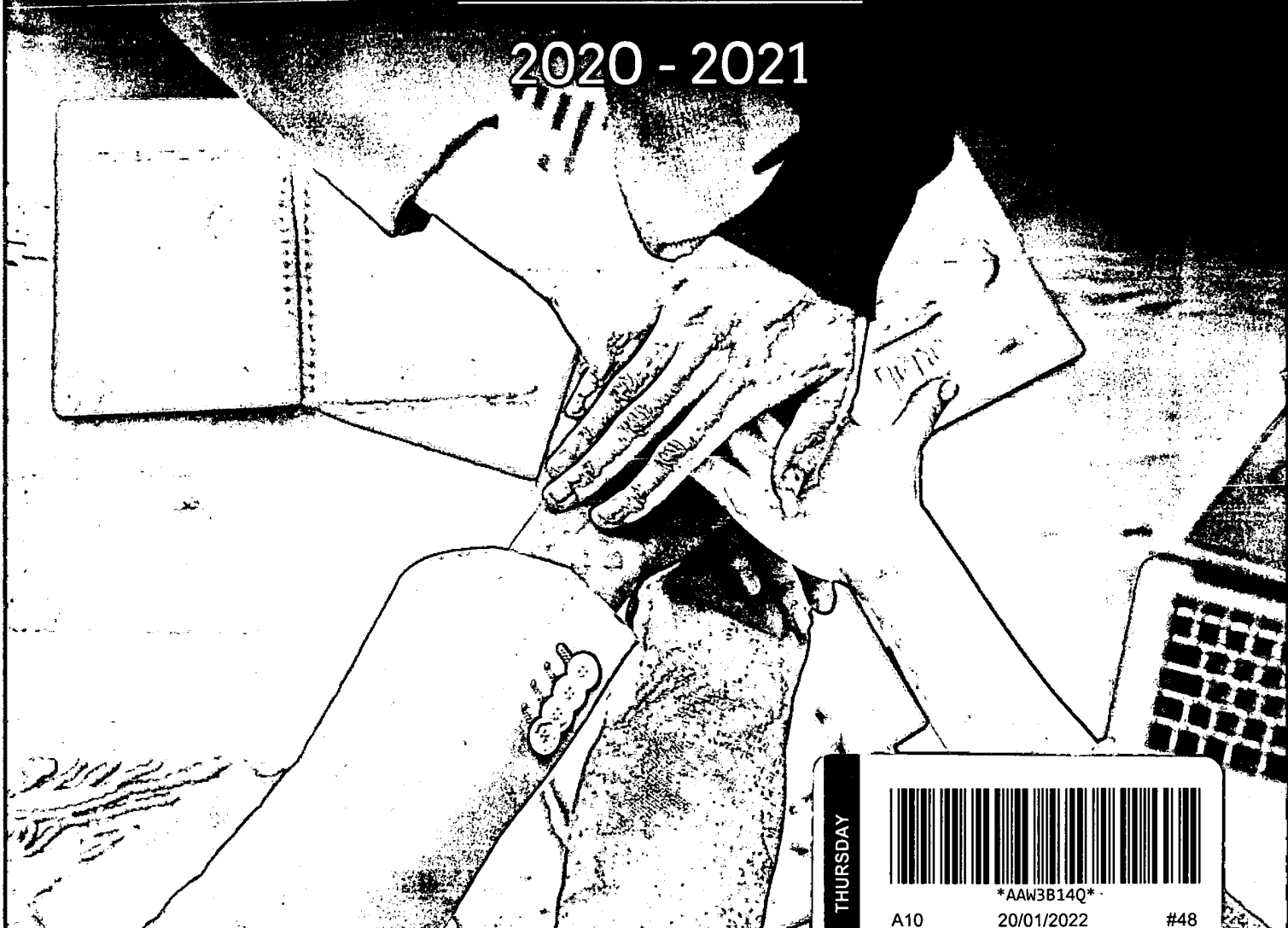


# Annual Financial Report

2020 - 2021



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COMPANIES HOUSE

Outstanding  
pupil experience

Excellence  
in education

Impactful  
teaching

Effective  
partnerships



**drb Ignite Multi Academy Trust  
(A Company Limited by Guarantee)**

**Report and Financial Statements  
for the year ended 31 August 2021**

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**drb Ignite Multi Academy Trust**  
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## Reference and Administrative Details

**Members:**

<b>Name</b>	<b>Appointed / Resigned</b>
David Sheldon	Appointed - 17 July 2018
John McDermott	Resigned – 12 July 2021
Margaret James	Resigned – 12 July 2021
Tim Reid	Appointed – 12 July 2021
Malcolm Firer	Appointed – 12 July 2021

**Trustees:**

<b>Name</b>	<b>Appointed / Resigned</b>
David Sheldon (Chair)	Appointed - 17 July 2018
Viv Randall (Vice Chair)	Appointed - 5 July 2019
Kevin McCabe	Resigned - 7 October 2021
Cheryl Millard	Appointed - 5 July 2019
Ian Swain	Resigned- 18 December 2020
Catherine Gallagher	Appointed - 31 August 2017
David Peters	Appointed - 31 August 2019
Bernard Peters	Appointed - 20 March 2018
John McDermott	Appointed – 12 July 2021
Robert Bowater (CEO)	Appointed – 12 July 2021

**Senior Executive  
Leadership Team:**

<b>Name</b>	<b>Role</b>
Robert Bowater	Accounting officer / CEO
Christopher Finnerty	Chief Financial Officer
Sue Egersdorff	Exec Director Governance & Strategy
James Hill	Exec Director School Improvement

**Trust details:**

Company name:	drb Ignite Multi Academy Trust
Company number:	09284055
Principal + Registered Office:	2nd Floor, 3 Brindley Place Birmingham B1 2JB
Independent Auditor:	Feltons Chartered Accountants 8 Sovereign Court 8 Graham Street Birmingham B1 3JR
Bankers:	Lloyds Bank 114-116 Colmore Row Birmingham B3 3DP
Solicitors:	Browne Jacobson LLP Victoria Square House Victoria Square Birmingham B2 4BU

## Introduction to the Annual Report

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

**Part One** of the report looks at the governance and work of the Trust towards the achievement of our strategic objectives over the period of 1 September 2020 to 31 August 2021. It sets out our governance arrangements, activities, achievements and plans for future work.

**Part Two** of the report presents the detail of the Trust's financial performance over the period of 1 September 2020 to 31 August 2021 and demonstrates compliance with the Academy Financial Handbook 2020 and ESFA Reporting requirements.

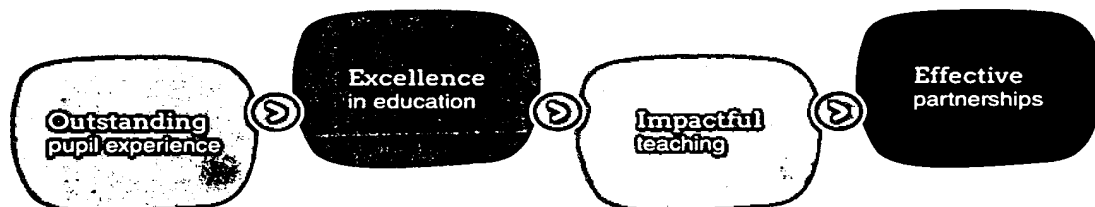
### To note:

The Trustees have also referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives that have been set and how these may need to be adapted in light of the continuing covid-19 pandemic challenges and the Trust's *Outbreak Management Plan*.

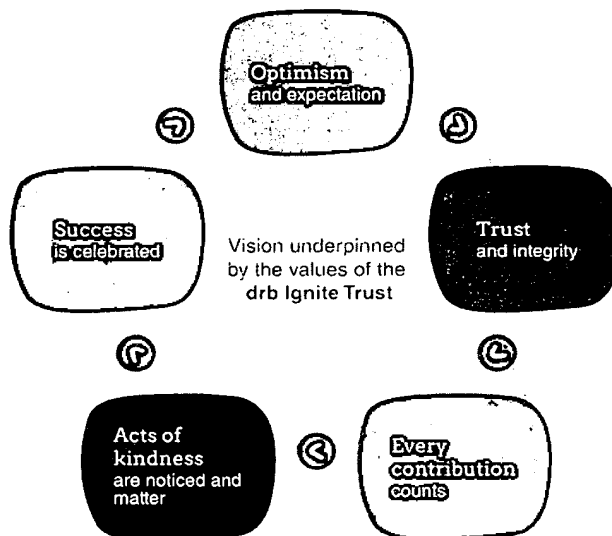
## Trust Vision and Values

### Trust vision:

*'all pupils achieve the highest standard of educational outcomes regardless of circumstance or background'*



### Trust values:



## **REPORT PART ONE**

### **Section 1: Governance and School Improvement**

#### **1:1 Background**

The Trust operates nine primary schools serving catchment areas in Birmingham and Dudley which are:

<b>School Name</b>	<b>Local Authority Area</b>	<b>NOR</b>
Audley Primary School	Birmingham	832
Beechwood CE Primary	Dudley	188
Hob Green Primary School	Dudley	229
Jervoise Primary School	Birmingham	209
Princethorpe Infant School	Birmingham	174
Princethorpe Junior School	Birmingham	238
The Bromley Pensnett Primary School	Dudley	271
The Oval Primary School	Birmingham	609
Wychall Primary School	Birmingham	380

The Trust schools have a combined pupil capacity of 3,161 and had a funded roll of 3,130 in the school census of October 2019.

#### **1:2 Conversions to the Trust**

The Company was incorporated at Companies House on 28 October 2014. Signed commercial transfer agreements and academy conversion dates are presented in the following table:

<b>Name of school</b>	<b>Conversion to academy</b>
Jervoise Primary School	1 October 2015
Wychall Primary School	1 October 2015
Bromley Pensnett Primary School	1 October 2015
Beechwood CE Primary School	1 October 2015
Princethorpe Infant School	1 October 2016
Audley Primary School	1 October 2016
The Oval Primary School	1 September 2016
Hob Green Primary School	1 November 2016
Princethorpe Junior School	1 March 2019

#### **1:3 Governance structure and accountability**

##### **Constitution**

The Trust is a company limited by guarantee and an exempt charity. The charitable company's *Articles of Association* and *Funding Agreement* are the primary governing documents of the Trust. The Trustees of drb Ignite Multi Academy Trust are also the Trustees of the charitable company for the purposes of company law. The charitable company is known as *drb Ignite Multi Academy Trust*. Details of the Trustees who served during the period covered by this Report are included in the *Reference and Administrative* details on page 1.

