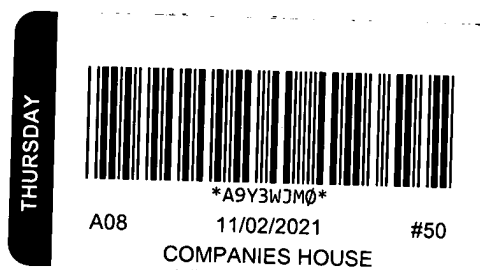


THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020



**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Exeter College University of Exeter Exeter Diocesan Education Network Chair of the Trust Vice Chair of the Trust
Trustees	Robert Bosworth, Chair ^{1,2} David Hall, Vice Chair ^{2,3} Philip Bostock ¹ Rosie Denham (formally resigned 16 October 2019) ³ Elaine Hobson (resigned 29 May 2020) ³ Richard Jacobs ¹ Lee-Elliott Major Moirra Marder, Chief Executive ^{1,2,3} Rebecca Mitchell ¹ Andrew Mulcock ³ Sarah O'Meara ³ Saxon Spence ³ Crispin Taylor (appointed 16 October 2020) Alex Walmsley ^{1,2} ¹ Audit, Finance and Resources Committee ² Pay and Conditions Committee ³ Education Committee
Company registered number	08545109
Company name	The Ted Wragg Multi Academy Trust
Principal and registered office	Cranbrook Education Campus Tillhouse Road Cranbrook Exeter EX5 7EE
Company secretary	Alison Layton-Hill
Accounting Officer	Moirra Marder
Senior management team	Moirra Marder, Chief Executive Officer Tim Rutherford, Deputy Chief Executive Jon Lunn, Director of Performance Charlotte Davies, Director of Finance and Resources (appointed 17 February 2020) Sue Pym, Chief Accountant Alison Layton-Hill, Director of Communications and Company Secretary Josie Medforth, Director of Operations (resigned 5 January 2020)

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 2nd Floor Stratus House Emperor Way Exeter Business Park Exeter EX1 3QS
Bankers	Lloyds Bank Exeter EX4 3NL
Solicitors	PHP Law LLP 51 North Hill, Plymouth Devon PL4 8HZ PHP law were appointed as successor to Michelmores LLP (effective 22 Oct 2019)

**THE TED WRAGG MULTI ACADEMY TRUST
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**TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

1. The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2020. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.
2. The Trust operates 4 primary academies, 5 secondary academies and 1 all through academy within Exeter and Plymouth. The academies have a combined pupil capacity of 8,025 and had a roll of 6,521 in the school census on 3 October 2019. The Trust is planning to re-broker All Saints Church of England Academy Plymouth, early in 2021. Currently, All Saints is supported through a management partnership arrangement and has 587 secondary pupils.

Structure, Governance and Management

Constitution

3. The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Charitable Company operates as The Ted Wragg Multi Academy Trust and currently includes:
 - Cranbrook Education Campus
 - Exwick Heights Primary School
 - Isca Academy
 - Marine Primary (transferred in 1 April 2020)
 - Marine Secondary (transferred in 1 April 2020)
 - St James School
 - St Lukes School (converted 1 February 2020)
 - West Exe School
 - Whipton Barton Infants and Nursery School
 - Whipton Barton Juniors School
4. The trustees of The Ted Wragg Multi-Academy Trust are also the directors of the Charitable Company for the purposes of company law.
5. Details of the trustees who served throughout the year, except as noted, are included in the reference and administrative details on pages 1 to 2.

Members' Liability

6. 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 £Nil, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

7. In accordance with normal commercial practice the Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The limit of this indemnity is £5m.

Trustees

Method of recruitment and appointment or election of trustees

8. The Academy Trust shall have the following trustees as set out in its Articles of Association and funding agreement:

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

- up to 11 trustees who are appointed by members of the Ted Wragg Multi-Academy Trust.
 - the Chief Executive Officer who is treated for all purposes as being an ex officio trustee.
 - additional co opted trustees appointed by the Board of Trustees.
9. Trustees are appointed for a four-year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of trustee, any trustee can be re-appointed or re-elected.
10. When appointing new trustees, the Board will consider the skills and experience mix of existing trustees in order to ensure that the Board has the necessary skills to contribute fully to the Multi-Academy Trust's development.

Policies and procedure adopted for the induction and training of trustees

11. The training and induction provided for new trustees will depend upon their existing experience. Where necessary, induction will provide training on charity, educational, legal, and financial matters. All trustees are provided with access to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as directors. As there are normally only two or three new trustees a year, induction tends to be done informally and is tailored specifically to the individual. Trustees are kept updated through the annual conference, which includes updates on relevant developments.

Organisational Structure

12. The key elements of the governance structure are:

Board of Trustees	
The Board of Trustees currently meets six times a year. The Board establishes an overall framework for the governance of the Multi-Academy Trust and determines membership, terms of reference and procedures of committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. The Board may from time to time establish working groups to perform specific tasks over a limited timescale. There are three main committees as follows:	
Audit, Finance and Resources Committee	
	The committee plans to meet six times a year and is responsible for monitoring, evaluating, and reviewing financial management policy and performance, ensuring compliance with reporting and regulatory requirements, receiving internal assurance reports, monitoring the staffing establishment and drafting the annual budget. It also incorporates the role of an audit committee.
Education Committee	
	This meets once a term to monitor, evaluate and review the curriculum direction and performance, communications, target setting and assessment, examinations, and pastoral issues. The Committee's role has expanded with growth to include an overview of admissions, teaching schools, 'The Bridge' inclusion facility, mental health, and wellbeing.

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Pay and Conditions Committee

The following decisions are reserved to the Board of Trustees:

- to review and approve the Trust governance structure.
- to agree trustee appointments for ratification by members.
- to approve the Trust Strategic Plan including the Trust vision and values.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the academies by the use of budgets and other data, and making major decisions about the direction of the academies, capital expenditure and staff appointments.

Trust Local Governing Bodies Chairs' Group

At academy level, each school has its own Local Governing Body.

The chairs of local governing bodies meet with the Chair of the Trust once a term to discuss the strategic direction of the Trust, supporting discussion of cross school issues and enabling the Group to report up to the Board and to report down to the local governing bodies. The Group is also used as a platform for the Executive Team to consult on proposals and for chairs to make recommendations and raise issues or concerns. The Group does not have any decision-making power under the Scheme of Delegation.

Local Governing Body Committees

The academy schools' local governing bodies are committees of the Board of Trustees and have delegated decision making powers in accordance with the Scheme of Delegation. LGBs meet eight times per year, five meetings focusing on education and three meetings focusing on finance and resources. Local governing body meeting minutes are tabled at the relevant Board of Trustees committee for approval, facilitating feedback and communication.

The Senior Leadership Team

The Chief Executive Officer is the Accounting Officer for the Trust and appointed by the Board. The executive leadership of the Trust is overseen by Moira Marder, the Chief Executive Officer, the Senior Leadership Team comprising of the headteachers and the Executive Team. Each academy also has a Senior Leadership Team, responsible for the strategic and operational decision making at academy level, with responsibility for implementing the individual academy's annual improvement plan, organising teaching and learning, facilities, and student support framework. The SLT meets as:

The Education Leadership Group (focussing on educational priorities)

This group enables the Chief Executive Officer and headteachers of the schools within the Trust to meet, discuss and recommend the strategic direction for the Trust in terms of school improvement. The group does not have any decision-making power under the Scheme of Delegation. Recommendations from the group are taken to the Education Committee.

**THE TED WRAGG MULTI ACADEMY TRUST
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

The Executive Team (comprising of the CEO, Director of Performance, Director of Finance and Resources, Chief Accountant and Company Secretary)

The Executive Team meet fortnightly on a formal basis to support the delivery of the Trust strategy. The operational and strategic risk register is reviewed, along with the delivery of the Trust's Growth Plan, school improvement, business services, Trust budgets, governance, HR, and major projects. The key actions are then raised in the one-to-one meetings between the Chief Executive Officer and the Chair of the Trust.

Arrangements for setting pay and remuneration of key management personnel

13. The trustees consider that the Board of Trustees and the senior executive team comprise the key management personnel of the Ted Wragg Multi Academy Trust in charge of directing and controlling, running, and operating the Trust on a day to day basis. All trustees give their time freely and no trustee received remuneration in the year except for the Chief Executive Officer. The Chief Executive Officer's remuneration is set and agreed by the trustees and is not paid in relation to their role as trustee.
14. Details of trustees' expenses and related party transactions are disclosed in the notes to the accounts.
15. The Trust sets all pay and remuneration for all other posts in line with an approved policy which has been consulted upon through the recognised Trade Unions and professional associations. These policies recognise the School Teachers Pay and Conditions and Burgundy Book for those in teaching positions and NJC terms and conditions for those in non-teaching posts. The Trust recognises a job evaluation scheme under a collective agreement protected by TUPE, which was set by the local authority. Each academy within the Multi Academy Trust has their own pay committee who will approve pay determinations at a local level. This is moderated by the Headteacher in discussions with the CEO.
16. The Trust's Pay and Conditions Committee is responsible for determining the pay of all key management personnel including each headteacher. The trustees benchmark against pay levels in other academies of a similar size to ensure effective recruitment and retention.

Connected organisations, including related party transactions

17. The University of Exeter, Exeter College and Exeter Diocesan Education Network are the members of the Ted Wragg Multi Academy Trust. The Trust also works closely with the National College of Teaching and Learning, Education and Skills Funding Agency, the Department for Education, and the local authorities within which academy and supported schools operate. Transactions with Trust Members are at arm's length and disclosed in these financial statements.
18. The Trust has strong collaborative links with All Saints Church of England Academy Plymouth and provides support through a management partnership arrangement. This relationship is in harmony with the Trust's ethos and moral imperative to support schools that are struggling. All Saints is expected to formally join the trust in early 2021.

**THE TED WRAGG MULTI ACADEMY TRUST
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£3,120.50
Provide the total pay bill	£20,317,836
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.0153%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	Nil* * relevant activities were supported by regional officials who are not employees.
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Engagement with employees (including disabled persons)

- **Employee Relations:** The HR team meet with Unions to support relations and establish approaches to issues that arise. Regular contact is maintained with Heads to provide advice and a supportive enabling culture. A wellbeing group was established in Autumn 2019 with representation drawn from each school to promote health, work-life balance and to tackle concerns. Communications have been enhanced this year through the development of the staff hub (intranet) and newsletter covering initiatives, events, and personal stories.
- **Communications:** These are fostered and encouraged through the wellbeing group. Articles are developed to support staff and address matters of concern. Guidance is provided to Heads where needed through one-to-ones, conferences, newsletters and hub resources. Union perspectives are sought where appropriate and two-way discussions

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

facilitated through regular Union meetings to support staff consultation, policy amendments and address personal concerns.

- **Performance:** Information is cascaded through the channels identified above and objectives agreed through the appraisal process. Procedures are in place to support our managers and employees. Targets are localised and aligned to the school improvement and other plans to create a shared Trust vision. Involvement of employees is encouraged and strategies (Trust and School) shared through the web. Induction and team meetings are held, and Unions recognised.
- **Consultation:** Joint Consultative Committees are arranged with recognised Unions and formal consultations held in accordance with policy and best practice. Heads are encouraged to invite feedback.
- **Support to disabled employees:** The Trust seeks to make reasonable adjustments to support recruitment from disabled groups and is helped to identify adjustments through pre-employment medical questionnaires and through the job application process. The HR team advise to ensure all reasonable adjustments are made and monitored to support continued employment of disabled persons. The Trust's Recruitment and Retention, Pay and Appraisal policies seek to actively challenge discrimination.
- **COVID19:** Considerable focus is directed towards maintaining strong relationships with employees throughout the current pandemic. This is achieved through wellbeing advice, the development of newsletters and hub resources and through regular leadership contact. The HR team runs webinars to support wellbeing and absence management. Health and Safety issues are addressed through video tours, risk assessments and safety measures. Staff continue to engage positively with some staff-members volunteering to provide cover across our schools.

Engagement with suppliers, customers, and others in a business relationship with the Trust

19. The Trust seeks mutually beneficial arrangements with suppliers and customers recognising the key role of business relations to our success. Specifically:

Suppliers

- Firm and fair approaches are adopted through effective procurement and contract management. Regular meetings are held, mindful of supplier expertise and a mutual desire for effective service delivery and customer satisfaction. Due diligence is applied, and thorough research undertaken to ensure alignment of product, culture, and values.
- The Trust has worked constructively with suppliers to ensure continuity of service beyond the COVID19 pandemic through various arrangements compliant with government procurement policy notices. Support has taken various forms including re-directing service provision to holiday periods to support keyworkers, and underpinning core supplier costs whilst protecting against duplication from separate government reliefs. Caterers have worked constructively with the Trust to support disadvantage through eg. food parcels and various social distancing measures.

