching schools	7,29	-	1,200	-	1,200	1,003
Total expenditure		706	36,916	3,228	40,850	35,144
Net (expenditure)/ income carried forward		(5)	245	(1,398)	(1,158)	25,112

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

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

		Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
	Note					
Net (expenditure)/ income brought forward		(5)	245	(1,398)	(1,158)	25,112
Transfers between funds	17	(222)	15	207	-	-
Net movement in funds before other recognised losses		(227)	260	(1,191)	(1,158)	25,112
Other recognised losses:						
Actuarial losses on defined benefit pension schemes	24	-	(3,300)	-	(3,300)	(1,109)
Net movement in funds		(227)	(3,040)	(1,191)	(4,458)	24,003
Reconciliation of funds:						
Total funds brought forward		3,648	(11,346)	102,871	95,173	71,170
Net movement in funds		(227)	(3,040)	(1,191)	(4,458)	24,003
Total funds carried forward		3,421	(14,386)	101,680	90,715	95,173

JOHN TAYLOR MAT
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07421140

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	14	99,524	101,563
		<u>99,524</u>	<u>101,563</u>
Current assets			
Debtors	15	936	1,067
Cash at bank and in hand	21	12,026	9,172
		<u>12,962</u>	<u>10,239</u>
Creditors: Amounts falling due within one year	16	(3,225)	(2,885)
Net current assets		<u>9,737</u>	<u>7,354</u>
Net assets excluding pension liability		<u>109,261</u>	<u>108,917</u>
Defined benefit pension scheme liability	24	(18,546)	(13,744)
Total net assets		<u><u>90,715</u></u>	<u><u>95,173</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	101,680	102,871
Restricted income funds	17	4,160	2,398
		<u>105,840</u>	<u>105,269</u>
Restricted funds excluding pension liability	17	105,840	105,269
Pension reserve	17	(18,546)	(13,744)
Total restricted funds	17	<u>87,294</u>	<u>91,525</u>
Unrestricted income funds	17	3,421	3,648
Total funds		<u><u>90,715</u></u>	<u><u>95,173</u></u>

JOHN TAYLOR MAT
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07421140

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements on pages 36 to 70 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

Gareth Moss CPFA BA(Hons)
Gareth Moss CPFA BA(Hons) (Dec 15, 2021 09:02 GMT)

.....
G Moss
Chair of Trustees

Date: 13 December 2021

The notes on pages 41 to 70 form part of these financial statements.

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by operating activities	19	1,371	770
Cash flows from investing activities	20	1,483	2,054
Change in cash and cash equivalents in the year		2,854	2,824
Cash and cash equivalents at the beginning of the year		9,172	6,348
Cash and cash equivalents at the end of the year	21, 22	<u>12,026</u>	<u>9,172</u>

The notes on pages 41 to 70 form part of these financial statements.

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

John Taylor MAT meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. 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 year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

• **Donations**

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

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **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.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £10k or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Freehold property	- 2%
Long-term leasehold property	- 2%
Furniture and equipment	- 10%
Computer equipment	- 33.3%
Motor vehicles	- 20%

The Academy Trust occupies certain land (including buildings) which are owned by its Trustees. The Trustees are the providers of the academies on the same basis as when the academies were maintained schools. The Academy Trust occupies the land (and buildings) under a mere licence. This continuing permission of their Trustees is pursuant to, and subject to, the Trustees' charitable objects, and is part of the Church's contribution since 1847 to provide State funded education in partnership with the State.

The licence delegates aspects of the management of the land (and buildings) to the Academy Trust for the time being, but does not vest any rights over the land in the Academy Trust. The Trustees have given an undertaking to the Secretary of State that they will not give the Academy Trust less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the Academy Trust is occupying the land (and buildings) the Directors have concluded that the value of the land and buildings occupied by the Academy Trust will not be recognised on the Balance Sheet of the Company.

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 Provisions

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

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

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

1. Accounting policies (continued)

1.8 Leased assets

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

1.9 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

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

1.10 Taxation

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

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

1.11 Pensions

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

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

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

1. Accounting policies (continued)

1.11 Pensions (continued)

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/(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.