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**  
**Trustees report for the year ended 31 August 2021 (continued)**

**Member liability**

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

**Trustee indemnities**

The Trust purchases indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust; provided that any insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Trustees of the Multi Academy Trust. The insurance provides cover up to £10,000,000 on any one claim.

**Trustee competency**

The Trust Board is composed of non-executive Trustees with the exception of the CEO who is an ex officio Trustee. Non-executive Trustees are appointed by the members with the intention that the Board should comprise of an effective combination of experience, skills, and knowledge to fully meet the accountability requirements outlined in the DfE *Academies Financial Handbook 2020*, *Governance Handbook 2019* and associated *Competency Framework*.

Individuals appointed as non-executive Trustees to the Trust Board are required to demonstrate:

- a set of competencies required by the Trust Board and in line with the DfE Governance Handbook 2019 and associated Competency Framework and Academies Financial Handbook 2020
- a robust skills and competencies set assessed and monitored through application, interview and annual audit
- a commitment to getting to know the Trust's schools well and fulfilling the vision and values of the Trust
- a commitment to maintaining a rigorous strategic oversight of Trust statutory, mandatory, and regulatory financial management and governance responsibilities in line with the Academies Financial Handbook 2020

**To note:**

The CEO (Accounting Officer) was appointed to the Trust Board in July 2021 and acts ex officio.

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**  
**Trustees report for the year ended 31 August 2021 (continued)**

**1:4 Trustee selection process, induction, and professional development**

The selection process for prospective Trustees is thorough and may include local advertising, national advertising, website and other social media platforms. An application and interview process takes place led by a Trustee Selection Panel. Final selection is approved by Members.

Newly appointed Trustees are fully inducted using a bespoke induction package that includes face to face sessions and on-line training modules:

- face to face sessions with the CEO and members of the Executive Leadership Team
- effective governance and risk management
- covid-19 Risk Assessment and Outbreak Management Plan
- Trustee Code of Conduct
- financial management and robust oversight
- safeguarding, child protection and *Prevent* training
- visits to Trust schools and associated learning walks
- observation of school improvement challenge and support model through the Trust Improvement Board process
- understanding and analysis of school improvement data, including attendance and exclusions data
- induction briefings on key areas e.g. SEND, attendance, pupil premium, children looked after, exclusions
- safer recruitment practice
- GDPR training
- document sharing and reading lists e.g. Academy Financial Handbook 2020 and KCSIE 2020

The Trust maintains an annual Professional Development Plan accessible to both Members and Trustees. The plan includes a bespoke Induction Programme for new Members and Trustees.

Further professional development opportunities are provided for Trustees to work alongside school leaders to shape the vision and priorities of the Trust at various points in the academic year. This includes learning walks at Trust schools, attendance at professional conferences and events and the Trust's Annual Senior Leadership Strategic Planning Days, held annually in late January. Over 2020-21, due to the covid-19 pandemic this activity has progressed remotely, using Microsoft Teams.

**1:5 Board sub-committee structure**

These are set out clearly in the Trust's Governance Charter and Scheme of Delegation and Financial Procedures Manual which can be viewed on the Trust's website.

The Trust Board continues to operate with five main sub-committees. The committees for the period of the Report are:

1. Finance
2. Audit and Risk
3. Achievement, Support and Scrutiny
4. Remuneration and Nomination
5. Trust Improvement Board



**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**  
**Trustees report for the year ended 31 August 2021 (continued)**

**To note:**

- (i) Disciplinary and grievance appeals are heard by a panel of Trustees as and when required and constituted according to Trustee availability.
- (ii) The Trust's Governance structure has replaced local governing bodies with Trust Improvement Boards. These meet for every school on a termly basis and provide effective strategic oversight of governance, leadership, finance, and school improvement priorities. Parents are encouraged to engage in two-way communication with their child's school and the Trust through termly Parent and Community Advisory Forums.  
The model has been kept under constant review over the reporting year in order to respond to the changing restrictions arising from the covid-19 pandemic. This position will be further reviewed in preparation for the start of the 2021-22 academic year.
- (iii) All sub-committees have formal Terms of Reference which define the purpose and structure of the committee, clearly outlining its objectives, scope, and accountability. For example, the Terms of Reference for the Finance Committee, include the preparation, monitoring and management of the Trust's budget and implementation of all financial management policies alongside associated processes for managing reserves and investment.

### **1:6 Trustee specific roles and accountabilities**

The Trust Board takes all statutory, mandatory, and regulatory accountabilities seriously and is fully compliant with the Academies Financial Handbook 2020 and associated ESFA requirements. To maintain a focus on important aspects of school improvement work, the Trust Board appoints individual Trustees to fulfil particular roles.

Over the period of the Report the following appointments were made and responsibilities attributed:

Trust Chair	David Sheldon
Trust Vice Chair	Viv Randall
Child Protection + Safeguarding	David Sheldon
Relationship + Health Education	David Sheldon
Single Point of Contact (Child Protection)	Robert Bowater
Children Looked After (CLA)	Robert Bowater
SEND	Viv Randall
Trustee Professional Development Lead	Kevin McCabe
Pupil Premium/Catch Up Premium Funding	Kevin McCabe
Clerk to the Trust Board	Catherine Ludwig

### **1:7 Trust Board Annual Business Planner**

The Trust Board organises its work through an *Annual Business Planner*. This structures how the Board will fulfil its strategic responsibilities for overseeing, advising and challenging the Trust's overall performance and standards of educational provision. It includes the performance management and remuneration arrangements for the CEO (Accounting Officer). An ongoing focus over the 2020-2021 Reporting Year has continued to be well-organised, robust governance and financial management to ensure full compliance with all DfE and ESFA reporting requirements despite the additional pressures placed on the Trust Board by the continuing covid-19 pandemic.

**drb Ignite Multi Academy Trust**  
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**Trustees report for the year ended 31 August 2021 (continued)**

## **1:8 Public benefit and equal opportunities**

The Trust is mindful of the guidance on *Public Benefit* issued by the Charity Commission and the requirements to comply with current legislation. Over the reporting year, with the continuing pressures of the covid-19 pandemic, the Trust has continued to provide both on site and remote educational provision to pupils that:

- is balanced and broadly based (including a remote education offer to those required to self-isolate).
- provides the spiritual, moral, cultural, mental and physical development of all pupils.
- prepares pupils for the opportunities, responsibilities and experiences of later life.
- promotes, sustains and increases individual and collective knowledge and understanding of learning, motivation and wellbeing.
- supports parents/carers and the home learning environment.

This has been particularly challenging as the pandemic has progressed over the reporting year. The Trust has responded consistently to the dynamic situation and changing government and Public Health England (PHE) guidance, planning its response through defined phase planning to ensure full transparency and accountability.

The Trust has worked exceptionally hard to ensure the needs of all pupils have been considered and disruption caused to both individual pupils, classes and year groups have been kept to a minimum. By working collaboratively schools have developed a high quality remote education offer for all year groups.

Over the reporting year, the Trust has remained constantly mindful of its responsibilities to the one Church of England school (Beechwood C.E. Primary) to promote Christian distinctiveness and meet SIAMs Inspection requirements.

The Trust has continued to take its equality and diversity responsibilities seriously. The Trust is an equal opportunity employer and strives to give full and fair consideration to all applicants for employment, training and promotions, irrespective of disability, gender, race, colour or sexual orientation.

Over the reporting year, the Trust has increased its *Sustainable Advantage Review* work and a full report will be produced in December 2021. This work links with the UNICEF Sustainable Development Goals and reflects the Trust's commitment to organisational responsibility, efficiency and public benefit.

## **1:9 Improved governance and financial oversight**

Over 2020 to 2021, the Trust has faced an unprecedented and continuing period of challenge as the pandemic has progressed. Its resilience and resourcefulness have been tested at a range of levels. These have impacted in a number of ways on governance and strategic leadership. The early decision to implement a collaborative response to the pandemic through a *One Trust One Organisation* approach has been central to the organisation's ability and capacity to respond and adapt quickly as government expectations and guidelines have constantly changed. The capability to be adaptive and dynamic has been of critical importance. The reassurance, support and effective decision making possible through strong and effective governance structures with clearly defined responsibilities has been an enormous enabler to schools in managing the everyday challenges of the pandemic.

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**  
**Trustees report for the year ended 31 August 2021 (continued)**

The pandemic has exacerbated the considerable issues of deprivation faced by a number of Trust school communities which have required sensitive and ongoing needs analysis and response strategies.

For example, the Trust has embedded the use of each school's *Parent and Community Advisory Forum* into its governance framework. This has provided an opportunity for all parents and carers to raise issues and have their voices heard, particularly where they may feel marginalised for whatever reason.

It has also provided Trustees and senior leaders with information about the lived experience of pupils and their families as the pandemic has affected every day routines and school life.

This information has supported Trustees to make good decisions about strategic direction and improvement planning and established an additional conduit for the continued school improvement work of holding schools robustly to account for financial, leadership and standards outcomes in line with actions set out in their Covid-19 Risk Assessments, School Improvement Rapid Action Plans and associated Budget/Resource/Staffing Plans.

Over the Reporting Year consideration has been given to governance and school improvement processes and procedures and how these have been adapted to enable children's learning to continue as the impact of the pandemic has intruded more and more into normal school life and capacity to continue the provision of high-quality teaching and learning for all pupils. Throughout, the centrality of the Trust's *culture of safeguarding* and associated processes has been constant.

The following list reflects areas where adaptations and flexibility have been required to mitigate the impact of the pandemic restrictions and keep the interests of pupils at the heart of decision making:

- Child protection, safeguarding and covid-safe practices
- Infection control, preventative measures, PPE and cleaning regimes
- Quality of teaching and learning
- Revised assessment and progress mapping
- Pupil attendance
- Development of remote education provision
- Government catch-up premium funding planning
- Home access to IT connectivity and on-line safety
- Pupil mental health, anxiety and wellbeing
- Food poverty concerns
- Staff professional development and wellbeing
- Collaborative working across Trust schools i.e. One Trust One Organisation
- Enhanced partnership working with parents, carers and local communities
- Review of Strategy Plan and initial planning of 2021-24 priorities
- Budget and resource management i.e. additional costs associated with pandemic
- Asset management through pandemic
- Statutory health and safety requirements
- Equality and diversity and impact of pandemic on marginalised families

The impact of additional monthly Covid-19 Trustee meetings has been significant over the reporting year. Strong evidence has been collated that demonstrates the power of schools and Trustees working collaboratively. This collaborative effort has helped to secure pupil safety, protection and wellbeing both inside and outside of the school environment whilst also pressing ahead with school improvement priorities and requirements.