Students and parents

- During 2019/20, a Marketing Manager was appointed to support the Trust's marketing and communications and promote understanding of our vision, values and success measures.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

A marketing strategy has been developed and shared with schools to ensure consistent communications to prospects, current parents and students through the website and other media. Through working groups, we aim to ensure we provide both Trust and School content to help engagement and strengthen school identities/brand. More recently, we are looking towards increased video content to help students to transition and support parents in educational choices for 2021/22.

- The Trust is mindful of family circumstances and the impact of disadvantage. The Trust acted swiftly to ensure vulnerable families were supported with free school meal vouchers. Over 500 IT devices were despatched very early to families lacking technology across year-groups, supplementing the 161 devices subsequently made available through the Department of Education and directed towards Year10.

The Wider Community

- The pivotal role of our schools within the local community is recognised and their involvement encouraged. This may take various forms including community-use of sports and other facilities, parent teacher associations, work-based placements, sponsorship, and fund raising. Cultural capital is built through a diverse range of opportunities.

Objectives and Activities

Objects and Aims

20. The Charitable Company's objectives are to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, managing, and developing a school offering that includes a broad and balanced curriculum for all students. The sole activity of the Charitable Company is the operation of academies, both within the Trust and through collaborative arrangements.
21. The Ted Wragg Multi-Academy Trust's ambition is to raise the aspirations of young people and enable them to become fulfilled, life ready, confident, and motivated citizens, able to contribute actively to a democratic society. All pupils within the Ted Wragg Multi-Academy Trust, regardless of social or cultural background, are motivated to succeed and make outstanding progress because their needs are met through creative, relevant, and innovative provision.
22. The aims of the Multi-Academy Trust are summarised below:
 - Work in genuine partnership to strengthen schools and their communities.
 - Foster a culture of positive challenge and continual school improvement.
 - Provide a common sense of purpose with a focus on outstanding teaching and learning.
 - Offer an excellent educational experience so that every student fulfils their potential.
 - Encourage a rich, dynamic, and purposeful range of learning opportunities for all students.
 - Develop life-enhancing values so that students leave school with a sense of self-worth and a determination to succeed.
23. With the support of our members, Exeter College, the Exeter Diocesan Educational Network, and the University of Exeter, we have an inspirational progression route from an outstanding primary, through an outstanding FE college, to a world-class, top 100 Russell Group University. Similar collaborative links are being developed within Plymouth working with Plymouth City College to support vocational training.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Objectives, strategies, and activities

24. The Ted Wragg Trust delivers an ambitious learning culture. It has a track record of improving the most challenging schools and the ability to transform lives through its strong leadership and pupil-centric learning and social initiatives.
25. The Trust is proud of its schools and in line with its aims and values seeks:
- Measured and positive growth to secure benefits through collaboration and build on success.
 - The attraction of high-quality staff and leaders to provide outstanding education.
 - Growth in reputation with word-of-mouth approval and over-subscription.
 - To target students at disadvantage, working to narrow the attainment gap and support accessible opportunities.
 - High-quality teaching, standards, and enrichment through curriculum design.
 - Financial sustainability.
 - Maintenance of a professional and expert central function providing support to Trust schools and across the wider community.
26. Specific strategies and activities have included:
- Managed growth to support the Trust's key objectives and success: inclusiveness, opportunities for "all", educational attainment, and progress.
 - Initial work towards the development of the common curriculum and framework of assessment, developing quality and consistent educational resources.
 - Collaborative effort to drive consistency and develop best practice. In Summer 2020 the Trust worked with a National Leader of Education to discuss strategies to address disadvantage. The Trust has sought external quality assurance through safeguarding audits and audits of work in support of vulnerable students during COVID19.
 - Appointment of a Marketing and Communications Manager to build reputation and foster links with the public, business, educational stakeholders, and those charged with governance.
 - Development and motivation of staff through a positive culture, collaborative effort, and a shared identity / passion for excellence.
 - Alignment across schools whilst maintaining brand identity to support a range of student aspirations.
 - Celebration of success including academic and community contribution generating pride, positivity, and an inclusive message. The Trust seeks to build cultural capital through social advocacy and the breadth of educational and other student experiences
 - Improving our community position and identity through networking, outreach work with the National Health Service, local authority, and other partners.
 - Driving efficiency, dove-tailing academic and financial sustainability through the consideration of financial measures and efficiency alongside curriculum design. Sustainability and the recovery of struggling schools is supported through careful analysis and medium-term financial planning. Key Performance Indicators have been developed appropriate to corporate and individual schools' context.
 - Securing efficiencies and improvements to the school environment through business functions including estate management, co-ordinated and professional estate and asset plans, growth of resilient support services and through school-to-school support.
 - Management of the Trust's response to the COVID19 pandemic through the provision of accurate, timely information to all audiences, demonstrating concern for health, wellbeing, and safeguarding, ensuring the maintenance of a positive image for our Trust.

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

27. Our success is measured by:

- Quality of Education is measured by the Department for Education's key performance indicators published in School Performance Tables and Analysing School Performance reports. Further measures are included within OFSTED reports and the annual Inspection Data Summary Report.
- Growth: The positive experiences of students, parents and carers have led to strong word-of-mouth approval and over subscription. Regional diversification within Plymouth has supported growth in school improvement capacity.
- Recognition of the Trust's business functions through reputation, accreditation, and professional qualifications of key personnel. The Trust now manages the Exeter Schools' PFI arrangements in partnership with two non-Trust schools improving efficiency and prioritisation.
- Improved financial outcomes through integrated curriculum financial planning and alignment of resources to critical success factors, including measures to reduce disadvantage. The Trust acted swiftly to support vulnerable families through COVID19, deploying 500+ trust IT devices and purchasing free school meal vouchers.
- Promotion of inclusion through "the Bridge" facility reducing levels of permanent exclusions.
- Recruitment success including empowering and retaining leaders through growth, developing teacher training provision through South West Teacher Training and Exeter Consortium, and development of the Leadership Development Programme for aspirational leaders.

28. Key priorities for 2020/21 include a response to the COVID-19 pandemic which has created significant disruption in education, accelerating disparities faced by our the most vulnerable students and adults. Priorities include:

Educational

- Developing the 'common curriculum', including online resources linked to in-school work. The Trust is working through 16-20 subject communities across primary and secondary, to develop shared resource. This will support school improvement through improved consistency and assessment. Whilst not the driver, resources will support a seamless educational experience where COVID19 or other factors impact on attendance.
- Improved quality assurance through peer review. A 'school review' process is being developed through sector-research drawing out best practice.
- Building collaboration among disadvantage leads to ensure consistent strategy to reduce the 'educational gap' and support catch-up of vulnerable students. The Trust recognises the exponential impact of COVID19 on those at disadvantage including access to school learning platforms, and from culture within the home environment.
- Supporting teachers, ensuring they have the assessment and pedagogical skills to meet students at their level and to implement accelerated curricula and differentiated learning strategies.
- Addressing mental health and well-being and supporting parents in their return to work. Additional time will be made available to identify and support safeguarding concerns, encourage exercise etc. A lead-trustee will support this, bringing experience from community work through Child and Adolescent Mental Health Services.
- The Trust will continue its drive for inclusive behaviours working towards a sustainable future for 'The Bridge' inclusion facility.
- Effective management and use of data, assessment, and performance measures. This will include reviewing the impact of COVID19 catch-up funding totalling c. £0.5m, pupil premium funding, £2.2m, monitoring attendance, outcomes of assessment and the disadvantage gap.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Growth Strategy

- Whilst re-opening of schools following the COVID19 lockdown is the immediate priority, the Trust will work towards the development of a self-sustaining hub in Plymouth and minimum student numbers of 10,000 to support the school improvement and business infrastructure. The transfer of All Saints Church of England Plymouth is planned for early 2021. Plans to open the Exeter New School are continuing for September 2022 to address growth within the city.
- Support will continue to integrate newly academised schools including St Lukes and Marine. Focus will include appropriate due diligence to ensure achievement of success within the context of our educational and other objectives.
- Developing the governance structure to respond to growth and the changing shape of the Trust including the identification and embedding of core competencies.

Central and Business functions

- Suppressing the transmission of COVID19 through thorough plans for the re-opening of schools ensuring inclusive re-opening, careful communication, and co-ordination with key sectors, including health.
- Targeting financial resources and co-ordinating for impact. Ongoing focus upon ensuring sustainable growth and financial sustainability.
- Managing risk and ensuring an appropriate level of capacity for risk management. The Trust is recruiting additional support staff (IT, Teachfirst etc.) to support adaptive response and crisis-sensitive programmes.
- The effective management of the school estate including the ongoing review of Private Finance Initiative arrangements to secure optimal value, management of the refurbishment of Whipton Barton Juniors under the Priority School Building Programme, and planning for the construction of the new Exeter Creative School (September 2022 opening).
- Ambitious plans are being developed to improve brand reputation, the website, social media presence and public relations. This will enhance engagement with business and other stakeholders broadening satisfaction and reach.

Public Benefit

29. The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

Strategic Report

Achievements and Performance

30. The Trust has now concluded its seventh year of operation and has continued to make strong progress throughout 2019/20 with exceptional growth within Exeter secondaries, the admission of new cohorts at Cranbrook Education Campus and through the academisation of St Lukes, and Marine Academy Plymouth.

**THE TED WRAGG MULTI ACADEMY TRUST
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Academy	Pupil Nos	Teaching	Support	Income	Date of conversion
	2020 budget	FTE	FTE	2020 budget	
Central business and school improvement, Teacher training etc.		8.0	31.4	1,136,491	
Cranbrook Education Campus	665	38.7	47.8	4,201,510	01/09/2015
Exwick Heights Primary	566	26.4	33.0	2,794,029	01/04/2017
Isca Academy	979	56.9	32.7	5,731,157	01/10/2013
St James	971	57.6	28.8	5,681,921	01/05/2016
St Lukes School	903	53.4	33.9	5,703,655	01/02/2020
West Exe	1085	64.4	32.8	6,252,067	01/03/2018
Whipton Barton Primary	362	19.3	36.3	2,529,554	01/03/2019
Marine Primary	418	25.4	38.0	2,672,362	01/04/2020
Marine Secondary	851	61.8	44.8	5,937,320	01/04/2020
	6,800	411.9	359.5	42,640,067	
* Excludes funded nursery pupils (306)					
All Saints	643	43.1	35.2	4,668,839	Planned early 2021

31. The planned conversion of All Saints Academy Plymouth is progressing. Although All Saints will transfer with an accumulated deficit, the Trust has worked with the school to develop a strategy and business plan which will drive efficiency improvements ensuring payback within five years. The school will contribute to the financial sustainability of the Trust through its annual contribution towards pooled overheads. This will support critical mass within the business and school improvement functions (payback of £1m over five-years). All Saints contributes positively to our performance and values, delivering improved outcomes to student, their families and wider society.
32. Further growth is probable and the Trust is moving ahead with plans for the Exeter New School, with planned opening in September 2022.
33. Growth within the Trust has been balanced with the need to build Trust capacity and develop good practice through effective governance and sector connections. This year, in particular, has emphasised the importance of sector leadership and network support during a period of unprecedented decision making. Capacity and insight are developed through:
- Strong leadership and governance. This is secured through careful recruitment having regard to a need to balance and maintain a mixed portfolio of skills. Recent appointments to the Board of Trustees have addressed social mobility, mental health, well-being, and Diocesan Board representation. Additional professional support has been secured through the appointment of the Director of Finance and Resources.
 - Support through National Leaders of Education and from school networks bringing peer review and challenge.
 - Representation on relevant forums: local authority, wellbeing, phase associations, inclusion groups, business etc.
 - Resilience through growth, allowing re-deployment of staff to support need.

Impact of COVID19

34. The impact of COVID19 pervades this year's financial statements and is referenced throughout the Trustees' report. On the 23rd March, schools across the country shut down for all pupils except for children of key workers and vulnerable learners. This had profound effects on both teachers and their pupils, with schools needing to adapt to a whole new model of teaching and learning at distance. Mitigation strategies continue to be explored to manage

**THE TED WRAGG MULTI ACADEMY TRUST
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

impacts. This includes addressing the attainment gap between the richest and poorest pupils, to protect student prospects and social mobility.