1.12 Fund accounting

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

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

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

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

1.13 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 28.

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

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

Church owned land and buildings

The Academy Trust occupies certain land (including buildings) which are owned by its Trustees. The Trustees are the providers of the academies on the same basis as when the academies were maintained schools. The Academy Trust occupies the land (and buildings) under a mere licence. The Trustees have given an undertaking to the Secretary of State that they will not give the Academy Trust less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the Academy Trust is occupying the land (and buildings) the Directors have concluded that the value of the land and buildings occupied by the Academy Trust will not be recognised on the Balance Sheet of the company.

Accounting for John Taylor Free School's property

The free school moved into its new premises on 1 September 2018. The long term lease is yet to be signed with the Local Authority and the Trust is occupying the building on a license. The Trust has accounted for the land and buildings on its Balance Sheet at the year end as the Trust has stated it has the risk and rewards of the building and therefore has accounted for the asset. The Trust confirmed the long term lease is in the process of being finalised.

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Transfer from local authority on conversion	-	-	-	-	26,717
Other donations	98	-	-	98	87
Capital Grants	-	-	1,830	1,830	1,300
Total 2021	98	-	1,830	1,928	28,104
Total 2020	557	(1,013)	28,560	28,104	

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

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	29,926	29,926	25,313
Start Up Grants	-	-	-	229
Pupil premium	-	1,028	1,028	918
Teaching School Grants	-	302	302	333
Teachers' Pay and Pension Grants	-	1,561	1,561	1,399
Other	-	971	971	959
	-	-	33,788	29,151
Other Government grants				
Local authority grants	-	1,199	1,199	976
Other income from the Academy Trust's educational operations	116	-	116	225
	116	1,199	1,315	1,201
COVID-19 additional funding (DfE/ESFA)				
Catch up premium	-	472	472	-
Other DfE/ESFA COVID-19 funding	-	108	108	-
	-	580	580	-
COVID-19 additional funding (non-DfE/ESFA)				
Coronavirus Job Retention Scheme Grant	-	2	2	6
Other Coronavirus Funding	-	-	-	25
	-	2	2	31
Total 2021	116	35,569	35,685	30,383
Total 2020	225	30,158	30,383	

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

4. Funding for the Academy Trust's educational operations (continued)

The Academy Trust received £472k of funding for catch up premium and costs incurred in respect of this funding totalled £298k with the remaining £174k to be spent in 2021/2022.

The Academy Trust furloughed some wrap around staff under the government's CJRS.

The funding received of £1,600 relates to staff costs in respect of 3 staff which are included within note 10 below as appropriate.

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and the ESFA, the Academy Trust's funding for certain grants is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

5. Other trading activities

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Hire of facilities	30	-	30	46
Income from other charitable activities	443	181	624	476
Total 2021	473	181	654	522
Total 2020	340	182	522	

6. Investment income

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Interest from short term deposits	14	14	43
Total 2020	43	43	

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

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

7. Resources expended

	Staff Costs 2021 £000	Premises 2021 £000	Other 2021 £000	Total 2021 £000	Total 2020 £000
Expenditure on fundraising trading activities	-	-	506	506	521
Educational operations:					
Direct costs	22,333	1,869	1,657	25,859	22,393
Support costs	7,950	3,018	2,317	13,285	11,227
Teaching schools	293	-	907	1,200	1,003
Total 2021	30,576	4,887	5,387	40,850	35,144
Total 2020	26,085	3,904	5,155	35,144	

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

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

8. Charitable activities

	2021 £000	2020 £000
Direct costs – educational operations	25,859	22,393
Support costs – educational operations	13,285	11,227
	<u>39,144</u>	<u>33,620</u>

	2021 £000	2020 £000
Analysis of support costs		
Support staff costs	7,950	6,763
Depreciation	531	516
Technology costs	416	508
Premises costs	3,018	2,182
Legal costs - conversion	-	19
Other support costs	1,314	1,191
Governance costs	56	48
	<u>13,285</u>	<u>11,227</u>