## Section 2: Achievements over the Reporting Year 2020-21

### 2.1 Strategic priorities for reporting year

The Trust's strategic priorities for the reporting year were initially set out in the *Annual Business Plan*. However, as the pandemic continued these priorities have had to be constantly reviewed and re-prioritised to manage the dynamics of the evolving public health emergency. In addition to the established six strategic work-strands in the Plan, the Trust added the overarching strand of **Safe Learning Environment, Safe Children and Families, Safe Workforce** in order to be proactive in implementing all possible preventative covid-safe strategies. These were organised across nine core action areas as set out below:

<b>Covid-19 Pandemic Response Strategy</b>	<b>Safe Learning Environment, Safe Children and Families, Safe Workforce:</b> <b>AIMS</b> <ol style="list-style-type: none"> <li>1. Maintaining oversight - System of Controls ('the musts')</li> <li>2. School Operations, Infection Control and Management</li> <li>3. Curriculum, Behaviour and Pastoral Support</li> <li>4. Assessment and Accountability</li> <li>5. Staff Safety and Wellbeing</li> <li>6. Communication and Information Sharing</li> <li>7. Finance and Resourcing</li> <li>8. Leadership, Governance, Safeguarding and Contingency Planning</li> <li>9. Risk Register and Assessment Checklist</li> </ol>
<b>Work-strand 1</b>	<b>Equalising opportunities for children:</b> <b>AIM</b> - to continually improve pupil progress and standards for all pupils by openly sharing knowledge and learning between schools, building the capacity of staff, and holding schools to account for impact.
<b>Work-strand 2</b>	<b>School improvement through curriculum consistency and depth:</b> <b>AIM</b> - to continue to develop the Trust's curriculum offer to ensure the learning experiences of all pupils are consistent, broad and balanced.
<b>Work-strand 3</b>	<b>Workforce development, recruitment, and retention:</b> <b>AIM</b> - to further develop an outward facing leadership and professional development strategy through workforce review process that supports talent management and effective recruitment and retention.
<b>Work-strand 4</b>	<b>Culture of safeguarding:</b> <b>AIM</b> - to continue to build a culture of safeguarding across the Trust and its schools and build leading edge practice.
<b>Work-strand 5</b>	<b>Financial probity and sustainability:</b> <b>AIM</b> - to continue to improve and refine financial systems to maintain full compliance with the Academies Financial Handbook 2020. To review established systems to make sure they are fit for purpose, efficient and keep the Trust and its schools safe whilst providing value for money.
<b>Work-strand 6</b>	<b>Effective partnerships and strong governance:</b> <b>AIM</b> - to continue to build strong governance based on purposeful decision making, participation, accountability, transparency and direction.

## **2:2 COVID-19 Response Strategy and Risk Assessment**

The whole 2020-21 reporting year has been heavily impacted by the ongoing covid-19 pandemic. This has required the Trust to respond at pace to a plethora of government, Public Health England and Health and Safety Executive guidance. *Gold standard* infection control measures have remained at the centre of Trust Board and senior leader planning at all times. Supporting staff, families and children during this time has remained the overriding priority, requiring some rescheduling of the Trust's planned work. This has affected the pace of delivery of the strategic priorities set out in the table above, although overall work has progressed across all areas with strong evidence of impact.

## **2:3 Development of school improvement team**

Over the reporting year further decisions to increase the capacity of the Trust's school improvement team have been made to take effect from the start of the 2021-22 academic year.

- Director for Curriculum and Professional Development (permanent appointment)
- Trust Curriculum Lead (permanent appointment)

## **2:4 Development of central capacity**

Over the reporting year the capacity of the central executive team has also been enhanced to include a full restructure of the Trust's IT support infrastructure.

## **2.5 Reading for Pleasure – Reading Improvement Programme**

Over the reporting year, all schools maintained full engagement with the Open University's Reading for Pleasure Project and aligned teacher professional development programme. This has enabled both the sharing of effective practice and advancement of expertise around the pedagogy of reading across Trust teachers. As a result, the Trust is conducting a full review of reading resources.

## **2.6 UNICEF Rights Respecting Schools Programme**

Over this difficult year, the importance of the Trust's continued engagement with the *UNICEF Rights Respecting Schools Programme* has been reinforced. The four key areas of impact for pupils have influenced all work and pandemic measures helping to ensure the diverse needs of all pupils are kept at the heart of decision making:

- Wellbeing
- Participation
- Relationships
- Self-esteem

## **2.7 Trust professional development offer**

During 2020-21 the Trust has continued to develop and implement a robust professional development programme for its workforce at all levels. This has been conducted on line using Microsoft Teams software.

## **2.8 Learning support systems and processes**

The improvement priorities, strategies and activities of the Trust over the reporting year have been supported by consistently improving policies, systems and procedures. This has ensured the development of a more sustainable approach to the raising of school standards and pupil outcomes. For example:

- CPOMMS safeguarding software across all schools for monitoring safeguarding, wellbeing, and all pastoral issues.
- Improved tracking systems for attendance and absence data.
- Financial monitoring software introduced.
- Online risk management and risk register system introduced.
- Further development of online Trustee CPD Programme linked to major accountabilities i.e. finance, governance, safeguarding, GDPR and school improvement.
- Exploration of a digital platform for governance business.

## **2.9 Looking ahead to 2022**

The covid-19 pandemic has seriously affected educational provision for a second year. Digital technology has remained central to enhancing the learning experience which has consequently been variable depending on pupils' access to appropriate devices.

However, classroom teaching is the mainstay of education and has been sorely missed and seriously disrupted for a large part of the year. The crisis has also highlighted the difficulties faced by the children who experience the greatest degree of challenge in their lives, and who are from the most disadvantaged backgrounds. It is these pupils who have most missed the benefit of direct interaction with teachers and teaching assistants. Catching up on lost learning time will be a significant, complex, and difficult task over the coming year 2020 to 2021 and will focus on:

- reducing learning gaps across all phases due to loss of school time during covid-19.
- % of pupils achieving a good level of development (GLD).
- % of pupils achieving age related expectations at KS1 and KS2.
- % of pupils working at greater depth.
- increased rates of pupil progress.
- consistency of teaching quality within and across schools.
- continued improvement in rates of attendance and reduction in persistent absence.
- continued downward trajectory in rate of fixed and permanent exclusions.
- greater engagement of parents in children's learning.

School improvement team and external adviser visits into schools have been restricted to avoid the spread of the virus and maintain tight infection measures making the support and challenge functions of the team very limited. In the absence of validated pupil performance data for 2020, the following table provides a broad overview of every school:

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**  
**Trustees report for the year ended 31 August 2021 (continued)**

<b>Name of school</b>	<b>Ofsted category overall Judgement</b>	<b>Date last inspection</b>	<b>Ofsted position</b>	<b>End of reporting year position</b>
Jervoise Primary School	Good	September 2018	↑	↘
Wychall Primary School	Good	February 2020	↑	→
Bromley Pensnett Primary School	Good	September 2018	↑	↘
Beechwood C of E Primary School	Good	May 2019	↑	↑
Princethorpe Infant School	Good	May 2019	↑	↑
Audley Primary School	Requires Improvement	In Ofsted window (delay due to pandemic related halt in inspection schedule)	↓	→
The Oval Primary School	Good	May 2019	↑	↑
Hob Green Primary School	Good	May 2019	↑	→
Princethorpe Junior School	New to Trust	In Ofsted window (delay due to pandemic related halt in inspection schedule)	→	→

## **REPORT PART TWO**

### **Financial Governance, Management and Statements**

**For note:**

The financial statements contained in this Part Two of the Trustees Annual Report comply with the Academies Financial Handbook 2020, ESFA reporting requirements and the Trust's Funding Agreement.

#### **1.1 Financial oversight**

To enable the Trust to improve its financial governance, the work of associated sub-committees i.e. Finance and Audit and Risk have been developed further over the reporting year including a full review of the Trust's *Financial Procedures Manual*. This has supported Trustees in the overall management and monitoring of finance, risk and staffing matters by providing a strengthened level of scrutiny of the finance, risk and HR practices of the Trust, prior to making recommendations on these matters to the Trustees for their decision.

The financial outcomes of Trust are detailed in the following pages. The Trust takes full responsibility for its financial affairs and uses resources efficiently to maximise outcomes for pupils. The Trust has effective governance structures, systems, and processes in place to ensure compliance and sound financial probity. Trustees consider that the robust internal controls, risk management and assurance processes are in line with Section 2 of the Academies Financial Handbook 2020. Finances are currently sound and well planned. The Trust's internal control processes are laid down in the Trust's *Financial Procedures Manual*.

In the reporting year, covid restrictions required all meetings to be held online via Microsoft Teams. This enabled the:

- the Board and its committees to continue to meet regularly to discharge their responsibilities to ensure effective financial management arrangements (AFH 2020 Sec 2).
- the Board to conduct its annual review of the *Scheme of Delegation*.
- All financial meetings of the Board and its sub-committees to continue to be professionally clerked (AFH 2020 Sec 2), with minutes produced and distributed electronically.
- The Board to maintain its Risk Register detailing and scoring financial risks alongside clear mitigation strategies.

The principal funding source to the Trust is government grant income delivered through the Education, Skills and Funding Agency (ESFA) in line with the Trust's *Funding Agreement*. All expenditure of this grant income is planned to fulfil the educational vision, priorities, and strategies of the Trust.

During the year ended 31 August 2021 total resources expended were £22,143,865 and the excess of expenditure over income was £656,021. which included depreciation of £1,186,022.



**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**  
**Trustees report for the year ended 31 August 2021 (continued)**

## **1.2 Financial performance indicators**

- Direct costs as a percentage of total costs were 67.1% (2020 : 66.9%)
- Support costs as a percentage of total costs were 32.9% (2020 : 33.1%)
- Total payroll costs as a percentage of recurring income were 83.6% (2020 : 83.2%)

Designated funds have been set against the Trust's identified covid-19 and school improvement priorities. Some changes have been agreed with Trustees to cover the additional requirements of the Trust's *Covid-19 Strategy* and associated risk assessments.

## **1.3 Related party and other connected transactions**

Over the reporting year there have been no related parties concerns which have either controlled or significantly influenced the decisions and operations of the Trust over the reporting year

## **1.4 Financial risk management**

Trustees acknowledge their responsibility for identifying and managing the risks to which the Trust is exposed. A termly review of the Trust's *Risk Register* ensures that the Trustees are well informed to arrive at a set of parameters and decisions for the amount of risk they consider to be acceptable. For example, the Trustees continue to review and question the Reserves Policy to establish and agree an appropriate level of reserves. With this information, the Trustees are able to make informed choices about the strategic proposals put forward by the Chief Executive Officer and Chief Financial Officer. The principal financial risks, remain lack of clarity about future funding agreements from government, the unpredictable pressures caused by covid-19 and the projected falling pupil numbers across both Dudley and Birmingham.