35. Key impacts are explained below:

Quality of learning	The Trust worked pro-actively to provide audio, video, and text through online learning, communicating with students and implementing robust systems for setting, receiving, and tracking work. This was supported with physical worksheets or workbooks, particularly in the most deprived schools due to concerns that many pupils might not be able to access content. Contact with students and parents was maintained through messaging, email and zoom and technology deployed to mitigate disadvantage gaps. Despite efforts, the Trust is concerned at the extent of impacts on learning. The full extent of this will not be clear until further down the line. Statistics gathered over the summer-term indicate that 650-700 primary pupils attended following school re-opening (40% attendance compared to national levels of 11%). 90% of Year 10 students attended as required. 45% - 70% of students fully or partly completed online work. Significant gaps were identified between pupil premium and children with higher needs, albeit lower than national.
Access to IT devices	With the transition to home learning, a major issue is access to technology that will facilitate such learning. Whilst difficult to assess the scale, teachers were asked whether they thought their students had adequate access to the internet and an electronic device for learning. Recognising the role played by financial resources in the home on a child's learning, the Trust worked rapidly to deploy devices to students, deploying 573 devices to students on top of the 161 made available through government-funded programmes. 10% of our students were supported.
Health and Wellbeing	The Trust shares national concerns regarding health and wellbeing, and in particular the profound challenges faced by some parents including access to food. Interventions were swift utilising Trust resources of £60k+ prior to the government-funded scheme. Caterers supported through food parcels where appropriate. Community volunteers supported distribution.
Governance	The Governing Body and Trust Boards have a key role in supporting their school and the Trust's senior leaders throughout the pandemic and in developing pragmatic, proportionate and sensitive solutions. A strategic overview has been maintained supported through digital platforms. Emergency approval mechanisms have been put in place, backed through a review of

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	policy guidance. Virtual meetings have continued throughout the pandemic. Through the Audit, Finance and Resources Committee, Trustees have undertaken a comprehensive risk-based assurance programme, commissioning a safeguarding audit, and ensuring risks are covered. Finances have been scrutinised carefully and directed towards need.
Leadership	Leaders have adjusted to unprecedented levels of decision-making, working closely with partner organisations to develop good practice and provide mutual support.
Financial	The Trust has sought to align finances to need through ongoing communication and liaison with schools. Fund-raising through lettings and the nurseries has been impacted, notably at Marine and Cranbrook Education Campus. 24 staff were furloughed under the Coronavirus Job Retention Scheme to mitigate the financial impact (£57,884 reclaimed). The extent of funding shortfalls have been more limited at PFI schools where the school agreements constrain use. The individual position of our Schools and impact of COVID19 will be considered in December 2020 and trustee decisions taken to provide central relief where warranted. The Trust has received some relief totalling £67,743 for exceptional costs under the criteria for the financial support scheme for schools (cleaning costs, holiday provision and free school meals costs outside of the national voucher scheme). From the effective date of the EDENRED free school meal voucher scheme, the Trust ceased purchasing its 'own' food vouchers and participated in the national programme. The Trust has sought to make the right decisions at all times in terms of the Trust's culture, values, and objectives. For example, the Trust moved ahead of the curve to provide free school meal vouchers, has supported students through the provision of 573 laptops and other devices, underwrote one educational trip that was cancelled early to protect primary pupils (London Trip: March 2020), and has moved swiftly to rebate parents for cancelled events. Funding has been redirected as needed including unspent capital reserves. Revised policies have been developed to support internal control and address the requirements of procurement policy. Strategic risks have been augmented to address COVID19.
Reserves	The Trust has sought to retain focus on medium-term financial sustainability whilst allowing some latitude for short-term operational / emergency measures. Schools positions will be considered in December, and some form of central relief is likely – eg. for Cranbrook Education Campus which has acted as a

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	hub school and lost significant amounts of income from lettings.
Estates	The Trust has continued to open its schools to keyworkers throughout the pandemic with Cranbrook, West Exe and St Lukes acting as hub schools at various times through the holidays. Detailed attention has been paid to government guidance to minimise risk.
Staff	A hub area has been developed to inform employees on matters of concern. Newsletters have been sent regularly under the direction of the Marketing Manager.

36. The Trust continues to work pro-actively to address issues arising from COVID19. **Future plans and mitigation strategies** include:

Quality of Learning	• Ensuring immediate remote access to education for students complying with clinical and / or public health advice not to attend school including curriculum resource packs, and necessary equipment (laptops, connectivity etc.). • Addressing catch-up through additional graduate-level recruitment (Teachfirst within primaries) and through tutoring within secondaries utilising teacher capacity. This will support one-to-one or small group tuition, for the most disadvantaged students and for those in transition years. • Developing online content and supporting teachers with necessary training and resources. (Please see earlier regarding the 'common curriculum' initiative and plans to support teachers in meeting differential student need through incremental coaching and training). • Ensuring basic needs are met, including access to food, and wellbeing support. • Ongoing monitoring of attendance including work with agencies. • Collection of assessment and other data to identify target areas of action.
Mental health and wellbeing	• The impact of the outbreak on pupil wellbeing and mental health will be supported through physical health

TRUSTEES REPORT (CONTINUED)
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	and wellbeing initiatives in liaison with the local authority who are targeting this. Care will be taken to ensure proactive and early attention to perceived vulnerabilities.
Higher needs students	Developing plans for students with SEND and providing the support needed in relation to changed routines.
Transition plans	Ongoing support for those transitioning to Year7 to ensure a smooth process and personalised support.
Communications	Maintaining effective communications with parents to manage expectations and support confidence.
Leadership and Management	- Continuing the close work of governors, trustees, and school leaders to ensure that all decisions taken are in the best interest of staff and students. Leaders will continue to work in partnership across the public sector, supporting each other and bringing resilience to emergency planning. Multi-agency approaches will be adopted to support the wellbeing of children. - Arrangements for holding meetings using digital platforms will continue to support social distancing.
Estates / Business functions	Under the leadership of the Director of Finance and Resources, the following are being addressed: - Risk management, monitoring and review of controls. - Transport arrangements. - Guidance around cleaning, sanitisation, and PPE. - Support with communications with staff, parents, and pupils. - Management of contractors and visitors to schools including immunisation programmes. - HR matters, providing advice to staff who are vulnerable. - Responding to infections. - Advice on space usage, staggered opening times, social

TRUSTEES REPORT (CONTINUED)
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	distancing etc. • Liaison with educational professionals around groupings and practical logistics, contingency plans etc. • Estates management. • Catering arrangements. • Management of educational visits. • Health and safety. • IT risks, including cyber.
Systems and Internal controls	• Continuing to review policy and procedure including central procurement, management of supplier relationships and reliefs, co-ordination of free school meal provision where access is an issue, and sourcing staff through increased collaboration across the Trust.
Staff wellbeing	• The Trust remains mindful of wellbeing, and the need to implement flexible working practices in a way that promotes good work-life balance. This is factored into resource and curriculum planning.
Financial	• Monitoring and directing finances towards need, reporting on the use of catch-up funding alongside staff, resources, and schools' pupil premium funding to support the COVID19 response.

Key Performance Indicators

37. The following tabulations provide a brief summary of key indicators and achievements across the Trust. Further qualitative information and statistics are included within foregoing paragraphs.

2019/20 results	• All those working with schools and colleges, such as Ofsted, Department for Education regional teams and local authorities, should use data from previous years when assessing school and college performance, and not the 2020 data. • 2020 results are based on Centre Assessed Grades. All
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TRUSTEES REPORT (CONTINUED)
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	Trust schools reported that almost all students were awarded grades that enabled their successful transition onto their preferred post-16 courses and first choice universities. All Schools Department for Education key performance indicators improved on previous years.
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SECONDARY								PRIMARY							
	NATIONAL	Crashbrook Education Campus	Isca Academy	St James School	St Lukes School	West Leo School	Marine Secondary		NATIONAL	Crashbrook Education Campus	David Hughes Primary School	Whitton Primary	Marine Primary		
Progress 8			BA	A	A	AA	WBA	Progress Score DfE Perf. Tables - Reading			A	WBA	A		
Entering Ebacc	40%	45%	29%	70%	52%	31%	5%	Progress Score DfE Perf. Tables - Writing			A	WBA	AA		
Staying in Ed. Or Empl.	94%	NA	95%	91%	94%	NA	98%	Progress Score DfE Perf. Tables - Maths			A	WBA	A		
Grade 5+ (English & Maths)	43%	49%	41%	42%	37%	47%	17%	KS2 % Expected Standard	65%	NA	71%	43%	67%		
Attainment 8 score	46.6	45.7	44.7	47.1	43.2	50.5	32.8	KS2 % Higher Standard	11%	NA	13%	2%	8%		
EBacc Average Points Score	4.07	4.14	3.92	4.32	3.69	4.34	3.14	KS1 % Expected Reading	75%	75%	80%	72%	76%		
								KS1 % Expected Writing	69%	63%	80%	65%	78%		
WBA: Well Below Average			AA: Above Average					KS1 % Expected Maths	76%	78%	81%	71%	75%		
BA: Below Average			WAA: Well Above Average					Phonics Screening Check	82%	78%	86%	82%	90%		
A: Average								EYFS % Good Development	72%	69%	75%	67%	82%		

Initial Teacher Training	- Recruitment – continued to recruit through school closure period improving numbers to 39 Secondary (up on 34 in 2019/20) and 40 Primary (up on 33 in 2019/20). Finance: This remains stable with a reserve of £116,973. - COVID19 – South West Teacher Training has responded by investing in enhanced online provision, to secure continuity of training through COVID19 and any future disruption. - Partnership: The Trust has worked with Teaching Schools' South West to grow the number of partnership schools to meet placement need. COVID 19 has had no impact on the willingness of partners to host trainees. - South West Teacher Training has grown significantly with recognition as a key provider. The SWTT is intending increased investment following lockdown to support online delivery and resourcing once the impact of COVID19 is clear. Recruitment for 2020/21 is strong.
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<i>Outcomes: Ofsted / Quality Assurance</i>		
Cranbrook	Good (10/5/18)	
Exwick	Outstanding (23/11/11)	
Isca	Good (19/10/16)	
St James	Good (31/1/18)	
St Lukes	Special Measures (19/6/19)	Predecessor school
West Exe	Good (17/1/14)	
Whipton Infant	Good (28/3/17)	Predecessor school
Whipton Junior	RI (8/3/18)	Predecessor school
Marine Primary (R-Y6)	Outstanding (3/6/15)	
Marine Secondary (Y7-11)	Serious Weaknesses (23/11/17)	Predecessor school
Predecessor - indicates that the judgement predates the Trust's management.		