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2021 £000	2020 £000
Operating lease rentals	84	70
Depreciation of tangible fixed assets	2,400	2,238
Fees paid to auditor for:		
- audit	32	31
- other services	11	9

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £000	2020 £000
Wages and salaries	21,489	18,350
Social security costs	2,146	1,800
Pension costs	6,613	5,506
	<u>30,248</u>	<u>25,656</u>
Agency staff costs	230	429
Staff restructuring costs	98	-
	<u>30,576</u>	<u>26,085</u>

Staff restructuring costs comprise:

	2021 £000	2020 £000
Redundancy payments	41	-
Severance payments	19	-
Other restructuring costs	38	-
	<u>98</u>	<u>-</u>

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

Included in staff restructuring costs are non-contractual settlement payments of £Nil (2020 - £Nil).

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	350	298
Administration and support	430	402
Management	61	62
	<u>841</u>	<u>762</u>

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

10. Staff (continued)

d. Higher paid staff

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	12	11
In the band £70,001 - £80,000	4	3
In the band £80,001 - £90,000	3	5
In the band £90,001 - £100,000	2	-
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	1	-
	<hr/>	<hr/>

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,690k (2020 - £1,578k).

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

11. Central services

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

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

The Academy Trust charges for these services on the following basis:

The Academy charges for these services on a scale ranging from 3% - 6% based on Ofsted rating at the point of conversion - 3% for outstanding to 6% for inadequate rated schools. Newly opened schools are initially assessed at 4%.

The actual amounts charged during the year were as follows:

	2021	2020
	£000	£000
John Taylor High School	236	220
Kingsmead School	223	212
Thomas Russell Infants School	26	27
Yoxall St Peters School	22	23
Rykeld Primary School	92	84
Shobnall Primary School	25	25
Mosley Academy	23	21
Winshill Village Primary and Nursery School	42	48
John Taylor Free School	140	87
Needwood Primary School	13	12
All Saints Primary School	14	13
Walton on Trent School	17	16
Church Gresley Infant and Nursery School	42	39
Paulet High School	179	98
Total	1,094	925

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

12. Trustees' remuneration and expenses

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

		2021	2020
		£000	£000
M Donoghue, (Accounting Officer)	Remuneration	150 - 155	145 - 150
	Pension contributions paid	35 - 40	35 - 40

During the year ended 31 August 2021, travel and subsistence expenses totalling £Nil were reimbursed or paid directly to 0 Trustees (2020 - £384 to 1 Trustee). Expenses reimbursed to the CEO, who is the only Trustee that is a member of staff, were paid whilst carrying out their duties as an Academy Trust employee and not as a Trustee.

13. 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 unlimited cover. It is not possible to quantify the Trustees' and officers' indemnity element from the overall cost of the RPA scheme membership.

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

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

14. Tangible fixed assets

	Freehold property £000	Long-term leasehold property £000	Assets under construction £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost							
At 1 September 2020	16,605	89,919	-	872	1,449	82	108,927
Additions	-	65	84	-	212	-	361
Disposals	-	-	-	-	(27)	-	(27)
At 31 August 2021	16,605	89,984	84	872	1,634	82	109,261
Depreciation							
At 1 September 2020	1,285	4,845	-	191	983	60	7,364
Charge for the year	257	1,612	-	87	433	11	2,400
On disposals	-	-	-	-	(27)	-	(27)
At 31 August 2021	1,542	6,457	-	278	1,389	71	9,737
Net book value							
At 31 August 2021	15,063	83,527	84	594	245	11	99,524
At 31 August 2020	15,320	85,074	-	681	466	22	101,563

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

15. Debtors

	2021	2020
	£000	£000
Due within one year		
Trade debtors	60	9
VAT repayable	236	200
Other debtors	1	8
Prepayments and accrued income	639	850
	<u>936</u>	<u>1,067</u>

16. Creditors: Amounts falling due within one year

	2021	2020
	£000	£000
Trade creditors	1,096	736
Other taxation and social security	526	461
Other creditors	635	733
Accruals and deferred income	968	955
	<u>3,225</u>	<u>2,885</u>

	2021	2020
	£000	£000
Deferred income		
Deferred income at 1 September 2020	487	423
Resources deferred during the year	386	487
Amounts released from previous periods	(423)	(423)
	<u>450</u>	<u>487</u>

Included within deferred income is £383k (2020 - £399k) which relates to grants received in advance, UIFSM grant, donations and lettings in the year. Income of £67k (2020 - £88k) relates to trip income for the 2021/22 financial year have also been deferred.