### ***To note:***

The Trust uses the Government's *Orange Book* to support the assessment of major risks to which the Trust is exposed, in particular those relating to governance, financial management and school improvement.

## **1.5 Procurement**

Over the reporting year the Trust has implemented the new catering contract. This has been challenging over the period as lockdowns, unsettled pupil numbers and restrictions around the provision of hot foods have all impacted. The Trust remains committed to establishing an effective longer-term partnership with Chartwell's to deliver high quality, healthy food consistently across all Trust schools.

Over the reporting year the Trust terminated its school improvement contract with the *Severn Teaching School Partnership*. The rationale behind this decision was that the Trust had steadily built the internal capacity and capability to take this service internally. This change has now been implemented with early evidence of positive impact.

As part of its *Sustainable Advantage* audit work the Trust has also reviewed a number of energy contracts making significant savings across all schools.

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**  
**Trustees report for the year ended 31 August 2021 (continued)**

## **1.6 Pay and remuneration of CEO and senior leaders**

Full use continues to be made of the DfE guidance for Academy Trusts on financial benchmarking and value for money as well as guidance to support Academy Trusts in setting levels of pay for executive leaders – *Setting Executive Salaries* (ESFA July 2019). This ensures the Board uses all available resource efficiently, benchmarking executive team salaries to those paid in similar Trusts as a basis for transparency, scrutiny, and challenge.

In addition, the following *value for money* criteria continue to be used by Trustees when making senior appointments and associated financial decisions:

- economic, efficient, and effective use of all the resources in the Trust's charge.
- avoidance of waste and extravagance.
- prudent and economical administration of the organisation.
- establishment and maintenance of a transparent system of financial governance.
- all financial transactions represent value for money.

## **1.7 Reserves Policy and *Going Concern* Statement**

Trustees continue to assess the Trust's approach to financial risk and Trust reserves. Trustees agree on a deliberately prudent approach to risk and this is the foundation on which specific scenarios have been costed to provide the Trust with an appropriate margin of safety.

The Trust's financial modelling means that income and expenditure can be forecast with reasonably high levels of accuracy. However, the continuing turbulence caused by the covid-19 pandemic and need to ensure priority is given to schools remaining open and safely staffed means that Trustees need to keep the Reserves Policy under constant review. Caution, prudence, and vigilance will continue to be paramount to ensure operating efficiency can be maintained without undue course to the use of reserves. This is of particular significance around the additional and unprecedented staffing supply costs incurred due to covid-19 related sickness and absence.

As a result of this review work and after making appropriate projections, Trustees have assessed the going concern basis as at the date of the Report and accounts are approved. They believe that the level of reserves held, and an analysis of the financial risks currently faced gives sufficient assurance that the Trust continues to be a going concern.

### ***To note:***

#### **Trust Going Concern Statement**

The Trust Board has a reasonable expectation that the Trust has adequate resources to continue in operational existence until at least 2024. It continues to adopt the *going concern* basis in preparing all financial statements. Further details regarding the adoption of the *going concern* basis can be found in the *Statement of Accounting Policies*.

## **1.8 Ongoing monitoring and scrutiny**

Over the reporting year Trustees have continually monitored the reserves of the Trust and will continue to do so. This process encompasses the nature of income and expenditure streams and the need to match commitments with income and the nature of reserves.

It is Trust Board's general policy to build reserves if possible, which can be used for future educational purposes, although this has been challenging due to the additional pressures placed on expenditure due to the pandemic.

**drb Ignite Multi Academy Trust**  
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**Trustees report for the year ended 31 August 2021 (continued)**

***To note:***

The Trust had total funds at 31 August 2021 of £18,494,309 which included £1,008,648. restricted funds not available for general purposes of the multi academy trust, £863,683 of free reserves defined as unrestricted funds available for general purposes and £38,519,978 which can only be realised by the disposal of tangible fixed assets.

The balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was a surplus of £1,872,331.

In addition, the deficit on the restricted pension fund of £21,898,000 arises from an actuarial deficit on the local government pension scheme which will be dealt with as advised by the actuary.

Schools continually utilising surplus funds to set a balanced budget is not appropriate or financially sustainable. To negate this, Trust schools are required to carry forward surplus reserves of at least 5% of their General Annual Grant value within their budgets from one year to the next. Budgeted cumulative surplus for the 2021/22 financial year is estimated to be £1,500,000, projecting 10.52% reserves at 31 August 2022, 5.52% above required target.

## **1.9 Investment Policy**

The Trust Board has an *Investment Policy* which allows Trustees to invest to further the Trust's educational purpose and vision. The Policy supports financial management and the tracking of financial exposure and ensures a focus is maintained on achieving value for money in all transactions and decisions.

In line with Section 2 of the Academies Financial Handbook 2020, the Trust Board always:

- acts within its power as set out in the Articles.
- exercises care and due diligence in investment decisions.
- takes professional advice as appropriate.
- ensures that exposure to investment products is tightly controlled.
- prioritises security of funding over revenue maximisation.
- ensures that any investment decisions are in the best interests of the Trust.
- reviews its *Investment Policy* and any investments regularly.

***To note:***

The day to day responsibility for managing this function is delegated to the Chief Financial Officer.

**drb Ignite Multi Academy Trust**  
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**Trustees report for the year ended 31 August 2021 (continued)**

### 1.10 Streamlined Energy and Carbon Reporting

<b>UK Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021</b>	<b>2020-21</b>
Energy consumption used to calculate emissions (kWh)	4,373,653.00
Energy consumption break down (kWh) (optional):	
• Gas	3,375,268.00
• Electricity	984,427.00
• Transport fuel	13,958.00
<b>Scope 1 emissions in metric tonnes CO<sub>2</sub>e:</b>	
• Gas consumption	620.61
• Owned transport – minibuses	0.00
<b>Total Scope 1:</b>	620.61
<b>Scope 2 emissions in metric tonnes CO<sub>2</sub>e:</b>	
• Purchased electricity	229.51
<b>Scope 3 emissions in metric tonnes CO<sub>2</sub>e:</b>	
• Business travel in employee owned vehicles	3.37
<b>Total gross emissions in metric tonnes CO<sub>2</sub>e</b>	<b>853.49</b>
<b>Intensity ratio Tonnes CO<sub>2</sub>e per pupil</b>	<b>0.28</b>

### Quantification and reporting methodology

The Trust have followed the 2020 HM Government Environmental Reporting Guidelines. The Trust have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, the recommended ratio for the sector.

### Measures taken to improve energy efficiency

During the 2020-21 financial year, the Trust implemented its new gas and electricity contracts. The contracts have been phased in over the financial year as each school's incumbent contract ends. All schools will be on the new contract, provided by *British Gas*, by April 2021. Mileage across the Trust has been further reduced over the year due to the continuing use of online Microsoft Teams meetings. This is expected to continue into the coming year and a hybrid meeting schedule is being planned.

### 1.11 Responsibility of Trustees for the financial statements

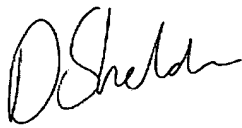
As explained fully in Annex 'A' *Governance Statement*, Trustees recognise that they are responsible for the preparation of the annual financial statements and for being satisfied that they have given a true and fair view and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**drb Ignite Multi Academy Trust**  
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**Trustees report for the year ended 31 August 2021 (continued)**

In so far as the Trustees are aware:

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

The Trustees' Annual Report, incorporating a strategic report, was approved by order of the Trust Board, as the company directors, on 8 December 2021 and signed on the Board's behalf by:



..... David Sheldon - Chair of Trust Board

**drb Ignite Multi Academy Trust**  
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**Annex A – Governance Statement for the year ended 31 August 2021**

## **1. Scope of responsibility**

The information on governance included in this Statement is supplementary to that described in the Trustees' Annual Report.

As Trustees of the drb Ignite Trust, we acknowledge we have overall responsibility for ensuring the Trust has effective and appropriate systems of control, financial and otherwise. Such systems are designed to manage rather than eliminate the risk of failure to achieve our educational and business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Trust Board delegates day-to-day responsibility for the running of the Trust to the Chief Executive Officer/Accounting Officer (CEO) and Chief Financial Officer (CFO). The Chief Executive Officer (CEO), as Accounting Officer, has full responsibility for ensuring financial controls conform and are compliant with the requirements of both propriety and good financial management as set out in the Academies Financial Handbook 2020, ESFA guidance and in accordance with the requirements and responsibilities assigned to the role in the Funding Agreement between the Trust and the Secretary of State for Education. The Accounting Officer also has responsibility for reporting to the Board any material weaknesses or breakdowns in internal control.

## **2. Trustee attendance information**

### **2.1 Trust Board**

The Trust Board has formally met six times during the reporting period. Additional Emergency Meetings were called in order to develop and implement changes to the Trust's covid-19 response and risk management strategy. All meetings have been held on line using Microsoft Teams. Attendance across the reporting period was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Meetings held</b>
David Sheldon (Chair)	6	6
Viv Randall (Vice-chair)	6	6
Kevin McCabe	5	6
David Peters	6	6
Cheryl Millard	5	6
Catherine Gallagher	5	6
Bernard Peters	5	6

### **2.2 Finance Sub-Committee**

<b>Trustee</b>	<b>Meetings attended</b>	<b>Meetings held</b>
David Sheldon (Chair)	4	4
Kevin McCabe	3	4
Robert Bowater (CEO)	4	4
Chris Finnerty (CFO)	4	4

## 2.3 Achievement, Support and Scrutiny Sub-Committee

Trustee	Meetings attended	Meetings held
Viv Randall (Chair)	4	4
Cheryl Millard	3	4
Kevin McCabe	3	4
Rob Bowater	4	4
James Hill	4	4

## 2.4 Audit and Risk Sub-Committee

Trustee	Meetings attended	Meetings held
David Peters (Chair)	3	3
Rob Bowater	3	3
Chris Finnerty	3	3
Bernard Peters	3	3
Cath Gallagher	3	3

## 3. Achieving value for money and scope of work

The purpose of this section is to demonstrate to all stakeholders that Trustees use of public assets has supported the advancement of education for the pupils in the care of the Trust and provided value for money during the reporting year. An ongoing strategic objective, alongside the Trust's core purpose of raising educational standards, is to achieve value for money not only for the Trust itself but also for the taxpayer more generally. The intention of Trustees is to continuously improve both the educational and wider wellbeing outcomes for all pupils within the resources available to them. The CEO in his role as Trust Accounting Officer has responsibility for ensuring that the Trust delivers good value in the use of public resources. The CEO understands that value for money refers to the educational and wider wellbeing outcomes achieved in return for the taxpayer resources received.