	2019/20 carry forward	Notes	
Cranbrook	-£101k	Supported. Near break-even from 2021.	●
Exwick	£398k	Marketing planned to attract students	●
Isca	£58k	Sustainable trajectory.	●
St James	£423k	Sustainable trajectory.	●
St Lukes	-£24k	Sustainable trajectory.	○
West Exe, including SW Teacher Training	£131k	Sustainable plan.	○
Whipton	£413k	Protected (falling roll) but sustainable.	●
Central: Trust, PFI, IT	£248k		
Marine Primary	£351k	Sustainable, through careful management	●
Marine Secondary	£177k	Sustainable subject to capacity building	○
	£2,074k		

Secondary admissions data (2020)			Primary admissions data (2020)		
	Actual			Actual	
Cranbrook	78	●	Cranbrook	73	●
Isca	213	●	Exwick	83	●
St James	202	●	Whipton Infants	55	○
St Lukes	167	○	Whipton Juniors	43	○
West Exe	250	●	Marine Primary	59	●
Marine Secondary (Y7-11)	156	○			
Marine Sixth-form	55	●			
	1,121			313	

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Pupil Demographics		Oct Census	Jan Census	5 July Snapshot	
				Compare 10 June	
Pupil demographics	Benchmarks				
<i>FSM entitlement</i>		16.1%	17.0%	18.5%	
<i>Cranbrook</i>	14.9%	18.8%	20.2%	22.8%	●
<i>Essex</i>	15.8%	14.5%	15.0%	15.4%	○
<i>Isca</i>	14.1%	17.0%	17.2%	19.4%	●
<i>St James</i>	14.1%	13.6%	14.0%	14.0%	●
<i>St Lukes</i>	14.1%	13.2%	14.8%	16.2%	●
<i>West Eye</i>	14.1%	13.1%	13.6%	15.5%	●
<i>Whipton</i>	15.8%	34.0%	35.8%	39.0%	●
<i>Marine Primary</i>	15.8%	21.9%	20.7%	20.7%	●
<i>Marine Secondary</i>	14.1%	34.1%	33.5%	33.5%	●
			Jan Census		
<i>SEN / SEN support percentage</i>	National	2.7%/16.3%	3.0%/14.6%		
<i>Cranbrook</i>	1.6%/13.3%	4.2%/35.0%	4.2%/32.7%		
<i>Essex</i>	1.6%/14.2%	2.3%/14.1%	2.5%/13.7%		
<i>Isca</i>	1.7%/12.4%	4.1%/13.1%	4.6%/12.4%		
<i>St James</i>	1.7%/12.4%	2.3%/13.1%	2.7%/13.4%	Increasing	●
<i>St Lukes</i>	1.7%/12.4%	2.4%/15.0%	2.8%/18.5%		
<i>West Eye</i>	1.7%/12.4%	1.5%/14.9%	1.6%/11.3%	Increasing	●
<i>Whipton</i>	1.6%/14.2%	1.9%/12.7%	2.4%/19.4%	Increasing	●
<i>Marine Primary</i>	1.6%/14.2%	1.4%/13.1%	1.3%/14.8%		●
<i>Marine Secondary</i>	1.7%/12.4%	2.4%/12.3%	2.5%/13.3%		○
Pupil numbers compared to	Budget	Oct Census	Jan Census	Budget 2020/21	
<i>Total</i>	6,635	6,522	6,504	6,800	
<i>Cranbrook</i>	615	597	599	665	○
<i>Essex</i>	561	560	553	566	○
<i>Isca</i>	905	895	895	979	●
<i>St James</i>	940	948	947	971	●
<i>St Lukes</i>	954	922	923	903	○
<i>West Eye</i>	993	987	999	1085	●
<i>Whipton</i>	388	377	372	362	●
<i>Marine Primary (Y1-Y6)</i>	415	416	411	418	●
<i>Marine Secondary (Y7-Y11)</i>	726	712	706	764	○
<i>Marine Sixth form (Y12-14)</i>	138	108	99	87	●

Going Concern

39. After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Going concern policy.

Financial Review

40. The Trust's accounting period is from 1 September 2019 to 31 August 2020.
41. Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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42. The Trust also receives grants for fixed assets from the ESFA and via the local authority. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (Charities (FRS102) SORP 2015), 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.
43. During the year ended 31 August 2020, total expenditure of £34,516,089 (2019: £23,910,598) (excluding depreciation and pensions fund expenditure) was covered by recurrent grant funding together with other incoming resources of £35,192,081 (2019: £24,747,581). The excess of income over expenditure for the year (excluding restricted fixed asset funds and pension adjustments) was £675,992 (2019: £736,983 income over expenditure).
44. Upon conversion, the leasehold title to premises occupied by Marine Academy Plymouth was transferred to the Trust. This had a book value of £17,131,653 and term of 125 years. The balance of the former Trust's reserves were also transferred on conversion and are shown as unrestricted funds. St Luke's School opened during the year, but as a sponsored academy. At the point of conversion, the accumulated deficit on reserves remained with the local authority. The land and buildings of St Lukes are accounted for as an operating lease under a 30-year agreement dated 26 March 2004.
45. At 31 August 2020, the total net book value of tangible fixed assets was £46,184,425 and movements in fixed assets are shown in note 15 to the financial statements. The value of fixed assets includes the value of assets donated by Devon County and Plymouth City Councils (i.e. Cranbrook Education Campus, Exwick Heights Primary, Whipton Infants and Junior Schools and Marine Academy Plymouth).
46. Other than donated assets, the major items of expenditure on fixed assets during the year related to:
- The expansion of primary provision at Cranbrook Education Campus to form two additional ground-floor classrooms. These will accommodate bulge year-groups of 90 pupils expected in the next few years. The total of this and associated projects will be in the order of £695k.
 - Various works to support growth in the student population at Exeter schools.
 - Significant spend on IT to support access to remote learning for those at disadvantage, across year-groups, and to support Trust growth and cyber resilience.
47. The deficits in the Local Government Pension Scheme (LGPS) are recognised on the balance sheet in accordance with the provisions of FRS102. It is noted that the pension liability deficit has increased from £7,768,000 to £20,125,000. This is primarily due to the additional staff who transferred on conversion of St Lukes and Marine Academy.
48. Key financial policies adopted or reviewed during the year include the Finance Regulations and Control Manual which lays out the framework for financial management, including financial responsibilities of the Board, headteacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included the Trust's expenses policy.

Reserves Policy

49. The policy of the trust is to carry forward a prudent level of resources designed to meet the long-term cyclical needs of renewal and other unforeseen contingencies.

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50. Individual academies aim to break even each year, although the Trust recognises that this is not feasible in some cases, for example at Cranbrook where the school has significant levels of educational need and low pupil numbers, or where schools are early in their school improvement journey. In these cases, the Trust supports those academies in deficit and works with them to ensure longer-term sustainability. The adequacy of overall reserves is considered corporately, and cash is pooled for the benefit of Trust schools as a whole. Corporately, the Trust aims to produce a balanced budget annually.
51. The reserves of the Academy Trust are broken down into Fixed Asset Reserves (restricted), Unrestricted Reserves (free reserves), and the Pensions reserve.
52. Restricted income funds are the restricted reserves used purely for the provision of education, or to help fund capital projects for the education of students and children. Unrestricted income funds are those funds that the Trust can spend how they believe appropriate. During the current year, the Trust has elected to continue retaining some unspent capital to support known projects in the pipeline including priority IT need attached to COVID19.
53. The Trustees have confirmed that ideally reserves would approximate to one month's pay (c. £2m). It is recognised however that some short-term reduction may be appropriate to cope with unexpected events like the COVID19 pandemic. Any reserve use will be contained to "exceptional costs" and reserves will not be applied to support structural deficits where spend exceeds income on a recurrent basis.
54. Other reasons for our reserves include the provision of sufficient working capital to cover delays between spending and receipt of grants and to provide ongoing resilience to address operational / other emergent situations. The combined reserves of the Trust for restricted income funds and unrestricted funds excluding the fixed asset and pension fund are £2,074,355 (2019: £1,294,362). This provides some security allowing careful response to unforeseen circumstances. The Trustees review reserve levels annually, mindful of the need to build capacity and invest as schools grow.
55. In conjunction with reserves, the Trust is also watchful of the level of cash required to ensure the ongoing liquidity and success of the Trust. The balance of the current cash (£5,590,504 including funds on deposit) is adequate and no cashflow problems are foreseen within twelve months.

Financial Position

56. The Trust held fund balances at 31 August 2020 of £29,391,650 comprising: £47,442,295 of restricted fixed asset funds, £127,687 of restricted funds (before including the pension deficit of £20,125,000) and £1,946,668 of unrestricted general funds.
57. The Trust made an operating surplus before depreciation for the year of £675,992 after excluding the pension deficit, the donated assets and capital grants.

Investment Policy

58. The general policy objective is to invest surplus funds prudently. The investment priorities are security of the invested capital, liquidity and commensurate with these, securing a return.
59. Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds

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is delegated to the Chief Executive Officer and Director of Finance within strict guidelines approved by the Board of Trustees.

Principal Risks and Uncertainties

60. The Board of Trustees has assessed the major risks to which the Trust is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Trust, and its finances. The key areas of focus are:

Governance and legal	The key risks in this area relate to the capacity and performance of the Board and the maintenance of a strong internal control framework. Governance reviews are on-going and skills audits undertaken. Internal auditors have been appointed to advise the Board on issues regarding financial control. Other internal assurance processes operate including safeguarding and quality assurance review, peer challenge, compliance controls etc.
Strategic	The key risks in this area relate to the delivery of the Trust's medium-term strategic plan whilst ensuring attention is maintained on our core business and performance. Capacity within the central team is continually reviewed to ensure the correct skill set and sufficient capacity. Leadership roles within the schools have been augmented to allow increased focus on school improvement and to support professional development and retention.
Educational	The key risk in this area is the reputational risk attached to a failure to provide effective school improvement, and adverse Ofsted judgements. The Trust has an inclusive ethos with high levels of disadvantage and additional needs. Significant Board and Executive time is spent focussing on the delivery of the key strategic objectives of the Trust of which achievement is paramount. Quality assurance and pupil premium reviews are planned to ensure appropriate challenge and optimal deployment of funds.
Financial	The Trust faces high infrastructure costs due to the private finance initiative, costs attached to significant levels of student disadvantage, pay and pensions. Financial challenges continue at Cranbrook Education Campus due to lack of critical mass within the primary and secondary phases. COVID19 has increased uncertainty around future education funding with a need to address the needs of disadvantaged students, support their catch-up and meet costs of restructures delayed by the pandemic. The Trust seeks to address this through close scrutiny including the deployment of Integrated Curriculum Financial Planning to ensure resource is aligned to educational objectives and efficiently deployed. Plans are resource-based with effective trustee and managerial scrutiny and supported through strong relationship with the Education, Skills and Funding Agency. Critical success factors are defined in relation to each school's and the corporate context, to aid challenge and the monitoring process.

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Human Resources	Key risks relate to recruitment and retention of employees, and succession. There is regular review of strategy, terms and conditions and increasingly shared opportunities through secondment. The trust invests in leadership, empowering leaders through development. Strong links with regional unions are maintained.
Private Finance Initiative	The Trust currently has four private finance initiative schools and consequentially high premises spend. The Trust is managing costs through plans to assume responsibility for soft-service facility management. This is expected to improve the performance of the estate and reduce running costs longer-term, although initial outlay is anticipated. Initial costs will cover legal fees for amendments to underpinning agreements, and the set-up of a trading subsidiary due to the non-educational nature of spend. Payback is anticipated over two-years.
School place planning	There is significant pressure on spaces within Exeter, and limited remaining capacity within schools. Schools are consequently working with the local authority place planning team to agree a protocol for handling oversubscription. Within the city of Plymouth, there is some risk attached to pupil intake due to KS4 opportunities elsewhere in the city and supply versus demand.
IT	Cyber protection remains a risk for the Trust, and a need to increase staff capacity and infrastructure to support blended learning is recognised. Protection against cyber risk is managed through insurance and training.
Other legal and professional	The risks in this area relate to non-compliance with the Freedom of Information Act, General Data Protection Regulations (GDPR) and data quality. Comprehensive training and audits are in place.
The Local Government Pension Scheme	The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 28 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Trust can meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.
COVID19	Several additional risks have been identified including: - Unprecedented times and consequences hinder current models and systems of school improvement. - Leadership and governance: additional risk is faced due to unprecedented decision-making expectations with little

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	or no research-backed strategies. • A widening disadvantage gap due to the variance in home schooling engagement and remote-learning solutions. • Increased risk of students returning from lockdown with wellbeing issues from prolonged isolation and difficult family environments. • Risks to student attainment, progression and to staff wellbeing. Actions in place include: • Increased Executive meetings to discuss education, safeguarding, wellbeing, and operational issues. • Development of wellbeing strategies to support staff and students returning from lockdown. • Meetings with Quality of Education School Leaders to discuss strategies to accelerate learning. • Trustee support and oversight, alongside peer review to aid accountability and the agreement of strategy. • Joined-up work across the Trust as part of the common curriculum project to reduce variations in performance. • Increased meetings and coaching sessions to support teachers in addressing revised delivery models and scaffolding learning to student needs. • Participation in local and regional networks to share strategies and ensure consistency. • Strengthened Executive responsibilities (Deputy Chief Executive and Director of Finance and Resources). • Provision of equipment and connectivity to support vulnerable students. • Monitoring and home visits. • Development of the remote-learning offer including recruitment of specialist staff. • Close review and reference to guidance from Public
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	Health England. • Joint working with the local authorities. • Proactive communication with business and other stakeholders – students, parents, staff etc. • Development of central strategy and policy and hub resources.
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61. The Trustees have implemented a number of systems to assess the risks that the Trust faces, especially in operational areas and financial controls. There are systems in place to minimise risks, including operational procedures (e.g. vetting of new staff and visitors, access control to school grounds) and internal financial controls. Where significant financial risk still remains, the trustees have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement. Assurance around educational priorities is secured through peer review, engagement with networks and multi-agency partners.