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

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

17. Statement of funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds						
General Funds	3,648	701	(706)	(222)	-	3,421
Restricted general funds						
General Annual Grant (GAG)	2,398	29,926	(28,179)	15	-	4,160
Pupil Premium	-	1,028	(1,028)	-	-	-
Teachers' Pay/Pension Grants	-	1,561	(1,561)	-	-	-
Catch Up Premium	-	472	(472)	-	-	-
Coronavirus Job Retention Scheme	-	2	(2)	-	-	-
Other grants	-	4,064	(4,064)	-	-	-
Other COVID funding	-	108	(108)	-	-	-
Pension reserve	(13,744)	-	(1,502)	-	(3,300)	(18,546)
	(11,346)	37,161	(36,916)	15	(3,300)	(14,386)

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

17. Statement of funds (continued)

**Restricted fixed
asset funds**

DfE/ESFA capital grants	2,065	1,830	(1,448)	207	-	2,654
Assets donated on conversion	100,694	-	(1,746)	-	-	98,948
Capital expenditure from GAG	112	-	(34)	-	-	78
	102,871	1,830	(3,228)	207	-	101,680
Total Restricted funds	91,525	38,991	(40,144)	222	(3,300)	87,294
Total funds	95,173	39,692	(40,850)	-	(3,300)	90,715

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

Restricted general funds

The General Annual Grant is the recurrent funding to be used for the educational purposes in accordance with the Academy Trust's Funding Agreement with the DfE. The pension reserve of £18,546k (overdrawn) represents the Academy Trust's share of the deficit in the Staffordshire Pension Fund and the Derbyshire Pension Fund.

Payments are being made in line with those required by the tri annual valuation in order to reduce the Trust's share of the deficit.

Restricted other funds

From time to time, additional fund are applied for as set out above or specific purposes laid down by the grant provider and to be used for educational purposes.

Fixed asset funds

This fund represents the net book value of fixed assets that the Academy Trust has purchased out of grants and donations received or were transferred on conversion. It also includes unspent capital monies at the year end.

Unrestricted funds

The unrestricted funds represent funds available to the Trustees to apply for for the general purposes of the Academy Trust.

Transfers relate to GAG funds used for capital expenditure.

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.

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

17. Statement of funds (continued)

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

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
General Funds	3,153	1,166	(611)	(60)	-	3,648
Restricted general funds						
General Annual Grant (GAG)	1,141	25,313	(24,059)	3	-	2,398
Start Up Grants	-	229	(229)	-	-	-
Pupil Premium	-	1,095	(1,095)	-	-	-
Teachers' Pay/Pension Grants	-	5,311	(5,311)	-	-	-
Pension reserve	(9,976)	(1,417)	(1,242)	-	(1,109)	(13,744)
	<u>(8,835)</u>	<u>30,531</u>	<u>(31,936)</u>	<u>3</u>	<u>(1,109)</u>	<u>(11,346)</u>
Restricted fixed asset funds						
DfE/ESFA capital grants	1,560	1,300	(795)	-	-	2,065
Assets donated on conversion	75,180	27,260	(1,746)	-	-	100,694
Capital expenditure from GAG	112	-	(57)	57	-	112
	<u>76,852</u>	<u>28,560</u>	<u>(2,598)</u>	<u>57</u>	<u>-</u>	<u>102,871</u>
Total Restricted funds	<u>68,017</u>	<u>59,091</u>	<u>(34,534)</u>	<u>60</u>	<u>(1,109)</u>	<u>91,525</u>
Total funds	<u><u>71,170</u></u>	<u><u>60,257</u></u>	<u><u>(35,145)</u></u>	<u><u>-</u></u>	<u><u>(1,109)</u></u>	<u><u>95,173</u></u>