Over the reporting year, the CEO as Accounting Officer has considered how the Trust's use of resources has specifically supported the raising of educational standards across all Trust Schools. Although Trust Schools have been unable to benchmark performance due the pandemic related cancellation of all national testing and assessment processes, the Trust has continued to conduct internal pupil assessments and benchmarking processes which, overall, demonstrate progress at pupil and school levels.

Prior to the pandemic, the Trust was able to demonstrate that with the exception of reading attainment, data indicated that outcomes had improved, or previous improvements had been maintained. Trustees are very clear that *standards are not consistently there yet* across all schools and improving outcomes for all pupils was a top priority before the arrival of covid-19 and will be the major focus as the Trust emerges from the pandemic. Trustees are also aware that while, at a Trust-wide level, there have been improvements, there remains volatility in how well pupils are achieving in individual schools. This is partly due to continued staffing instability in some schools which has been further impacted by the pandemic.

**drb Ignite Multi Academy Trust**  
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**Annex A – Governance Statement for the year ended 31 August 2021 (continued)**

Over the reporting year, regular reports have been provided to the Trust Board in order to monitor and maintain oversight of the pandemic. These has continued to highlight how value for money has been secured and included benchmarked data where appropriate. The CEO as Accounting Officer has worked to deliver improved value for money during the reporting period as exemplified through the restructuring of the Trust's IT functions.

#### **4. Trustee self-review**

Over the reporting year Trustees have continued to evaluate their performance and effectiveness. They have used evaluation tools from the National Governors Association and Confederation of School Trusts to internally review performance. However, Trustees are keen to improve their oversight, challenge, and scrutiny role still further to include:

- the quality and range of school performance and benchmarking data presented to Trustees.
- the depth of knowledge Trustees have about individual Trust schools. This will be resumed following the covid-19 pandemic when Trustees will be able to visit schools safely.
- further knowledge and understanding of GDPR requirements. All Trustees have completed an initial online GDPR training module which will be enhanced through follow-on modules over the coming year.
- the quality and depth of financial reporting and analysis including forecasting data.
- improved governance and oversight of financial functioning of the Trust Improvement Board.
- an evaluation of the impact of the Board's decision to implement a Trust GAG pooling model.
- an externally commissioned Governance Review in 2022.

#### **5. Focus areas 2021-22**

- considering the potential to achieve further improved value for money through cross Trust procurement approaches for special needs support services.
- fully implementing Trust People Plan following covid-19 delays.
- appointing a Trust Accountant to support the CFO.
- appointing an Estates Manager to support the Director of Estates.
- appointing an administrator to support the work of the Trust School Improvement Team.
- implementing a Trust Digital Marketing Strategy including a restructuring of all school websites.
- Implementing a digital Trust Risk Register software solution and conducting a full review of the Trust's Risk Register.
- revising the operational functions of School Business Managers.

#### **6. Next Trust Board Review**

The Trust Board intended to conduct its next externally commissioned review in November 2021, which would have been exactly two years after the *Ofsted Summary Evaluation* visit. However, this was not possible due to covid-19 and has been rescheduled for the summer term 2022.



## **7. Internal Controls**

The Trust's systems of internal financial controls and Trust Improvement Board arrangements are designed to manage risk to an acceptable level, recognising that it is difficult to eliminate all risk of failure to achieve policies, aims and objectives. Trustees can only provide reasonable and not absolute assurance of effectiveness. The Trust's systems of internal control are based on processes designed to identify and prioritise significant risks which have the potential to affect achievement of the Trust's *Strategy Plan* priorities. They also help to evaluate the likelihood of those risks being realised, the impact should they be realised, and the mitigatory actions required to manage them efficiently, effectively and economically.

## **8. Capacity to handle risk**

The Trust Board has a robust *Risk Register* which is presented at every Board meeting and monitored by the Audit and Risk Sub-Committee. Risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate them are fully discussed. The Board is of the view that there has been a formal, robust and on-going process for identifying, evaluating and managing the Trust's significant risks in place for the reporting period and up to the date of approval of the Annual Report and financial statements. The Trust's Risk Register was fully reviewed and transferred to a digital format in July 2021.

## **9. Risk and control framework**

The Trust's system of internal financial control is based on regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability in line with the Academies Financial Handbook 2020 and full compliance with ESFA requirements.

It includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are scrutinised through the Trust Improvement Board/Finance Sub-Committee process before review and sign off by the Trust Board.
- regular reviews by the Finance and Audit and Risk Sub-Committees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- setting Trust and individual school targets to measure financial and other performance.
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties.
- identification, management and mitigation of risks.

Over the reporting period, the Trustees have used drb Schools and Academies Services Ltd to provide the internal audit function and independent oversight of the Trust's financial affairs.

The main duties of the internal audit function are to provide the Trust with on-going independent assurance of:

- **Compliance** - Review and assessment of how the Trust is addressing Annex 'C' - MUSTS as per the Academies Financial Handbook 2020 of the Fraud Policy and attitude to fraud, and how the Trust is addressing the Charity Commission CC8 checklist.
- **Strategic** - Review and assessment of the Trust's documentation to include:

**drb Ignite Multi Academy Trust  
(A Company Limited by Guarantee)**

**Annex A – Governance Statement for the year ended 31 August 2021 (continued)**

- Business Continuity Plan and Risk Register.
- Segregation of duties and Scheme of Delegation.
- Succession planning.
- Compliance visit reports and progress against recommendations.
- Budgets.
- Management accounts and reporting process.
- Board and Sub-committee minutes.
- **Governance** - Progress against prior year:
  - Management Letter.
  - Internal Assurance Report.
  - Website compliance.
  - Proper convening of board meetings e.g. quorate.
  - Maintenance of GIAS and Companies House Member/Trustee data.
  - Assessment of any related, connected party issues.
  - Maintenance of declarations and pecuniary interest register.
- **Transactional** - Appropriate testing of:
  - purchases.
  - bank transactions.
  - credit cards.
  - capital works.
  - tendering and procurement.
  - payroll administration.
  - income.
  - IT procedures.

**To note:**

On a termly basis, the drb Schools and Academies Services Ltd Internal Audit Function reports are presented to the Trust Board.

**10. Review of effectiveness**

As Accounting Officer, Robert Bowater (CEO), has responsibility for reviewing the effectiveness of the Trust's systems of internal control. During the reporting period this review activity has been informed by:

- the work of the internal reviewer.
- the work of the external auditor.
- the work of the executive leadership team within the 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 results of review activity of the systems of internal control and a plan to address weaknesses and ensure continuous improvement of the systems is in place.

Approved by order of the Trustees on the Trust Board on 8 December 2021 and signed on its behalf by:



David Sheldon  
Chair of Trust Board



Robert Bowater  
CEO and Accounting Officer

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**  
**Annex B - Statement of regularity, propriety and compliance for the year ended 31 August 2021**

As Accounting Officer of drb Ignite Multi Academy Trust, I have considered my responsibility to notify the Board of Trustees and the Education Skills and Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020 and the Governance Handbook 2019 (updated 2020).

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2020.

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



..... Robert Bowater - Accounting Officer

8 December 2021

**drb Ignite Multi Academy Trust  
(A Company Limited by Guarantee)**

**Annex C - Statement of trustees' responsibilities for the year ended 31 August 2021**

The Trustees, acting as Directors of the charitable company for the purposes of company law, are responsible for preparing the Annual Trustees' Report and the financial statements in accordance with:

- the *Annual Accounts Direction 2020* published by the Education and Skills Funding Agency (ESFA)
- UK *Accounting Standards* (UK Generally Accepted Accounting Practice)
- *Academies Financial Handbook 2020* and applicable charitable company law and regulations.

Company law requires Trustees to prepare financial statements for each financial year. Under company law 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 Trust as a charitable company. This includes its incoming resources and application of resources, including its income and expenditure for the reporting year.

**Trustee responsibilities**

In preparing these financial statements, Trustees are required to:

- select suitable accounting and internal controls policies and then apply them consistently.
- observe the methods and principles in the Charities SORP 2019, the ESFA Academies Accounts Direction 2020 to 2021 and the Academies Financial Handbook 2020.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards [FRS 102] 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 Trust as a charitable organisation will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 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 Trust 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 the ESFA/DfE have been applied for the purposes intended.

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**  
**Annex C - Statement of trustees' responsibilities for the year ended 31 August**  
**2021 (continuous)**

The Trustees are responsible for the maintenance, integrity and compliance of the corporate and financial information included on the Trust 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 Trustees of the Trust Board on 8 December 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'D Sheldon', is written over a dotted line.

..... David Sheldon Trust Chair

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of**  
**drb Ignite Multi Academy Trust**

**Opinion**

We have audited the financial statements of drb Ignite Multi Academy Trust (the 'multi academy trust') for the year to 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and 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 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements :

- give a true and fair view of the state of the multi academy trust's affairs as at 31 August 2021, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the multi academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

- Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the multi academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.
- Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of drb Ignite Multi Academy Trust**  
**(continued)**

**Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 matter 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Multi Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of drb Ignite Multi Academy Trust**  
**(continued)**

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on pages 25 and 26, the trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We reviewed the multi academy trust's control and risk management procedures and planned our work based on our assessment of those controls and procedures;
- This review included an assessment of the risk of material misstatement due to errors, fraud and management override of controls for all material areas in the financial statements;
- We made enquiries of management and the multi academy trust's lawyers regarding any actual or potential litigation and/or claims;
- Financial statements disclosures were reviewed and checked for compliance with applicable laws;
- Detailed testing was conducted on balances and transactions including unusual items and those of individual significance to the financial statements;
- Data analytics were used in order to identify unusual or significant trends;
- Communications with management and those charged with governance regarding relevant matters was undertaken throughout the audit and on completion.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.



**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Independent Auditor's Report on the Financial Statements to the Members of drb Ignite Multi Academy Trust**

**(continued)**

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Use of our report**

This report is made solely to the multi 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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the multi academy trust and the multi academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



**David W Farnsworth FCA (Senior Statutory Auditor)**

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court  
8 Graham Street  
Birmingham B1 3JR

13 December 2021

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to drb Ignite Multi Academy Trust and the Education and Skills Funding Agency**

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

This report is made solely to drb Ignite 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 drb Ignite 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 drb Ignite Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of drb Ignite Multi Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of drb Ignite Multi Academy Trust's funding agreement with the Secretary of State for Education dated 25 September 2015 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 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 Multi Academy Trust's income and expenditure.