Fundraising

62. The Academy Trust carries out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The trust is conscious of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest, and respectful, protecting the public from undue pressure to donate. Complaints are handled and monitored through the Trust's complaints procedure.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the year 1 September 2019 to 31 August 2020	
Energy consumption used to calculate emissions (kWh)	6,330,365
Energy consumption break down (kWh) (optional)	
• gas,	3,579,838
• electricity,	2,700,605
• transport fuel	49,922
<u>Scope 1 emissions in metric tonnes CO2e</u>	
Gas consumption	658.22
Owned transport – mini-buses	2.21
<u>Total scope 1</u>	660.43
<u>Scope 2 emissions in metric tonnes CO2e</u>	
Purchased electricity	629.62
<u>Scope 3 emissions in metric tonnes CO2e</u>	

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Business travel in employee owned vehicles	8.67
Total gross emissions in metric tonnes CO2e	1298.72
<u>Intensity ratio</u>	
Tonnes CO2e per pupil	.23

Quantification and reporting methodology

63. We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

65. We have increased video conferencing and introduced working from home measures to reduce the need for staff to travel. We have carried out refurbishment works which enabled biomass boilers to be brought into use in Plymouth. Wherever possible, light fittings are being replaced with LED where replacements are required in all Trust schools.

Plans for future periods

66. The priority of the Multi-Academy Trust is to develop its academies in order to continue to support children, many of whom come from challenging backgrounds. We aim to provide a high standard of education and educational opportunity, as well as providing professional development for all teaching and support staff so that the Trust can continue to develop sustainably.
67. Capacity and growth are important to secure sustainability, and the Multi Academy Trust will continue to work with its partner and supported schools to improve opportunities. Full details of our plans for the upcoming academic year and beyond can be found on our website and through the links to our schools.
68. Key for 2020/21 will be addressing challenges from the COVID19 pandemic, achieving rapid improvement at St Lukes, Marine and All Saints, All Saints is expected to transfer in early 2021.

Auditors

69. Insofar as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

70. The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Approved by order of the members of the Board of Trustees on 9 December 2020
and signed on their behalf, by:

Robert Bosworth
Chair of Trustees

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

Scope of responsibility

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

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 Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Ted Wragg Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

The Board of Trustees has delegated authority for the core governance responsibilities to the local governing bodies, with appropriate controls in place to ensure the Board of Trustees is able to exercise its mandated responsibilities.

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 7 times during the year and is supported in its work by three Board committees – Audit, Finance and Resources Committee, Education Committee and Pay and Conditions Committee. Trustee and Executive Working Groups provide further support to the Board. There have been two working groups giving oversight to "Growth" and the Private Finance Initiative, "PFI".

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

Trustee	Meetings attended	Out of a possible
Robert Bosworth, Chair	7	7
David Hall, Vice Chair	7	7
Philip Bostock	7	7
Rosie Denham (resigned formally 16 October 2019, no meetings attended in year)	0	1
Elaine Hobson (resignation noted 29.05.20)	5	6
Richard Jacobs	7	7
Lee-Elliott Major	4	7
Moiria Marder, Chief Executive	7	7
Rebecca Mitchell	7	7
Andrew Mulcock	7	7
Sarah O'Meara	7	7
Saxon Spence	7	7
Crispin Taylor	7	7
Alex Walmsley	7	7

In the eighth year of the Ted Wragg Multi-Academy Trust's operation, there have been the following changes to the composition of the Board of Trustees:

- Crispin Taylor was appointed in October 2019
- Rosie Denham resigned in October 2019
- Elaine Hobson resigned in May 2020

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

Governance (CONTINUED)

A new Clerk to the Trust was appointed from September 2019.

The Board has faced the challenge of formally academising St Luke's School on 1 February 2020 and transferring Marine Academy Plymouth (comprising Marine Academy Primary and Secondary) on 1 April 2020. The trust is also preparing to transfer All Saints Academy Plymouth to the Trust in early 2021. The Board has provided oversight to:

- the design and governance for the planned new school on the west of Exeter, which has a planned opening date of September 2022.
- the further development of "The Bridge", a facility to support the most disadvantaged pupils in Exeter.
- taking responsibility for managing the PFI contract for all Exeter PFI schools, both within and outside of the Trust.
- continuing to expand the central services of the Trust, including finance, HR and payroll; procurement, IT, estates management, marketing, and governance functions.
- continuing to support an inadequate Plymouth school through a partnership management agreement.
- managing pupil growth within the secondary schools.
- managing the all-through school at Cranbrook, with the complexities of operating a new school with growing numbers.
- the planned formation of a subsidiary company to provide soft facilities management services to the PFI schools.

The Board is confident that it receives excellent qualitative and quantitative data to enable it to fulfil its statutory responsibilities. Trustees receive regular and detailed financial information including monthly management accounts and dashboard, budget forecasts and cash flow reports. These reports are provided by a fully qualified and experienced Director of Finance and are subject to internal and external audit scrutiny.

Trustees also receive performance data from the Director of Education Performance, which is regionally and nationally recognised as innovative and ground-breaking. The Director of Education Performance is an expert in understanding how to utilise key data to support and stretch individual students.

Governance Review

A governance review was undertaken in the Autumn term 2019, with the identified focus of ensuring the governance framework remains effective as the Trust grows with cross-Trust consistency and high standards. Notable outcomes included:

- The amendment of the Articles of Association to incorporate minority church school articles.
- Amendment of the Terms of Reference for the Trust Board and its Committees.
- A review of the meeting schedule to ensure it allows for robust governance and complies with best practice.
- Further development of the governor training programme.
- Promotion of cross-Trust governance in terms of formulating a cross-Trust HR Appeal Committee and a cross-Trust Complaints Committee.
- Further embedment of the Clerk Network Group and induction of new local governing body clerks into the Trust.

The Governance review had the following key principles:

- Ensuring clarity of vision, ethos and strategic direction at both a Trust and local governance level.
- Enabling everyone in the Trust to do the right thing, in the right way, for the right people, in a timely, open, honest and accountable way.
- Strong governance is developed which challenges and supports school leadership.
- Clear accountability and responsibility, avoiding duplication.
- Meeting flows and linkages provide for effective communication, participation and consultation.
- Delegated decision-making powers are defined and understood.
- Reporting structures bottom-up and top-down are defined and effective.

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

Governance (CONTINUED)

- Governance is in line with the Articles of Association and the Academies Financial Handbook.

The Board intended to engage an appropriately qualified and experienced consultant during the Spring term 2020 to undertake an independent governance review of the processes, shape and direction of the Trust as the Board was keen to receive an external evaluation of its practice to ensure that governance across the Trust is well managed, robust and fit for purpose. This exercise was impacted by Covid-19 and commenced in Autumn 2020 immediately following the year of account.

The Audit, Finance and Resources Committee is a committee of the main Board of Trustees.

Membership

The Board of Trustees appoints the Committee from the non executive trustees of the Trust. The Committee consists of not less than three trustees; one of whom must have relevant and recent financial experience.

The Chair of the Trust, Chief Executive Officer, Director of Finance & Resources, and selected trustees, ROs or other persons attend meetings at the invitation of the Committee. The Committee invites the external auditors to attend the November meeting each year.

Authority

The Committee is authorised by the Board of Trustees to:

- Investigate any activity within its terms of reference;
- Seek any information that it requires from any trustee, governor or employee of the Trust and its schools;
- Obtain outside legal or independent professional advice.

Meetings

Six meetings a year are planned to coincide with key dates in the financial reporting cycle. Additional meetings may be requested by the Chair of the Audit, Finance and Resources Committee.

Attendance during the year at meetings was as follows (One meeting was cancelled due to COVID19):

Trustee	Meetings attended	Out of a possible
Robert Bosworth	5	5
Richard Jacobs	5	5
Alex Walmsley, Principal Financial Officer	5	5
Rebecca Mitchell	3	5
Philip Bostock	5	5
Maira Marder, Chief Executive Officer	5	5

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Continuing to promote inclusion through 'The Bridge' intervention unit which is committed to assisting Trust and partnership schools in supporting student achievement within a mainstream education-setting.
- Delivering school improvement through management partnership arrangements; improving school leadership through the support of National and Subject Leaders in Education (NLEs/SLEs), director-level support and peer-to-peer learning.
- Internal secondments to support succession, staff deployment and continued professional development.
- Growing internal talent through the growth of the South West Teacher Training school.
- Benchmarking and challenge utilising integrated curriculum financial planning to support curriculum design and ensure optimal resource allocation.
- Centralising asset management and estates functions to ensure effective management of the Trust's assets and capital programme, optimising the use of physical resource space and ensuring pro-active maintenance of the estate.
- Continued centralised procurement and supplier liaison through the COVID19 pandemic ensuring the continuance and resilience of key services and value for money through eg. re-phased service delivery to support keyworkers through school holidays.
- Contract management of the Exeter PFI contract (six schools, including three non-trust schools) to improve operations and effective prioritisation of resource.
- Progressing the creation of a subsidiary company to provide soft services to all PFI schools improving value for money and service delivery.

The purpose of the system of internal control

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

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period from 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. The strategic risk register is scrutinised and challenged by the Audit, Finance and Resources Committee and reviewed by the Board of Trustees at every Board meeting.

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

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (CONTINUED)

accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by each school's Local Governing Body and the Board of Trustees.
- regular reviews by the Audit, Finance and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- the identification of success factors and key performance target monitoring.
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties.
- identification of authority and segregation of duties.
- identification and management of risks relating to governance, finance, operations and educational priorities.

The Board of Trustees has continued the appointment of Thomson Jenner LLP as internal auditor.

The internal auditor's role includes providing independent assurance to the Board that its financial and other controls, and risk management procedures, are operating effectively including:

- evaluating the suitability of, and level of compliance with, financial and other controls across Trust schools. This includes both evaluating whether controls and procedures are effective and efficient, and checking transactions to confirm that controls and procedures are being followed.
- advice and insight to the Board on how to address weaknesses in financial and other controls, recommending improvement, but without diluting the responsibility of management for the day to day running of the Trust.
- ensuring risks are adequately identified, reported and managed.
- scrutinising the governance and accountability framework acting as a 'critical friend', reviewing policies systems and operations and identifying areas where efficiencies or changes could be made.
- other matters impacting on the effective operation, to include eg. management information, succession / business continuity issues, value for money considerations and cyber security.

On a termly basis, the internal auditor reports to the board of Trustees through the Audit, Finance and Resources Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The internal auditor has delivered their schedule of work as planned.

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- on discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 9 December 2020 and signed on their behalf by:

Robert Bosworth
Chair of Trustees



Moira Marder
Accounting Officer

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Moira Marder
Accounting Officer

Date: 9 December 2020

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

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

Company law requires the Trustees to prepare financial statements for each financial . 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 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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:

Robert Bosworth
Chair of Trustees



Date: 9 December 2020

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
TED WRAGG MULTI ACADEMY TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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

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

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
TED WRAGG MULTI ACADEMY TRUST (CONTINUED)**

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- 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.

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
TED WRAGG MULTI ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

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

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.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Tim Borton FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

2nd Floor Stratus House

Emperor Way

Exeter Business Park

Exeter

EX1 3QS

18 January 2021

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE TED WRAGG MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 25 May 2014 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Ted Wragg Multi Academy Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Ted Wragg Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Ted Wragg Multi Academy Trust's funding agreement with the Secretary of State for Education dated 19 September 2013 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE TED
WRAGG MULTI ACADEMY TRUST 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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Tim Borton FCA DChA (Reporting Accountant)
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor, Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date: 18 January 2021

THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:						
Donations and capital grants:	3					
Transfer with existing academy		333,563	(3,815,319)	17,660,293	14,178,537	-
Assets transferred on conversion		-	-	-	-	6,520,172
Other donations and capital grants		195,411	(1,185,205)	915,602	(74,192)	1,799,738
Charitable activities	4	1,809,981	31,697,371	-	33,507,352	23,621,817
Teaching schools		-	605,796	-	605,796	513,233
Other trading activities		89,912	-	-	89,912	116,096
Investments	7	9,571	-	-	9,571	6,613
TOTAL INCOME		2,438,438	27,302,643	18,575,895	48,316,976	32,577,669
EXPENDITURE ON:						
Charitable activities		1,158,236	33,914,804	1,252,158	36,325,198	25,221,263
Teaching schools		-	555,920	-	555,920	461,097
TOTAL EXPENDITURE		1,158,236	34,470,724	1,252,158	36,881,118	25,682,360
NET INCOME/ (EXPENDITURE)		1,280,202	(7,168,081)	17,323,737	11,435,858	6,895,309
Transfers between funds	19	-	(421,129)	421,129	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		1,280,202	(7,589,210)	17,744,866	11,435,858	6,895,309
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial losses on defined benefit pension schemes	28	-	(5,372,000)	-	(5,372,000)	(1,233,000)
NET MOVEMENT IN FUNDS		1,280,202	(12,961,210)	17,744,866	6,063,858	5,662,309

THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
RECONCILIATION OF FUNDS:					
Total funds brought forward	666,466	(7,036,103)	29,697,429	23,327,792	17,665,483
Net movement in funds	1,280,202	(12,961,210)	17,744,866	6,063,858	5,662,309
TOTAL FUNDS CARRIED FORWARD	1,946,668	(19,997,313)	47,442,295	29,391,650	23,327,792

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 47 to 83 form part of these financial statements.

THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08545109

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	15	46,184,425	28,414,520
CURRENT ASSETS			
Stocks		55,173	22,028
Debtors	16	1,726,065	2,346,497
Cash at bank and in hand		5,590,504	3,127,355
		<u>7,371,742</u>	<u>5,495,880</u>
Creditors: amounts falling due within one year	17	(3,984,144)	(2,703,862)
NET CURRENT ASSETS		<u>3,387,598</u>	<u>2,792,018</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>49,572,023</u>	<u>31,206,538</u>
Creditors: amounts falling due after more than one year	18	(55,373)	(110,746)
NET ASSETS EXCLUDING PENSION LIABILITY		<u>49,516,650</u>	<u>31,095,792</u>
Defined benefit pension scheme liability	28	(20,125,000)	(7,768,000)
TOTAL NET ASSETS		<u><u>29,391,650</u></u>	<u><u>23,327,792</u></u>
FUNDS OF THE ACADEMY TRUST			
Restricted funds:			
Fixed asset funds	19	47,442,295	29,697,429
Restricted income funds	19	127,687	731,897
		<u>47,569,982</u>	<u>30,429,326</u>
Restricted funds excluding pension asset	19	47,569,982	30,429,326
Pension reserve	19	(20,125,000)	(7,768,000)
Total restricted funds	19	<u>27,444,982</u>	<u>22,661,326</u>
Unrestricted income funds	19	<u>1,946,668</u>	<u>666,466</u>
TOTAL FUNDS		<u><u>29,391,650</u></u>	<u><u>23,327,792</u></u>

The financial statements on pages 43 to 83 were approved by the Trustees, and authorised for issue on 09 December 2020 and are signed on their behalf, by:

Robert Bosworth
Chair of Trustees



The notes on pages 47 to 83 form part of these financial statements.

THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	21	2,493,112	609,723
CASH FLOWS FROM INVESTING ACTIVITIES	23	(542,590)	423,835
CASH FLOWS FROM FINANCING ACTIVITIES	22	512,627	253,247
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		2,463,149	1,286,805
Cash and cash equivalents at the beginning of the year		3,127,355	1,840,550
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24, 25	<u>5,590,504</u>	<u>3,127,355</u>

The notes on pages 47 to 83 form part of these financial statements

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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 historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Ted Wragg Multi Academy Trust 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.

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

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

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

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

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

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

Other income, 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.

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Transfer of existing academies into the Academy Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

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 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.

Expenditure on charitable activities 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.

- **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 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.6 TANGIBLE FIXED ASSETS

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the 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.

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is provided on all tangible fixed assets other than 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:

Freehold property	- 2% straight line
Long-term leasehold property	- 2% straight line
Furniture and fixtures	- 20% straight line
Computer equipment	- 33% straight line
Motor vehicles	- 25% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

1.7 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on the cost of purchases on a first in first out basis.

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.10 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.

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.11 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 16. Prepayments are not financial instruments.

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

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 notes 17 and 18. 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.

1.12 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.

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.13 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.

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

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

1.14 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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

1.15 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.16 PRIVATE FINANCE INITIATIVE (PFI)

The Academy Trust has in place an agreement with Devon County Council (DCC) for West Exe School, Isca Academy, St Luke's Church of England School and St. James School concerning a Private Finance Initiative (PFI) agreement for those academies dated 26 March 2004. The principal PFI agreement which includes an annual charge for rent and services is between DCC and the PFI provider. The duration of that agreement is 30 years. There is then a secondary agreement to which the Trust is a party and this arrangement is treated in these accounts as an operating lease, charged to the Statement of Financial Activities on a straight line basis over the lease term. The full liability over the life of the lease has been included in the operating lease commitment note 29, with the value based on the current annual charge without any inflationary adjustment.

1.17 ACADEMY CONVERSION AND ACADEMY TRANSFER

The conversion of St Luke's Church of England School from state maintained schools to part of the Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the schools for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from St Luke's Church of England School to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 26.

The assets and liabilities received on the transfer of an existing academy Marine Academy Plymouth into the Academy Trust were measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership passed to the Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

1.18 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent when collecting money from some trips which are organised by third parties. Payments received from students 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, paid and any balances held at the period end are disclosed in note 34.

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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 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 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Assets transferred on conversion	333,563	(3,815,319)	17,660,293	14,178,537	6,520,172
Donations	195,411	(1,185,205)	16,000	(973,794)	550,914
Government grants	-	-	899,602	899,602	1,248,824
SUBTOTAL	195,411	(1,185,205)	915,602	(74,192)	1,799,738
TOTAL 2020	528,974	(5,000,524)	18,575,895	14,104,345	8,319,910
TOTAL 2019	465,098	(411,772)	8,266,584	8,319,910	

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from charitable activities - Education	916,792	31,697,371	32,614,163	23,018,627
Income from charitable activities - Nursery	893,189	-	893,189	603,190
TOTAL 2020	<u>1,809,981</u>	<u>31,697,371</u>	<u>33,507,352</u>	<u>23,621,817</u>
TOTAL 2019	<u>1,608,395</u>	<u>22,013,422</u>	<u>23,621,817</u>	

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

5. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DFE/ESFA GRANTS				
General Annual Grant	-	27,808,167	27,808,167	18,949,046
Start up Grants	-	22,250	22,250	16,000
Other DfE/EFSA grants	-	2,541,565	2,541,565	2,173,043
	-	30,371,982	30,371,982	21,138,089
Other Government grants				
High Needs	-	1,036,422	1,036,422	439,037
Other government grants	-	-	-	128,132
	-	1,036,422	1,036,422	567,169
Other funding				
Internal catering income	94,682	-	94,682	113,995
External Education Support*	437,401	-	437,401	523,786
Sales to students	370,810	-	370,810	107,064
Other	13,899	238,359	252,258	568,524
	916,792	238,359	1,155,151	1,313,369
Exceptional government funding	-	50,608	50,608	-
TOTAL 2020	916,792	31,697,371	32,614,163	23,018,627
TOTAL 2019	1,005,205	22,013,422	23,018,627	

* This income arises from support services provided to other schools under partnership management agreements.

The Academy Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "Exceptional government funding". The funding received for coronavirus exceptional support covers £51k of additional costs, these costs are included in notes 8 and 9 below as appropriate.

THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	89,912	89,912	116,096

All prior year income related to unrestricted funds.

7. INVESTMENT INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	9,571	9,571	6,613

All prior year income related to unrestricted funds.

8. EXPENDITURE

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
EDUCATION:					
Direct costs	22,140,882	1,099,565	2,791,129	26,031,576	17,667,176
Support costs	3,175,927	3,325,608	3,038,650	9,540,185	7,050,569
NURSERY:					
Direct costs	746,084	-	6,240	752,324	498,848
Support costs	-	-	1,113	1,113	4,670
TEACHING SCHOOL	95,816	-	460,104	555,920	461,097
TOTAL 2020	26,158,709	4,425,173	6,297,236	36,881,118	25,682,360
TOTAL 2019	18,460,062	3,041,935	4,180,363	25,682,360	

THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Education	26,031,576	9,540,185	35,571,761	24,717,745
Nursery	752,324	1,113	753,437	503,518
TOTAL 2020	26,783,900	9,541,298	36,325,198	25,221,263
TOTAL 2019	18,166,024	7,055,239	25,221,263	

Analysis of direct costs

	Education 2020 £	Nursery 2020 £	Total funds 2020 £	Total funds 2019 £
Pension finance costs	200,000	-	200,000	129,000
Staff costs	22,861,882	746,084	23,607,966	15,726,784
Depreciation	1,252,158	-	1,252,158	655,372
Educational supplies	1,103,191	5,327	1,108,518	786,535
Staff development	194,168	250	194,418	160,852
School trips	127,387	638	128,025	390,838
Supply, seconded and specialist teachers	244,624	-	244,624	287,345
Legal and professional	-	25	25	-
Uniform costs	48,166	-	48,166	29,298
TOTAL 2020	26,031,576	752,324	26,783,900	18,166,024
TOTAL 2019	17,667,176	498,848	18,166,024	

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Education 2020 £	Nursery 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	3,788,927	-	3,788,927	2,359,999
Depreciation	-	-	-	92,390
Examination fees	335,820	-	335,820	245,864
Other costs	232,617	-	232,617	40,518
Recruitment and support	108,156	-	108,156	139,706
Maintenance of premises and equipment	173,078	237	173,315	277,606
Cleaning	232,685	-	232,685	128,388
Rates and leasing costs	319,386	-	319,386	274,671
Energy costs	540,659	-	540,659	485,311
Insurance	149,471	-	149,471	177,032
Security and transport	51,470	-	51,470	37,981
Catering	451,560	241	451,801	333,586
Technology costs	577,573	-	577,573	298,737
Office overheads	248,363	635	248,998	209,707
Legal and professional	192,374	-	192,374	225,136
Bank interest and charges	7,418	-	7,418	9,466
PFI agreement costs	2,043,550	-	2,043,550	1,680,377
Governance costs	28,201	-	28,201	38,764
Legal costs - conversion	58,877	-	58,877	-
TOTAL 2020	9,540,185	1,113	9,541,298	7,055,239
TOTAL 2019	7,050,569	4,670	7,055,239	

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10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	47,158	44,189
Depreciation of tangible fixed assets	1,252,147	747,762
PFI Agreement costs	2,043,550	1,680,377
Fees paid to auditors for:		
- audit	16,750	11,800
- other services	5,840	7,150
	<u>16,750</u>	<u>11,800</u>
	<u>5,840</u>	<u>7,150</u>

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	19,754,335	13,676,623
Social security costs	1,826,916	1,264,081
Pension costs	5,627,418	3,133,618
	<u>27,208,669</u>	<u>18,074,322</u>
Apprenticeship levy	84,252	53,452
Staff restructuring costs	199,788	44,943
Supply, seconded and specialist teacher costs	-	287,345
	<u>27,492,709</u>	<u>18,460,062</u>

Staff restructuring costs comprise:

	2020 £	2019 £
Redundancy payments	60,232	33,493
Severance payments	139,556	11,100
Other restructuring costs	-	350
	<u>199,788</u>	<u>44,943</u>

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £139,556 (2019: £11,100). Individually, the payments were £14,000, £11,750, £2,580, £16,000, £7,000, £30,000, £30,000, £10,000, £5,000, £7,426, £3,300 and £2,500 (2019: £2,100, £3,000, and £6,000).

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11. STAFF (CONTINUED)

b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS (CONTINUED)

The Trust is supporting a number of schools to improve, following a decline in outcomes and pupil roll. Restructuring has been necessary to ensure sustainability and clear alignment of resources to the curriculum need.

c. STAFF NUMBERS

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

	2020 No.	2019 No.
Teachers	334	260
Educational Support	222	199
Administration and Clerical	129	73
Management	5	5
	690	537

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Teachers	289	238
Educational Support	141	136
Administration and Clerical	79	57
Management	5	5
	514	436

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11. STAFF (CONTINUED)

d. HIGHER PAID STAFF

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	3	5
In the band £70,001 - £80,000	7	3
In the band £80,001 - £90,000	2	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-
In the band £110,001 - £120,000	1	1

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £574,847 (2019 £423,656). Increased costs of key management personnel relate to school improvement capacity to address growth, and 'improvement' strategies. It is anticipated that turnover could grow to in excess of £50m during 2020/21.

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12. CENTRAL SERVICES

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

- School improvement support (leadership, CPD, access to research, data and analytics)
- Financial management
- Funded apprentice training
- Operational support (policies, procurement, asset and premises management)
- Insurance and risk management services
- Central governance and governing body support
- Legal and professional services
- HR and Payroll
- IT Support

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

Central recharges, with the exception of IT support, are based on a 5% contribution of General Annual Grant (GAG). IT Support is allocated based on demand for IT resources and IT costs in the nature of overheads are apportioned approximately based on pupil and staff numbers.