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

17. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£000	£000
John Taylor High School	2,459	2,065
Kingsmead School	483	616
Thomas Russell Infants School	114	146
Yoxall St Peters School	17	68
Mosley Academy	251	231
Rykeld Primary School	211	47
Shobnall Primary School	149	167
Winshill Village Primary School	316	258
John Taylor Free School	969	499
Needwood Primary School	130	109
All Saints Primary School	111	97
Walton on Trent School	210	152
Church Gresley Infant and Nursery School	233	193
Paulet High School*	800	791
Central Services	1,128	607
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	7,581	6,046
Restricted fixed asset fund	101,680	102,871
Pension reserve	(18,546)	(13,744)
	<hr/>	<hr/>
Total	90,715	95,173

*Included within the funds of Paulet High School is a balance of £339k (2020 - £340k) which relates to a specific restricted maintenance sinking fund in relation to sports facilities.

JOHN TAYLOR MAT
(A Company Limited by Guarantee)

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

17. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2021 £000	Total 2020 £000
John Taylor High School	5,617	1,583	1,294	801	9,295	8,906
Kingsmead School	4,138	1,025	365	970	6,498	6,063
Thomas Russell Infants School	453	206	16	161	836	855
Yoxall St Peters School	337	270	22	124	753	714
Mosley Academy	507	196	57	155	915	825
Rykneld Primary School	1,489	719	77	577	2,862	2,380
Shobnall Primary School	566	375	30	232	1,203	1,102
Winhill Village Primary School	550	418	22	181	1,171	1,167
John Taylor Free School	2,139	862	206	564	3,771	2,485
Needwood Primary School	274	138	33	95	540	495
All Saints Primary School	298	131	23	105	557	549
Walton on Trent School	345	203	66	155	769	743
Church Gresley Infant and Nursery School	800	433	41	212	1,486	1,492
Paulet High School	3,264	872	288	582	5,006	2,625
Central services	335	532	150	269	1,286	2,505
Trust LGPS charge	1,502	-	-	-	1,502	-
Academy Trust	22,614	7,963	2,690	5,183	38,450	32,906

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

18. Analysis of net assets between funds

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	99,524	99,524
Current assets	3,421	7,385	2,156	12,962
Creditors due within one year	-	(3,225)	-	(3,225)
Provisions for liabilities and charges	-	(18,546)	-	(18,546)
Total	3,421	(14,386)	101,680	90,715

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

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	101,563	101,563
Current assets	3,648	5,283	1,308	10,239
Creditors due within one year	-	(2,885)	-	(2,885)
Provisions for liabilities and charges	-	(13,744)	-	(13,744)
Total	3,648	(11,346)	102,871	95,173

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

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

	2021 £000	2020 £000
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(1,158)	25,112
Adjustments for:		
Depreciation charges	2,400	2,238
Investment income	(14)	(43)
Decrease/(increase) in debtors	131	(471)
Increase in creditors	340	708
Capital grants from DfE and other capital income	(1,830)	(1,300)
Defined benefit pension scheme cost less contributions payable	1,258	1,035
Defined benefit pension scheme finance cost	244	207
Defined benefit pension scheme effect of business combinations	-	1,417
Net assets transferred on conversion	-	(28,133)
Net cash provided by operating activities	1,371	770

20. Cash flows from investing activities

	2021 £000	2020 £000
Investment income	14	43
Purchase of tangible fixed assets	(361)	(253)
Capital grants from DfE Group	1,830	1,300
Cash transferred on conversion from local authority	-	964
Net cash provided by investing activities	1,483	2,054

21. Analysis of cash and cash equivalents

	2021 £000	2020 £000
Cash in hand and at bank	12,026	9,172

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

22. Analysis of changes in net debt

	At 1 September 2020 £000	Cash flows £000	At 31 August 2021 £000
Cash at bank and in hand	9,172	2,854	12,026

23. Capital commitments

	2021 £000	2020 £000
Contracted for but not provided in these financial statements	84	-

24. Pension commitments

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

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

Contributions amounting to £590k were payable to the schemes at 31 August 2021 (2020 - £516k) and are included within creditors.