The work undertaken to draw our conclusion includes :

- Consideration of the applicable legislation and the multi academy trust's funding agreement
- Review and evaluation of the multi academy trust's system of internal controls
- Examination and assessment of the Accounting Officer's statement on Regularity, Propriety and Compliance
- Examination, on a test basis, of third party evidence supporting income and expenditure
- Review of exceptional and unusual items

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to drb Ignite Multi Academy Trust and the Education and Skills Funding Agency (continued)**

**Conclusion**

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

*Feltons*

**David W Farnsworth FCA (Reporting Accountant)**

For and on behalf of Feltons, Statutory Auditor

8 Sovereign Court

8 Graham Street

Birmingham B1 3JR

13 December 2021

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Statement of financial activities for the year ended 31 August 2021**  
**(including income and expenditure account)**

	Notes	Unrestricted funds £	Restricted pension fund £	Restricted general funds £	Restricted fixed asset funds £	Total 2020/21 £	Total 2019/20 £
<b>Income from :</b>							
Donations and capital grants	2	-	-	-	1,110,566	1,110,566	503,274
Transfer of pension liability		-	-	-	-	-	(750,000)
Charitable activities :	3						
Funding for the academy trust's educational operations		94,826	-	20,252,315	-	20,347,141	19,976,366
Other trading activities	4	29,786	-	-	-	29,786	49,587
Investments	5	351	-	-	-	351	574
<b>Total</b>		<b>124,963</b>	<b>-</b>	<b>20,252,315</b>	<b>1,110,566</b>	<b>21,487,844</b>	<b>19,779,801</b>
<b>Expenditure on :</b>							
Charitable activities:							
Academy trust educational operations	6	124,963	1,174,000	19,658,880	1,186,022	22,143,865	21,948,799
<b>Total</b>		<b>124,963</b>	<b>1,174,000</b>	<b>19,658,880</b>	<b>1,186,022</b>	<b>22,143,865</b>	<b>21,948,799</b>
<b>Net income/(expenditure) before transfers</b>		<b>-</b>	<b>(1,174,000)</b>	<b>593,435</b>	<b>(75,456)</b>	<b>(656,021)</b>	<b>(2,168,998)</b>
<b>Transfers between funds</b>	15	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income/(expenditure) after transfers</b>		<b>-</b>	<b>(1,174,000)</b>	<b>593,435</b>	<b>(75,456)</b>	<b>(656,021)</b>	<b>(2,168,998)</b>
<b>Other recognised gains/(losses)</b>							
Actuarial gains/(losses) on defined benefit pension schemes	15, 24	-	(1,747,000)	-	-	(1,747,000)	(1,199,000)
<b>Net movement in funds</b>		<b>-</b>	<b>(2,921,000)</b>	<b>593,435</b>	<b>(75,456)</b>	<b>(2,403,021)</b>	<b>(3,367,998)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward	16	863,683	(18,977,000)	415,213	38,595,434	20,897,330	24,265,328
<b>Total funds carried forward</b>		<b>863,683</b>	<b>(21,898,000)</b>	<b>1,008,648</b>	<b>38,519,978</b>	<b>18,494,309</b>	<b>20,897,330</b>

All of the Academy's activities derive from continuing operations during the above two financial periods.

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Company number : 09284055**  
**Balance sheet as at 31 August 2021**

		2021		2020	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		38,191,500		38,429,230
<b>Current assets</b>					
Debtors	13	665,663		739,549	
Cash at bank and in hand		<u>3,926,703</u>		<u>2,878,630</u>	
		4,592,366		3,618,179	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	14(a)	<u>2,212,380</u>		<u>1,986,428</u>	
<b>Net current assets</b>			2,379,986		1,631,751
<b>Total assets less current liabilities</b>			<u>40,571,486</u>		<u>40,060,981</u>
Creditors: amounts falling due after more than one year	14(b)		(179,177)		(186,651)
<b>Net assets excluding pension liability</b>			<u>40,392,309</u>		<u>39,874,330</u>
Defined benefit pension scheme liability	24		(21,898,000)		(18,977,000)
<b>Total net assets</b>			<u><u>18,494,309</u></u>		<u><u>20,897,330</u></u>
<b>Funds of the academy trust :</b>					
<b>Restricted funds</b>					
Fixed asset fund	15	38,519,978		38,595,434	
Restricted income fund	15	1,008,648		415,213	
Pension reserve	15	<u>(21,898,000)</u>		<u>(18,977,000)</u>	
<b>Total restricted funds</b>			17,630,626		20,033,647
<b>Unrestricted income funds</b>	15		863,683		863,683
<b>Total funds</b>			<u><u>18,494,309</u></u>		<u><u>20,897,330</u></u>

The financial statements on pages 33 to 55 were approved by the trustees, and authorised for issue on 8 December 2021 and are signed on their behalf by:



..... David Sheldon - Chair of Trust Board

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Statement of cash flows for the year ended 31 August 2021**

	<b>Notes</b>	<b>2020/21 £</b>	<b>2019/20 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	893,247	483,950
<b>Cash flows from investing activities</b>	20	162,625	(116,154)
<b>Cash flows from financing activities</b>	21	(7,799)	(8,124)
		<u>1,048,073</u>	<u>359,672</u>
Cash and cash equivalents at 1 September 2020		2,878,630	2,518,958
<b>Cash and cash equivalents at 31 August 2021</b>	22	<u>3,926,703</u>	<u>2,878,630</u>

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2021**

**1. Accounting policies**

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

**Basis of preparation**

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

**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 company to continue as a going concern. The trustees make this assessment in respect of a year of at least one year from the date of authorisation for issue of the financial statements and have concluded that the multi academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the multi 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.

**Income**

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

- **Grants**

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

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

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

- **Donations**

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

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**1. Accounting policies (continued)**

**Income (continued)**

- **Other income**  
Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the multi academy trust has provided the goods or services.
- **Donated goods, facilities and services**  
Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Upon sale the fair value of the goods is charged against, and the proceeds are recognised as, 'Income from other trading activities'.
- **Donated fixed assets**  
Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the multi academy trust's accounting policies.

**Expenditure**

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

- **Expenditure on raising funds**  
This includes all expenditure incurred by the multi academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.
- **Charitable activities**  
These are costs incurred on the multi academy trust's educational operations, including support costs and costs relating to the governance of the multi academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

**Tangible fixed assets**

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.



**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**1. Accounting policies (continued)**

**Tangible fixed assets (continued)**

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

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

Leasehold land and buildings	- straight line over 50 years
Fittings and equipment	- 15% straight line
Computer hardware	- 20-25% 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.

**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.

**Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

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

**Leased assets**

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

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**1. Accounting policies (continued)**

**Taxation**

The multi 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 multi 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.

**Pension benefits**

Retirement benefits to employees of the multi 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 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 multi academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the year 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.

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**1. Accounting policies (continued)**

**Fund accounting**

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

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

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

**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.

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

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

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**2. Donations and capital grants**

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Capital grants	-	-	800,317	800,317	503,274
Donated fixed assets	-	-	310,249	310,249	-
	-	-	1,110,566	1,110,566	503,274
<b>2020 total</b>	-	-	503,274	503,274	

**3. Funding for the multi academy trust's educational operations**

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
<b>DfE/ESFA grants</b>					
General Annual Grant (GAG)	-	15,342,756	-	15,342,756	15,200,782
Other DfE Group grants					
UIFSM	-	325,066	-	325,066	314,552
Pupil premium	-	2,325,603	-	2,325,603	2,275,299
Teachers pension	-	470,136	-	470,136	471,882
Teachers pay	-	156,555	-	156,555	167,129
Sports premium	-	171,210	-	171,210	172,717
	-	18,791,326	-	18,791,326	18,602,361
<b>Other government grants</b>					
Local authority grants	-	1,214,349	-	1,214,349	1,151,037
Other income from the academy trust's educational operations	94,826	-	-	94,826	214,387
<b>Covid-19 additional funding (DfE/ESFA)</b>					
Catch-up premium	-	246,640	-	246,640	-
Other DfE/ESFA Covid-19 funding	-	-	-	-	8,581
	94,826	1,460,989	-	1,555,815	1,374,005
	94,826	20,252,315	-	20,347,141	19,976,366
<b>2020 total</b>	214,387	19,761,979	-	19,976,366	

The academy received £246,640 of funding for catch-up premium and costs incurred in respect of this funding totalled £107,070, with the remaining £139,570 to be spent in 2021/22.

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**4. Other trading activities**

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	29,786	-	29,786	49,587
<b>2020 total</b>	<b>49,587</b>	<b>-</b>	<b>49,587</b>	

**5. Investment income**

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Short term deposits	351	-	351	574
<b>2020 total</b>	<b>574</b>	<b>-</b>	<b>574</b>	

**6. Expenditure**

	Staff costs £	Non pay expenditure Premises £	Other £	2020/21 Total £	2019/20 Total £
Academy's educational operations					
Direct costs	13,129,487	797,536	938,294	14,865,317	14,702,955
Allocated support costs	4,431,538	1,061,876	1,785,134	7,278,548	7,245,844
	<u>17,561,025</u>	<u>1,859,412</u>	<u>2,723,428</u>	<u>22,143,865</u>	<u>21,948,799</u>
<b>2020 total</b>	<b>17,090,582</b>	<b>1,920,235</b>	<b>2,937,982</b>	<b>21,948,799</b>	

Net income/(expenditure) for the period includes :

		2020/21 £	2019/20 £
Operating leases	- plant and machinery	76,830	117,874
	- other	43,192	40,145
Depreciation		1,186,022	1,223,414
Interest paid on equal pay loans		5,264	5,484
Fees payable to auditor	- audit	29,450	28,600
	- other services	1,400	570

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**7. Charitable activities**

	Unrestricted funds £	Restricted pension fund £	Other restricted funds £	2020/21 Total £	2019/20 Total £
<b>Educational operations</b>					
Direct costs	14,939	-	14,850,378	14,865,317	14,702,955
Support costs	110,024	1,174,000	5,994,524	7,278,548	7,245,844
	<u>124,963</u>	<u>1,174,000</u>	<u>20,844,902</u>	<u>22,143,865</u>	<u>21,948,799</u>
<b>2020 total</b>	<u>616,496</u>	<u>798,000</u>	<u>20,534,303</u>	<u>21,948,799</u>	
<b>Analysis of support costs</b>					
Support staff costs	-	1,174,000	3,257,538	4,431,538	4,197,335
Depreciation	-	-	388,486	388,486	466,915
Technology costs	-	-	221,755	221,755	156,474
Premises costs	29,786	-	781,371	811,157	878,125
Legal costs	-	-	61,629	61,629	-
Other support costs	80,238	-	1,231,910	1,312,148	1,517,748
Governance costs	-	-	51,835	51,835	29,247
	<u>110,024</u>	<u>1,174,000</u>	<u>5,994,524</u>	<u>7,278,548</u>	<u>7,245,844</u>
<b>Total support costs</b>	<u>110,024</u>	<u>1,174,000</u>	<u>5,994,524</u>	<u>7,278,548</u>	<u>7,245,844</u>
<b>2020 total</b>	<u>493,099</u>	<u>798,000</u>	<u>5,954,745</u>	<u>7,245,844</u>	

**8. Staff**

**a) Staff costs**

Staff costs during the year were:	2020/21 £	2019/20 £
Wages and salaries	11,648,825	11,557,482
Social security costs	1,138,590	1,080,743
Pension costs	4,091,740	3,678,630
	<u>16,879,155</u>	<u>16,316,855</u>
Agency staff costs	658,270	763,827
Staff restructuring costs	23,600	9,900
	<u>17,561,025</u>	<u>17,090,582</u>
Staff restructuring costs comprise :		
Severance payments	23,600	9,900
	<u>23,600</u>	<u>9,900</u>

**b) Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £23,600 (2020 : £9,900). Individually, the payments were: £12,500, £7,400, £2,200 and £1,500.