The actual amounts charged during the year were as follows:

	2020 £	2019 £
ISCA Academy	429,505	442,004
St James School	472,263	439,910
Cranbrook Education Campus	231,305	227,355
Exwick Heights Primary School	230,979	202,778
West Exe School	429,226	437,444
Whipton Barton Junior School	96,512	52,742
Whipton Barton Infants and Nursery School	65,103	36,034
St Luke's Church of England School	203,652	-
Marine Academy Primary	34,497	-
Marine Academy Secondary	112,846	-
TOTAL	2,305,888	1,838,267

13. TRUSTEES' REMUNERATION AND EXPENSES

'The Chief Executive Officer and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of trustees' remuneration and other benefits was as follows: M Marder: Remuneration £110,000 - £115,000 (2019: £110,000 - £115,000), Employer's pension contributions £25,000 - £30,000 (2019: £15,000 - £20,000).

During the year ended 31 August 2020, expenses totalling £10 were reimbursed or paid directly to 1 Trustee (2019 - £1,423 to 1 Trustee).

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14. TRUSTEES' AND OFFICERS' INSURANCE

The Academy Trust procure their Directors and Officers Liability Insurance from the commercial market, through their Brokers, Arthur J Gallagher. The cover indemnifies Directors or Officers against any claim first made against them during the policy period for any Wrongful Act in their capacity as a Director, Officer or Employee of the Academy Trust up to £5,000,000 (2019: £5,000,000) in the annual aggregate and for any one loss. The cost of the policy was £963 (2019: £1,011).

15. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold property £	Furniture and equip- ment £	Plant and machinery £	Computer equip- ment £	Motor vehicles £	Total £
COST OR VALUATION							
At 1 September 2019	20,456,994	8,758,321	699,885	-	505,675	25,556	30,446,431
Additions	513,909	88,316	374,088	8,763	465,179	-	1,450,255
Transfer from existing Academy Trust	-	17,131,486	320,676	25,201	94,434	-	17,571,797
Disposals	-	-	(1,315)	-	(37,387)	(13,262)	(51,964)
At 31 August 2020	20,970,903	25,978,123	1,393,334	33,964	1,027,901	12,294	49,416,519
DEPRECIATION							
At 1 September 2019	1,066,983	341,588	373,889	-	230,043	19,408	2,031,911
Charge for the year	707,347	-	222,988	4,067	314,670	3,075	1,252,147
On disposals	-	-	(1,315)	-	(37,387)	(13,262)	(51,964)
At 31 August 2020	1,774,330	341,588	595,562	4,067	507,326	9,221	3,232,094
NET BOOK VALUE							
At 31 August 2020	19,196,573	25,636,535	797,772	29,897	520,575	3,073	46,184,425
At 31 August 2019	19,390,011	8,416,733	325,996	-	275,632	6,148	28,414,520

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16. DEBTORS

	2020 £	2019 £
DUE WITHIN ONE YEAR		
Trade debtors	121,671	270,471
Other debtors	16,213	2,609
Prepayments and accrued income	1,467,900	1,850,550
VAT recoverable	120,281	222,867
	<u>1,726,065</u>	<u>2,346,497</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other loans	55,372	55,372
Trade creditors	708,010	782,451
Other taxation and social security	689,023	331,400
Other creditors	527,571	367,963
Accruals and deferred income	2,004,168	1,166,676
	<u>3,984,144</u>	<u>2,703,862</u>

	2020 £	2019 £
DEFERRED INCOME		
Deferred income at 1 September 2019	501,776	331,938
Resources deferred during the year	702,555	501,776
Amounts released from previous periods	(501,776)	(331,938)
	<u>702,555</u>	<u>501,776</u>

At the Balance Sheet date the Academy Trust was holding funds received in advance for rates relief and UIFSM income paid in advance, as well as revenue clawbacks due to pupil number adjustments.

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £	2019 £
Other loans	<u>55,373</u>	<u>110,746</u>

Other loans is a loan inherited from a local authority predecessor school on conversion. This is repayable over 3 years, interest is charged at 1.79%.

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19. STATEMENT OF FUNDS

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UN- RESTRICTED FUNDS						
Unrestricted funds	666,466	2,438,438	(1,158,236)	-	-	1,946,668
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	637,786	27,808,167	(28,024,824)	(421,129)	-	-
GAG designated for specific purposes	14,000	-	(14,000)	-	-	-
Startup grant	-	22,250	(22,250)	-	-	-
Pupil premium	-	867,713	(867,713)	-	-	-
Other DfE	-	1,437,063	(1,437,063)	-	-	-
High needs	-	1,036,422	(1,036,422)	-	-	-
Other LA	1,900	-	(1,900)	-	-	-
Other donations and grants	11,112	119,795	(124,747)	-	-	6,160
School trips	-	238,359	(238,359)	-	-	-
UIFSM	-	205,483	(205,483)	-	-	-
Sports grant	-	81,914	(77,360)	-	-	4,554
Restricted funds transferred from existing academy	-	330,681	(330,681)	-	-	-
SWTT	67,099	605,796	(555,922)	-	-	116,973
Pension reserve	(7,768,000)	(5,451,000)	(1,534,000)	-	(5,372,000)	(20,125,000)
	<u>(7,036,103)</u>	<u>27,302,643</u>	<u>(34,470,724)</u>	<u>(421,129)</u>	<u>(5,372,000)</u>	<u>(19,997,313)</u>
RESTRICTED FIXED ASSET FUNDS						
LA Fixed Asset fund	1,199,083	110,822	(2,042)	-	-	1,307,863
Devolved Formula Capital	289,333	139,574	(224,569)	-	-	204,338

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19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Devolved Formula Capital transferred on conversion	118,841	16,000	(6,996)	-	-	127,845
Assets funded by GAG	341,551	-	(8,386)	421,129	-	754,294
Donated Property	12,236,000	-	(266,000)	-	-	11,970,000
Assets transferred on conversion	15,143,553	-	(268,000)	-	-	14,875,553
Other DfE	349,912	628,706	(236,598)	-	-	742,020
Other ESFA	3,330	-	-	-	-	3,330
Sports Grant	15,826	20,500	(4,706)	-	-	31,620
Assets on transfer of academy	-	17,571,810	(234,861)	-	-	17,336,949
PCC funding on transfer of academy	-	88,483	-	-	-	88,483
	<u>29,697,429</u>	<u>18,575,895</u>	<u>(1,252,158)</u>	<u>421,129</u>	<u>-</u>	<u>47,442,295</u>
TOTAL RESTRICTED FUNDS	<u>22,661,326</u>	<u>45,878,538</u>	<u>(35,722,882)</u>	<u>-</u>	<u>(5,372,000)</u>	<u>27,444,982</u>
TOTAL FUNDS	<u>23,327,792</u>	<u>48,316,976</u>	<u>(36,881,118)</u>	<u>-</u>	<u>(5,372,000)</u>	<u>29,391,650</u>

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

RESTRICTED FUNDS

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

GAG designated for specific purposes - General Annual grant designated in line with the Reserves Policy as described in the Trustees Report

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Other DfE - This represents funding received from the DfE for specific purposes.

Start up Grant – This represents one off funding received from the ESFA to contribute to the cost of

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19. STATEMENT OF FUNDS (CONTINUED)

converting from a school to an Academy.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Other LA - This relates to other amounts of income received from the Local Authority. The amounts are used for the normal running costs of the Academy, including education and support costs.

Other donations and grants - This represents donations and grant income to be used in the general running of the Academy Trust, including towards education and support costs.

School trips - These are amounts obtained for the purpose of school trips. This money will be used against the relevant school trip expenditure incurred by the Academy Trust.

UIFSM (Universal Infant Free School Meals) - Income from the ESFA which is to be used in the provision of free school meals for all pupils in reception, year 1 and year 2 classes.

DCC Academy Growth Fund - Funding provided by the Local Authority to support schools which are required to provide extra pupil places, in order to meet a basic need within the authority.

Other - This represents restricted income to be used in the general running of the Academy Trust, including towards education and support costs.

SWTT - This represents funds received which are specific to the teaching school.

Pension Reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

TRANSFERS

£421,129 of GAG was used to purchase Fixed Assets as represented by a transfer between funds.

RESTRICTED FIXED ASSET FUNDS

Local Authority Fixed Asset funding - This represents one off funding received from the Local Authority growth fund to contribute to the cost of setting up a new Academy.

Devolved Formula Capital - This represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

Devolved Formula Capital transferred on Conversion - This represents the devolved formula capital money that was left unspent upon transfer into the Academy Trust. It will be used to cover the maintenance and purchases of Fixed Assets.

Assets funded by GAG - This represents assets purchased through GAG funding.

Donated property - This represents the donated building at Cranbrook Education Campus.

Fixed assets transferred on conversion - This represents the buildings and equipment donated from the Local Authority on initial conversion to an Academy.

Other DfE - This represents funding received from the DfE for specific purposes.

Sports Grant - This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy

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19. STATEMENT OF FUNDS (CONTINUED)

lifestyles.

OTHER INFORMATION

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

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
ISCA Academy	57,677	(169,642)
Cranbrook Educational Campus	(100,561)	19,079
St James School	422,787	475,973
Exwick Heights Primary School	398,165	399,582
West Exe School	130,985	259,298
Whipton Barton Junior School	166,336	179,149
Whipton Barton Infants and Nursery School	246,585	122,421
St Luke's Church of England School	(23,834)	-
Marine Academy Primary	351,455	-
Marine Academy Secondary	176,514	-
Central	248,246	98,503
Central Designated	-	14,000
Total before fixed asset funds and pension reserve	2,074,355	1,398,363
Restricted fixed asset fund	47,442,295	29,697,429
Pension reserve	(20,125,000)	(7,768,000)
TOTAL	29,391,650	23,327,792

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £
Cranbrook Educational Campus	(100,561)
St Luke's Church of England School	(23,834)

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19. STATEMENT OF FUNDS (CONTINUED)

Cranbrook - Cranbrook Education Campus Cranbrook is a new school operating below capacity (2/3 forms across the all-through). It suffers high mobility, SEND (5%) and operated as a hub school during COVID 2019 pandemic. The school carries a high premises overhead due to capacity. COVID19 caused loss of significant income: nursery, lettings etc. The situation for the campus remains difficult but deficits do not increase further. There is no ongoing concern beyond historic recovery and the school continues to work on recovery strategies. The Board is aware of the position but mindful of Trust values and vision and the need for interim support over the formative years.

St Lukes is a sponsored academy and transferred on 1 February 2020 (at which point historic deficits were cleared). Due to falling student roll, the school is currently over-staffed and restructuring has been undertaken with one-time costs. The school academised on 1 February, and consequently the Trust has incurred the full cost of examinations and assessment this year. The school recovers in 2020/21 with growth and as efficiency gains are realised.