Teachers' Pension Scheme

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

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

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

24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £3,633k (2020 - £3,055k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,832k (2020 - £1,441k), of which employer's contributions totalled £1,478k (2020 - £1,156k) and employees' contributions totalled £354k (2020 - £285k). The agreed contribution rates for future years are 24.2% per cent for employers and 5.5% to 12.5% per cent for employees.

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

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.30 - 3.60	2.60 - 3.00
Rate of increase for pensions in payment/inflation	2.90	2.20 - 2.30
Discount rate for scheme liabilities	1.65	1.70

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

24. Pension commitments (continued)

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	21.3 - 21.4	21.2 - 21.6
Females	23.9 - 24.0	23.6 - 23.7
Retiring in 20 years		
Males	22.5	22.1 - 22.6
Females	25.7 - 25.8	25.0 - 25.1

Sensitivity analysis on the defined benefit obligations

	2021 £000	2020 £000
Discount rate - 0.1%	891	690
Salary increase rate + 0.1%	99	85
Pension increase rate + 0.1%	779	593

Share of scheme assets

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

	2021 £000	2020 £000
Equities	13,057	9,398
Corporate bonds	3,566	2,811
Property	1,295	1,113
Other assets	581	585
Total market value of assets	18,499	13,907

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

24. Pension commitments (continued)

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

	2021	2020
	£000	£000
Current service cost	(2,736)	(2,191)
Interest income	250	227
Interest cost	(494)	(434)
Total amount recognised in the Statement of Financial Activities	(2,980)	(2,398)

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

	2021	2020
	£000	£000
At 1 September	27,652	20,085
Obligations acquired on conversion	-	4,036
Current service cost	2,736	2,191
Interest cost	494	434
Employee contributions	354	285
Actuarial losses	6,020	802
Benefits paid	(211)	(181)
At 31 August	37,045	27,652

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

	2021	2020
	£000	£000
At 1 September	13,908	10,109
Assets acquired on conversion	-	2,619
Interest income	250	227
Actuarial gains/(losses)	2,720	(307)
Employer contributions	1,478	1,156
Employee contributions	354	285
Benefits paid	(211)	(181)
At 31 August	18,499	13,908

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

25. Operating lease commitments

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

	2021 £000	2020 £000
Amounts payable:		
Within 1 year	74	64
Between 1 and 5 years	80	92
	<hr/>	<hr/>
	154	156
	<hr/>	<hr/>

26. Members' liability

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

27. Related party transactions

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

Expenditure related party transactions

AMG IT Solutions - an entity which is connected to a key management personnel of the entity. Total expenditure on IT services for the year was £6k (2020 - £23k). There is no year end creditor (2020 - £Nil).

28. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the year it received £47k (2020 - £44k) and disbursed £45k (2020 - £40k) from the fund. An amount of £8k (2020 - £5k) is included in other creditors relating to undistributed funds that are repayable to the ESFA.

The Academy Trust also distributes SCITT bursary funds as an agent for the DfE. In the year it received £620k (2020 - £561k) and disbursed £620k (2020 - £561k) from the fund. An amount of £Nil (2020 - £Nil) is included in other creditors relating to undistributed funds that are repayable to the DfE.

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

29. Teaching school trading account

	2021	2021	2020	2020
	£000	£000	£000	£000
Income				
Direct income				
NCTL income	40		129	
Other income				
Self generated income	1,371		1,075	
Total income		1,411		1,204
Expenditure				
Direct expenditure				
Direct staff costs	293		238	
Other direct costs	907		765	
Total expenditure		1,200		1,003
Surplus from all sources		211		201
Teaching school balances at 1 September 2020		430		229
Teaching school balances at 31 August 2021		641		430