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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**8. Staff (continued)**

**c) Staff numbers**

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

	2020/21 Number	2019/20 Number
Teachers	186	179
Administration and support	323	336
Management	10	7
	<u>519</u>	<u>522</u>

**d) Higher paid staff**

	2020/21 Number	2019/20 Number
The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was :		
£60,001 - £70,000	6	8
£70,001 - £80,000	5	4
£80,001 - £90,000	3	1
£90,001 - £100,000	1	1
£110,001 - £120,000	-	1
£130,001 - £140,000	<u>1</u>	<u>-</u>

**e) Key management personnel**

The key management personnel of the multi 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 multi academy trust was £457,735 (2020 : £410,305)

**9. Central services**

From 1 September 2020, the budget model, and in line with the funding agreement, was revised to encapsulate GAG pooling. As a result, central services were no longer charged separately to the individual academies. The Trust has provided the following central and operational services to the academies during the year:

- Executive Leadership Team
- External Audit and Internal Assurance
- Trust Website and Marketing
- Trust MIS system
- External Challenge Consultancy
- Trust Board operation costs
- Educational Improvement priorities
- Governance and Legal
- Trust CPD

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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**10. Related Party Transactions - Trustees' remuneration and expenses**

One or more trustees has been paid remuneration or has received other benefits from employment with the multi academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

Kevin McCabe (staff trustee until 31/8/20 and resigned 7/10/21)	
Remuneration	£nil (2020 : £60,000 - £65,000)
Employer's pension contributions paid	£nil (2020 : £nil)
Robert Bowater (CEO and staff trustee from 12/7/21)	
Remuneration	£20,000 - £25,000 (2020 : £nil)
Employer's pension contributions paid	£0 - £5,000 (2020 : £nil)

During the year ended 31 August 2021 there were no travel and subsistence expenses reimbursed or paid directly to any trustee (2020 : two trustees were reimbursed £76).

Other related party transactions involving the trustees are set out in note 25.

**11. Trustees' and officers' insurance**

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

**12. Tangible fixed assets**

	Leasehold land and buildings £	Fittings and equipment £	Computer hardware £	Total £
<b>Cost or valuation</b>				
At 1 September 2020	41,089,122	954,842	1,177,606	43,221,570
Additions	581,273	29,035	337,984	948,292
At 31 August 2021	41,670,395	983,877	1,515,590	44,169,862
<b>Depreciation</b>				
At 1 September 2020	3,328,233	480,742	983,365	4,792,340
Charge for the year	833,414	144,267	208,341	1,186,022
At 31 August 2021	4,161,647	625,009	1,191,706	5,978,362
<b>Net book values</b>				
At 31 August 2021	37,508,748	358,868	323,884	38,191,500
At 31 August 2020	37,760,889	474,100	194,241	38,429,230

Leasehold property's were valued by The Valuation Office Agency – DVS on 1 October 2015, 1 April 2016, 1 September 2016, 1 October 2016, 1 November 2016 and 1 March 2019.

Fittings and equipment and computer hardware were valued as at the same dates by the trustees. The basis on which the valuations were made was depreciated replacement cost.



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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**12. Tangible fixed assets (continued)**

Cost or valuation at 31  
August 2021 is  
represented by :

	Leasehold land and buildings	Fittings and equipment	Computer hardware	Total
	£	£	£	£
Valuation in 2016	15,741,090	169,290	248,630	16,159,010
Valuation in 2017	20,703,601	279,519	542,303	21,525,423
Valuation in 2019	2,162,000	2,404	11,914	2,176,318
Cost	3,063,704	532,664	712,743	4,309,111
	<u>41,670,395</u>	<u>983,877</u>	<u>1,515,590</u>	<u>44,169,862</u>

**13. Debtors**

	2021	2020
	£	£
Debtors from operations	15,907	32,294
VAT recoverable	93,735	10,553
Prepayments and accrued income	556,021	696,702
	<u>665,663</u>	<u>739,549</u>

**14. Creditors**

	2021	2020
	£	£
<b>(a) Amounts falling due within one year :</b>		
Creditors from operations	2,790	-
Accruals and deferred income	1,100,522	871,295
Other creditors	1,101,269	1,107,010
Loans	7,799	8,123
	<u>2,212,380</u>	<u>1,986,428</u>
<b>Deferred income</b>		
Deferred income at 1 September 2020	184,638	179,958
Resources deferred in the year	141,479	184,638
Amounts released from previous years	(184,638)	(179,958)
Deferred income at 31 August 2021	<u>141,479</u>	<u>184,638</u>

At the balance sheet date the multi academy trust was holding funds received in advance for universal infant free school meals.

**(b) Amounts falling due after more than one year :**

Other creditors	<u>179,177</u>	<u>186,651</u>
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Other creditors due after more than one year represents two loans from Dudley Metropolitan Borough Council repayable in yearly instalments. The loans are charged at the following annual interest rates; Authority's actual General Fund Borrowing Rate (currently approximately 2.4%) and 2.5%. The amount repayable after more than five years is £147,981 (2020: £153,100). The amount due within one year is shown in note 14(a).

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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**15. Funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	609,988	15,342,756	(14,888,891)	(13,063)	1,050,790
UIFSM	-	325,066	(325,066)	-	-
Pupil premium	-	2,325,603	(2,325,603)	-	-
LA (deficit) on conversion	(194,775)	-	-	13,063	(181,712)
Catch-up premium	-	246,640	(107,070)	-	139,570
Other grants	-	2,012,250	(2,012,250)	-	-
	<u>415,213</u>	<u>20,252,315</u>	<u>(19,658,880)</u>	<u>-</u>	<u>1,008,648</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	35,620,686	-	(894,777)	-	34,725,909
DfE Group capital grants	2,342,248	800,317	(166,551)	-	2,976,014
Capital expenditure from GAG	578,138	-	(75,495)	-	502,643
Other capital grants	41,978	-	(6,335)	-	35,643
From unrestricted funds	12,384	-	(809)	-	11,575
Donations	-	310,249	(42,055)	-	268,194
	<u>38,595,434</u>	<u>1,110,566</u>	<u>(1,186,022)</u>	<u>-</u>	<u>38,519,978</u>
<b>Pension reserve</b>	<u>(18,977,000)</u>	<u>-</u>	<u>(1,174,000)</u>	<u>(1,747,000)</u>	<u>(21,898,000)</u>
<b>Total restricted funds</b>	<u>20,033,647</u>	<u>21,362,881</u>	<u>(22,018,902)</u>	<u>(1,747,000)</u>	<u>17,630,626</u>
<b>Unrestricted funds</b>					
Other income	863,683	124,963	(124,963)	-	863,683
<b>Total unrestricted funds</b>	<u>863,683</u>	<u>124,963</u>	<u>(124,963)</u>	<u>-</u>	<u>863,683</u>
<b>Total funds</b>	<u>20,897,330</u>	<u>21,487,844</u>	<u>(22,143,865)</u>	<u>(1,747,000)</u>	<u>18,494,309</u>

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

**Restricted general funds**

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education and Skills Funding Agency, Birmingham City Council and Dudley Metropolitan Council.

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

**Unrestricted funds**

These comprise resources that may be used towards meeting any of the charitable objects of the multi academy trust at the discretion of the trustees.

**Restricted fixed asset funds**

These comprise resources which are to be applied to specific capital purposes imposed by The Education and Skills Funding Agency, Birmingham City Council and Dudley Metropolitan Council where the asset acquired or created is held for a specific purpose.

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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**15. Funds (continued)**

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	212,491	15,200,782	(14,744,208)	(59,077)	609,988
UIFSM	-	314,552	(314,552)	-	-
Pupil premium	-	2,275,297	(2,275,297)	-	-
LA (deficit) on conversion	(202,898)	-	(5,484)	13,607	(194,775)
Other DfE/ESFA Covid-19 funding	-	8,581	(8,581)	-	-
Other grants	-	1,962,767	(1,962,767)	-	-
	<u>9,593</u>	<u>19,761,979</u>	<u>(19,310,889)</u>	<u>(45,470)</u>	<u>415,213</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	36,632,282	-	(1,011,596)	-	35,620,686
DfE Group capital grants	1,967,425	503,274	(128,451)	-	2,342,248
Capital expenditure from GAG	609,471	-	(76,803)	45,470	578,138
Other capital grants	42,635	-	(657)	-	41,978
From unrestricted funds	18,291	-	(5,907)	-	12,384
	<u>39,270,104</u>	<u>503,274</u>	<u>(1,223,414)</u>	<u>45,470</u>	<u>38,595,434</u>
<b>Pension reserve</b>	<u>(16,230,000)</u>	<u>(750,000)</u>	<u>(798,000)</u>	<u>(1,199,000)</u>	<u>(18,977,000)</u>
<b>Total restricted funds</b>	<u>23,049,697</u>	<u>19,515,253</u>	<u>(21,332,303)</u>	<u>(1,199,000)</u>	<u>20,033,647</u>
<b>Unrestricted funds</b>					
Other income	1,215,631	264,548	(616,496)	-	863,683
<b>Total unrestricted funds</b>	<u>1,215,631</u>	<u>264,548</u>	<u>(616,496)</u>	<u>-</u>	<u>863,683</u>
<b>Total funds</b>	<u>24,265,328</u>	<u>19,779,801</u>	<u>(21,948,799)</u>	<u>(1,199,000)</u>	<u>20,897,330</u>

**Total funds analysis by academy**

Fund balances at 31 August 2021 were allocated as follows :

	2020/21 Total £	2019/20 Total £
Audley Primary School	-	185,354
Beechwood Church of England Primary School	-	355,982
Hob Green Primary School	-	(267,519)
Jervoise School	-	263,735
Princethorpe Infant School	-	162,491
Princethorpe Junior School	-	110,931
The Bromley - Pensnett Primary School	-	(102,223)
The Oval School	-	652,706
Wychall Primary School	-	46,100
Central services	1,872,331	(128,661)
<b>Total before fixed assets and pension reserve</b>	<u>1,872,331</u>	<u>1,278,896</u>
Restricted fixed asset fund	38,519,978	38,595,434
Pension reserve	(21,898,000)	(18,977,000)
<b>Total funds</b>	<u>18,494,309</u>	<u>20,897,330</u>

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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**15. Funds (continued)**

From 1 September 2020, the Trust amended its financial operating model such that GAG income and revenue reserves are pooled at the Trust level. As a result, funds held by individual academies are no longer separately monitored.