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19. 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 £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
ISCA Academy	3,560,517	247,521	142,102	1,233,593	5,183,733	4,547,087
Cranbrook Educational Campus	2,551,832	273,845	79,577	624,949	3,530,203	2,781,326
St James School	3,782,806	269,048	176,964	1,097,361	5,326,179	4,775,440
Exwick Heights Primary School	1,805,287	293,107	107,418	571,552	2,777,364	2,594,042
West Exe School	3,872,458	303,596	124,701	1,522,873	5,823,628	6,093,265
Whipton Barton Junior School	1,071,812	217,988	78,718	178,128	1,546,646	697,397
Whipton Barton Infants and Nursery School	707,874	72,663	58,995	95,915	935,447	476,561
St Luke's Church of England School	2,301,620	240,753	83,540	441,194	3,067,107	-
Marine Academy Primary	720,753	41,949	65,211	122,625	950,538	-
Marine Academy Secondary	1,681,757	377,537	278,005	460,671	2,797,970	-
Central	862,458	711,528	194,053	388,106	2,156,145	1,945,480
ACADEMY TRUST	22,919,174	3,049,535	1,389,284	6,736,967	34,094,960	23,910,598

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19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
UN- RESTRICTED FUNDS						
Unrestricted funds	142,724	2,196,202	(1,672,460)	-	-	666,466
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	143,974	18,949,046	(18,104,187)	(351,047)	-	637,786
GAG designated for specific purposes	293,000	-	(293,000)	14,000	-	14,000
Startup grant	-	1,220,496	(1,220,496)	-	-	-
Pupil premium	45,809	672,735	(718,544)	-	-	-
Other DfE	-	16,000	(16,000)	-	-	-
High needs	-	427,936	(427,936)	-	-	-
Other LA	-	11,100	(9,200)	-	-	1,900
Other donations and grants	83,547	252,616	(325,051)	-	-	11,112
School trips	-	194,602	(194,602)	-	-	-
UIFSM	-	154,371	(154,371)	-	-	-
Growth Fund	-	126,662	(126,662)	-	-	-
Other	-	186,993	(186,993)	-	-	-
SWTT	14,961	513,234	(461,096)	-	-	67,099
Pension reserve	(4,739,000)	(772,000)	(1,024,000)	-	(1,233,000)	(7,768,000)
	<u>(4,157,709)</u>	<u>21,953,791</u>	<u>(23,262,138)</u>	<u>(337,047)</u>	<u>(1,233,000)</u>	<u>(7,036,103)</u>
RESTRICTED FIXED ASSET FUNDS						
LA Fixed Asset fund	536,227	791,063	(128,207)	-	-	1,199,083
Devolved Formula Capital	78,507	249,291	(38,465)	-	-	289,333

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Devolved Formula Capital transferred on conversion	61,297	59,207	(1,663)	-	-	118,841
Assets funded by GAG	144,715	-	(140,211)	337,047	-	341,551
Donated Property	12,502,000	-	(266,000)	-	-	12,236,000
Assets transferred on conversion	8,330,000	6,983,553	(170,000)	-	-	15,143,553
Other DfE	7,392	344,562	(2,042)	-	-	349,912
Other ESFA	3,330	-	-	-	-	3,330
Sports Grant	17,000	-	(1,174)	-	-	15,826
	<u>21,680,468</u>	<u>8,427,676</u>	<u>(747,762)</u>	<u>337,047</u>	<u>-</u>	<u>29,697,429</u>
TOTAL RESTRICTED FUNDS	<u>17,522,759</u>	<u>30,381,467</u>	<u>(24,009,900)</u>	<u>-</u>	<u>(1,233,000)</u>	<u>22,661,326</u>
TOTAL FUNDS	<u>17,665,483</u>	<u>32,577,669</u>	<u>(25,682,360)</u>	<u>-</u>	<u>(1,233,000)</u>	<u>23,327,792</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	46,184,425	46,184,425
Current assets	5,875,440	238,432	1,257,870	7,371,742
Creditors due within one year	(3,928,772)	(55,372)	-	(3,984,144)
Creditors due in more than one year	-	(55,373)	-	(55,373)
Provisions for liabilities and charges	-	(20,125,000)	-	(20,125,000)
TOTAL	<u>1,946,668</u>	<u>(19,997,313)</u>	<u>47,442,295</u>	<u>29,391,650</u>

**THE TED WRAGG MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	28,414,520	28,414,520
Current assets	3,481,074	731,897	1,282,909	5,495,880
Creditors due within one year	(2,703,862)	-	-	(2,703,862)
Creditors due in more than one year	(110,746)	-	-	(110,746)
Provisions for liabilities and charges	-	(7,768,000)	-	(7,768,000)
TOTAL	666,466	(7,036,103)	29,697,429	23,327,792

21. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	11,435,858	6,895,309
ADJUSTMENTS FOR:		
Depreciation	1,252,147	747,762
Capital grants from DfE and other capital income	(899,602)	(1,248,824)
Interest Received	(8,063)	(6,613)
Defined benefit pension scheme obligation inherited	4,146,000	772,000
Defined benefit pension scheme cost less contributions payable	2,839,000	1,024,000
Net (gain)/loss on assets and liabilities from local authority on conversion	-	(308,619)
(Increase) /Decrease in stocks	(33,145)	230
(Increase) /Decrease in debtors	259,054	(1,232,426)
Increase in creditors	1,258,400	950,457
Assets transferred on conversion	(17,756,537)	(6,983,553)
NET CASH PROVIDED BY OPERATING ACTIVITIES	2,493,112	609,723

**THE TED WRAGG MULTI ACADEMY TRUST
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22. CASH FLOWS FROM FINANCING ACTIVITIES

	2020 £	2019 £
Cash transferred on conversion to an Academy Trust	568,000	308,619
Repayments of borrowing	(55,373)	(55,372)
NET CASH PROVIDED BY FINANCING ACTIVITIES	512,627	253,247

23. CASH FLOWS FROM INVESTING ACTIVITIES

	2020 £	2019 £
Interest received	8,063	6,613
Purchase of tangible fixed assets	(1,450,255)	(831,602)
Capital grants from DfE Group	899,602	1,248,824
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(542,590)	423,835

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Cash at bank and in hand	5,590,504	3,127,355

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019 £	Cash flows £	Transfer of existing academy £	At 31 August 2020 £
Cash at bank and in hand	3,127,355	1,895,149	568,000	5,590,504
Debt due within 1 year	(55,372)	-	-	(55,372)
Debt due after 1 year	(110,746)	55,373	-	(55,373)
	2,961,237	1,950,522	568,000	5,479,759

**THE TED WRAGG MULTI ACADEMY TRUST
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FOR THE YEAR ENDED 31 AUGUST 2020**

26. CONVERSION TO AN ACADEMY TRUST

On 1 March 2020 St Luke's Church of England School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Ted Wragg Multi Academy Trust from Devon County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net loss in the Statement of Financial Activities as Expenditure on Charitable activities - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Restricted funds £	Total funds £
NON-CURRENT LIABILITIES		
LGPS pension surplus/(deficit)	(1,305,000)	(1,305,000)
NET LIABILITIES	<u>(1,305,000)</u>	<u>(1,305,000)</u>

27. CAPITAL COMMITMENTS

	2020 £	2019 £
Contracted for but not provided in these financial statements	<u>18,855</u>	<u>439,131</u>

**THE TED WRAGG MULTI ACADEMY TRUST
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28. 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 Devon 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 2016.

Contributions amounting to £470,665 were payable to the schemes at 31 August 2020 (2019 - £287,252) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2019. 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 £3,088,910 (2019 - £1,499,786).

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

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

**THE TED WRAGG MULTI ACADEMY TRUST
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28. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,478,000 (2019 - £976,000), of which employer's contributions totalled £1,132,000 (2019 - £738,000) and employees' contributions totalled £ 346,000 (2019 - £238,000). The agreed contribution rates for future years are a monetary amount of £197,000 plus 17.6 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 26 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.25	3.70
Rate of increase for pensions in payment / inflation	2.25	2.20
Discount rate for scheme liabilities	1.60	1.85
Inflation assumption (CPI)	2.25	2.20

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	22.9	22.5
Females	24.1	24.4
<i>Retiring in 20 years</i>		
Males	24.3	24.2
Females	25.5	26.2

**THE TED WRAGG MULTI ACADEMY TRUST
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28. PENSION COMMITMENTS (CONTINUED)

Sensitivity analysis

	2020	2019
	£000	£000
Discount rate +0.1%	885,000	326,000
Discount rate -0.1%	(909,000)	(333,000)
Mortality assumption - 1 year increase	(1,175,000)	(526,000)
Mortality assumption - 1 year decrease	1,135,000	507,000
CPI rate +0.1%	(812,000)	(296,000)
CPI rate -0.1%	790,000	289,000

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

	2020	2019
	£	£
Equities	8,099,000	3,963,000
Gilts and bonds	1,121,000	363,000
Property	1,078,000	578,000
Cash and other liquid assets	155,000	88,000
Target return portfolio	1,707,000	928,000
Infrastructure and alternative assets	1,409,000	598,000
Private equity	-	120,000
TOTAL MARKET VALUE OF ASSETS	13,569,000	6,638,000

The actual return on scheme assets was £548,000 (2019 - £272,000).

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

	2020	2019
	£	£
Current service cost	(2,448,000)	(1,472,000)
Past service cost	(18,000)	(161,000)
Interest income	172,000	147,000
Interest cost	(372,000)	(276,000)
Transferred in on exisiting academies joining the trust	(5,451,000)	(772,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(8,117,000)	(2,534,000)

**THE TED WRAGG MULTI ACADEMY TRUST
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28. PENSION COMMITMENTS (CONTINUED)

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

	2020 £	2019 £
AT 1 SEPTEMBER	14,406,000	9,665,000
Upon conversion	10,570,000	1,363,000
Current service cost	2,448,000	1,472,000
Interest cost	372,000	276,000
Employee contributions	346,000	238,000
Actuarial (gains)/losses	5,677,000	1,355,000
Benefits paid	(143,000)	(124,000)
Past service costs	18,000	161,000
AT 31 AUGUST	33,694,000	14,406,000

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

	2020 £	2019 £
AT 1 SEPTEMBER	6,638,000	4,926,000
Upon conversion	5,119,000	591,000
Interest income	177,000	150,000
Actuarial gains	305,000	122,000
Employer contributions	1,132,000	738,000
Employee contributions	346,000	238,000
Benefits paid	(143,000)	(124,000)
Administration expenses	(5,000)	(3,000)
AT 31 AUGUST	13,569,000	6,638,000

29. OPERATING LEASE COMMITMENTS

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

	2020 £	2019 £
Within 1 year	2,198,342	1,638,376
Between 1 and 5 years	8,801,501	6,474,733
After more than 5 years	17,445,421	14,523,465
	28,445,264	22,636,574

**THE TED WRAGG MULTI ACADEMY TRUST
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30. 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 they cease to be a member.

31. GENERAL INFORMATION

The Ted Wragg Multi Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Cranbrook Education Campus, Tillhouse Road, Cranbrook, Exeter, EX5 7EE.

32. 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.

Exeter College, which is a member of the Ted Wragg Multi Academy Trust, and of which Trustee Robert Bosworth served as member of the Senior Management Team during the year, charged The Ted Wragg Multi Academy Trust £6,249 (2019: £18,452) for services rendered. The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations. In entering into the transaction the Academy Trust has complied with the requirements of the Academies Financial Handbook 2020. The element above £2,500 has been provided 'at no more than cost' and Exeter College has provided a statement of assurance confirming this.

The University of Exeter, which is a member of The Ted Wragg Multi Academy Trust, and of which Trustee David Hall is an employee, charged the Trust £1,273 (2019: £3,918) for the hire of a University Hall for an event. This is not a cost that is ultimately borne by The Ted Wragg Multi Academy Trust, as the cost is covered by ticket sales for the event.

33. POST BALANCE SHEET EVENTS

There have been no post balance sheet events requiring disclosure.

34. AGENCY ARRANGEMENTS

The Academy Trust acts as an agent for some trips organised throughout the year. In the accounting period ended 31 August 2020 the Academy Trust received and disbursed an amount of £134,171 (2019: £138,450). No balance was outstanding at the year end.

35. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY TRUST

Marine Academy Plymouth

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NOTES TO THE FINANCIAL STATEMENTS
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35. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY TRUST (CONTINUED)

	Value reported by transferring trust £	Transfer in recognised £
TANGIBLE FIXED ASSETS		
Long-term leasehold property	17,131,653	17,131,653
Furniture and equipment	320,980	320,980
Plant and machinery	24,830	24,830
Computer equipment	94,347	94,347
CURRENT ASSETS		
Stocks	13,752	13,752
Debtors due within one year	501,582	501,582
Cash at bank and in hand	568,000	568,000
LIABILITIES		
Creditors due within one year	(330,607)	(330,607)
PENSIONS		
Pensions - pension scheme assets	4,245,000	4,245,000
Pensions - pension scheme liabilities	(8,391,000)	(8,391,000)
NET ASSETS	<u>14,178,537</u>	<u>14,178,537</u>

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36. TEACHING SCHOOL TRADING ACCOUNT

	2020 £	2020 £	2019 £	2019 £
Income				
DIRECT INCOME				
Income	605,796		513,233	
TOTAL INCOME		605,796		513,233
Expenditure				
DIRECT EXPENDITURE				
Direct staff costs	67,576		62,333	
Educational supplies	411,950		330,627	
Educational consultancy	3,501		2,857	
Staff development	11,438		13,001	
Non-educational supplies	1,049		62	
TOTAL DIRECT EXPENDITURE	495,514		408,880	
OTHER EXPENDITURE				
Other staff costs	28,240		23,601	
Rent & rates	-		10,550	
Office supplies	31,691		13,141	
Accountancy	475		4,925	
TOTAL OTHER EXPENDITURE	60,406		52,217	
TOTAL EXPENDITURE		555,920		461,097
Surplus from all sources		49,876		52,136
Teaching school balances at 1 September 2019		67,097		14,961
TEACHING SCHOOL BALANCES AT 31 AUGUST 2020		116,973		67,097