**Total cost analysis by academy**

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

	Teaching & educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	2020/21 Total £
Audley Primary School	3,159,299	980,886	71,536	560,326	4,772,047
Beechwood Church of England Primary Schc	764,413	180,592	28,734	187,194	1,160,933
Hob Green Primary School	1,034,381	290,951	13,984	285,128	1,624,444
Jervoise School	878,076	238,551	37,284	190,170	1,344,081
Princethorpe Infant School	822,147	300,706	23,656	177,881	1,324,390
Princethorpe Junior School	930,704	321,781	25,294	164,484	1,442,263
The Bromley - Pensnett Primary School	1,205,149	336,087	12,188	238,568	1,791,992
The Oval School	2,302,890	575,748	48,040	423,096	3,349,774
Wychall Primary School	1,680,959	493,574	35,544	321,359	2,531,436
Trust	351,469	712,662	10,580	541,774	1,616,485
<b>Academy trust</b>	<b>13,129,487</b>	<b>4,431,538</b>	<b>306,840</b>	<b>3,089,980</b>	<b>20,957,845</b>
<b>2020 total</b>	<b>12,893,247</b>	<b>4,197,335</b>	<b>355,592</b>	<b>3,279,211</b>	<b>20,725,385</b>

**16. Analysis of net assets between funds**

Fund balances at 31  
August 2021 are  
represented by:

	Unrestricted funds £	Restricted pension funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	-	38,191,500	38,191,500
Current assets	863,683	-	3,400,205	328,478	4,592,366
Current liabilities	-	-	(2,212,380)	-	(2,212,380)
	863,683	-	1,187,825	38,519,978	40,571,486
Creditors due after one year	-	-	(179,177)	-	(179,177)
Pension scheme liability	-	(21,898,000)	-	-	(21,898,000)
<b>Total net assets</b>	<b>863,683</b>	<b>(21,898,000)</b>	<b>1,008,648</b>	<b>38,519,978</b>	<b>18,494,309</b>

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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**16. Analysis of net assets between funds (continued)**

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

	Unrestricted funds	Restricted pension funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£	£	£	£	£
Tangible fixed assets	-	-	-	38,429,230	38,429,230
Current assets	863,683	-	2,588,292	166,204	3,618,179
Current liabilities	-	-	(1,986,428)	-	(1,986,428)
	863,683	-	601,864	38,595,434	40,060,981
Creditors due after one year	-	-	(186,651)	-	(186,651)
Pension scheme liability	-	(18,977,000)	-	-	(18,977,000)
<b>Total net assets</b>	<b>863,683</b>	<b>(18,977,000)</b>	<b>415,213</b>	<b>38,595,434</b>	<b>20,897,330</b>

**17. Capital commitments**

	2021	2020
	£	£
Contracted for but not provided in the financial statements	282,000	49,000

**18. Commitments under operating leases**

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

	Land and buildings		Other	
	Total	Total	Total	Total
	2021	2020	2021	2020
	£	£	£	£
Amounts due within one year	11,303	45,211	32,112	15,438
Amounts due between one and five years	-	-	51,236	5,530
	11,303	45,211	83,348	20,968

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

	2020/21	2019/20
	Total	Total
	£	£
Net expenditure for reporting year (as per the SoFA)	(656,021)	(2,168,998)
Adjusted for :		
Depreciation (note 12)	1,186,022	1,223,414
Capital grants from DfE and other capital income	(800,317)	(503,274)
Donated fixed assets	(310,249)	-
Interest receivable (note 5)	(351)	(574)
Pension liability transferred in (note 24)	-	750,000
Defined benefit pension scheme cost less contributions payable (note 24)	890,000	503,000
Defined benefit pension scheme finance cost (note 24)	284,000	295,000
Decrease in debtors	73,886	8,604
Increase in creditors	226,277	376,778
<b>Net cash provided by operating activities</b>	<b>893,247</b>	<b>483,950</b>

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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**20. Cash flows from investing activities**

	2020/21 Total £	2019/20 Total £
Interest received	351	574
Purchase of tangible fixed assets	(638,043)	(620,002)
Capital grants from DfE Group	800,317	503,274
<b>Net cash provided by / (used in) investing activities</b>	<b>162,625</b>	<b>(116,154)</b>

**21. Cash flows from financing activities**

	2020/21 Total £	2019/20 Total £
Loan repayments in period	(7,799)	(8,124)
<b>Net cash used in financing activities</b>	<b>(7,799)</b>	<b>(8,124)</b>

**22. Analysis of cash and cash equivalents**

	At 31 August 2021 £	At 31 August 2020 £
Cash at bank and in hand	3,926,703	2,878,630
	<b>3,926,703</b>	<b>2,878,630</b>

**23. Members' liability**

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

**24. Pension and similar obligations**

The multi 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 West Midlands Pension Fund. Both are multi-employer defined-benefit schemes.

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

Contributions amounting to £198,651 (2020 : £387,738) were payable to the schemes at 31 August 2021 and are included within creditors.

**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**24. Pension and similar obligations (continued)**

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, 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 is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £1,556,867 (2020 : £1,500,027).

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

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

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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**24. Pension and similar obligations (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,675,000 (2020 : £1,521,000), of which employer's contributions totalled £1,395,000 (2020 : £1,275,000) and employees' contributions totalled £280,000 (2020 : £246,000). The agreed contribution rates for future years are between 5.5% and 11.4% for employers and between 21.3% employees.

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

The trustees have agreed that the trust will make additional contributions in addition to normal funding levels over the next 30 years.

**Principal actuarial assumptions**

	<b>At 31 August 2021</b>	<b>At 31 August 2020</b>
Rate of increase in salaries	3.90%	3.25%
Rate of increase for pensions in payment / inflation	2.90%	2.25%
Discount rate for scheme liabilities	1.70%	1.65%
Inflation assumption (CPI)	2.90%	2.30%
Commutation of pensions to lump sums	50.00%	50.00%

**Sensitivity analysis**

	<b>As disclosed</b>	<b>Discount rate</b>	<b>CPI rate</b>	<b>In life expectancy</b>
	<b>£'000s</b>	<b>+ 0.1% pa £'000s</b>	<b>+ 0.1% pa £'000s</b>	<b>+ 1 year £'000s</b>
Present value of total obligation	35,038	34,110	35,632	36,308
Projected service cost	2,711	2,620	2,792	2,832
	<b>£'000s</b>	<b>- 0.1% pa £'000s</b>	<b>- 0.1% pa £'000s</b>	<b>- 1 year £'000s</b>
Present value of total obligation	35,038	35,992	34,461	33,817
Projected service cost	2,711	2,803	2,634	2,594

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

	<b>At 31 August 2021</b>	<b>At 31 August 2020</b>
Retiring today		
Males	21.6	21.9
Females	24.0	24.1
Retiring in 20 years		
Males	23.4	23.8
Females	25.8	26.0



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**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**24. Pension and similar obligations (continued)**

**Local Government Pension Scheme (continued)**

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

	<b>31 August 2021 £</b>	<b>31 August 2020 £</b>
Equities	8,001,000	5,398,000
Government bonds	1,087,000	1,042,000
Other bonds	804,000	372,000
Property	923,000	724,000
Cash/liquidity	484,000	636,000
Other	1,841,000	1,431,000
<b>Total market value of assets</b>	<b>13,140,000</b>	<b>9,603,000</b>

The actual return on scheme assets was £1,849,000 (2020 : £778,000).

	<b>2020/21 £</b>	<b>2019/20 £</b>
<b>Amount recognised in the statement of financial activities</b>		
Current service cost	2,285,000	1,773,000
Net interest cost	284,000	295,000
Administration expenses	-	5,000
<b>Total amount recognised in the SOFA</b>	<b>2,569,000</b>	<b>2,073,000</b>

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

	<b>2020/21 £</b>	<b>2019/20 £</b>
At 1 September 2020	28,580,000	23,703,000
Current service cost	2,285,000	1,773,000
Interest cost	454,000	449,000
Employee contributions	280,000	246,000
Actuarial gains/(losses) - financial assumptions	4,362,000	1,965,000
Actuarial gains/(losses) - demographic assumptions	(421,000)	657,000
Actuarial gains/(losses) - experience gains/losses	(425,000)	(845,000)
Benefits paid	(77,000)	(118,000)
Transfer in pension liability	-	750,000
<b>At 31 August 2021</b>	<b>35,038,000</b>	<b>28,580,000</b>

**drb Ignite Multi Academy Trust**  
**(A Company Limited by Guarantee)**

**Notes to the financial statements for the year ended 31 August 2021 (continued)**

**24. Pension and similar obligations (continued)**

**Local Government Pension Scheme (continued)**

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

	2020/21 £	2019/20 £
At 1 September 2020	9,603,000	7,473,000
Interest income	170,000	154,000
Actuarial gain/(loss)	-	(46,000)
Employer contributions	1,395,000	1,275,000
Employee contributions	280,000	246,000
Benefits paid net of transfers in	(77,000)	(118,000)
Administration costs	-	(5,000)
Return on assets less interest	1,769,000	624,000
<b>At 31 August 2021</b>	<b>13,140,000</b>	<b>9,603,000</b>
<b>Net pension scheme liability</b>	<b>(21,898,000)</b>	<b>(18,977,000)</b>

**25. 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.

The following related party transaction(s) took place during the year:

Expenditure related party transaction

**drb Schools and Academies Services Limited**

A company in which Robert Bowater (CEO) had a  
direct interest in until 20 March 2020

	2021 £	2020 £
Services provided by related company during period (pre 1/4/19 contracts)	-	67,224
Services provided by related company during period (post 1/4/19 contracts)	-	19,515

In the previous period the trust conducted the transactions at arms' length following the trusts normal tendering procedures in accordance with its financial regulations, which Robert Bowater neither participated in, nor influenced.

In the previous period the above services were provided at no more than cost and the related party provided statements of assurance confirming this.

In entering into the previous periods transactions the trust complied with the requirements of the relevant Academies Financial Handbook.