

**Global Academy UTC Trust
Limited**

**Annual Report and Financial
Statements**

31 August 2021

Company Limited by Guarantee
Registration Number
08713518 (England and Wales)

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Reference and administrative information

Members	Ashley Tabor-King Stephen Miron Nigel Carrington (Resigned 31 Dec 2020) Stephen Marshall (Appointed 31 Dec 2020)
Governors	E Bradley (Chair) N Brett A Spry (Resigned 30 April 2021) S Shamim (Appointed 23 March 2021) W Harding D Henley Z Suka-Bill P Quinn S McCreesh L Arnold J Archibald T Guida R Walsh (Resigned 3 Sept 2020) M Whatley
Senior Management Team	
Principal	J Archibald (Accounting Officer)
Vice Principal	J Voice
Vice Principal	S Martin
Registered address	30 Leicester Square London WC2H 7LA
Principal address	The Old Vinyl Factory 1 Record Walk Hayes UB3 1DH
Company registration number	08713518 (England and Wales)
Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	Barclays Bank PLC

Governors' Report Year to 31 August 2021

The Governors (who are also Trustees of the charitable company) present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a governors' report, and a directors' report under company law.

The Global Academy UTC Trust Ltd ('Academy' or 'Trust') comprises a single academy for pupils aged 14 – 19. The Academy specialises in media with 50% of places being offered to students who live within a five-mile radius of the Academy and the remaining 50% to students from anywhere in the UK. The Academy opened in September 2016 has a pupil capacity of 800 and had a roll of 376 in the school census on 3rd October 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Global Academy UTC Trust Limited is a charitable company limited by guarantee. The Charitable Company's articles of association (the "Articles") are the primary governing document of the Academy Trust. The trustees of the company are also the governors of the Trust and the directors of the charitable company for the purposes of company and charity law.

Details of the governors who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Governors' indemnities

Subject to the provisions of the Companies Act 2006 (section 236) every governor or other officer of the Trust shall be indemnified out of the assets of the Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, to which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to affairs of the Trust.

Method of recruitment and appointment or election of governors/trustees

As set out in the Articles, the following describes the name of anybody, or person entitled to nominate or appoint one or more governors. The Members may appoint governors through such process as they may determine. The Members are Ashley Tabor-King, Stephen Miron, Nigel Carrington (Resigned 31 Dec 2020) and Stephen Marshall (Appointed 31 Dec 2020). The Articles provide for the appointment or election of governors as follows:

Governors' Report Year to 31 August 2021

- Up to ten governors appointed by the Members, provided that in making such appointments the Members shall ensure that nominees of the employer and university sponsors together form a majority of the total number of governors
- A minimum of two elected parent governors
- The Principal
- Up to three co-opted governors
- Members may appoint staff governors through such process as they may determine, provided that the total number of governors (including the Principal) who are employees of the Company shall not exceed one third of the total number of governors.

The Academy had no staff governors except for the Principal. The management of the company is the responsibility of the governors who are elected and co-opted under the terms of the Trust deed. The governors may appoint co-opted governors.

Policies and procedures adopted for the induction and training of governors

Formalisation of policies for induction and training continued through the 2020/21 academic year. The Academies Financial Handbook was circulated to all governors during the year.

A 'Training Governor' has been appointed to identify and action any required training needs. An annual skills audit is undertaken to determine the ongoing training needs of both individuals and the governing body as a whole.

All new governors receive a 'Welcome Pack for Governors' which forms the basis of their induction. This includes the requirement to have an Enhanced DBS and to complete a Governor Self Declaration, Declaration of Personal & Pecuniary Interests and Code of Practice for Governors. In addition, it provides new governors with access to the DFE Governance Handbook, A Competency Framework for Governors, The Academies Financial Handbook and Ofsted Improving Governance. All new governors also meet with the Chair of Governors and Principal as a minimum as part of their induction. All new governors receive Safeguarding training.

Organisational structure

The Global Academy UTC is governed by a Board of Governors, established since the Academy opened in September 2016 and constituted under the Articles. The Board of Governors is responsible for ensuring that high standards of corporate governance are maintained.

The Board of Governors is responsible for setting general policy, adopting an annual plan and budget, monitoring the UTC by the use of budgets and a strategic development plan. The Board of Governors meets at least tri-annually. The main responsibilities of the Board of Governors are prescribed in the Funding Agreement between the Trust, the Secretary of State for Education and in the Academies Financial Handbook.

The Board of Governors exercises its powers and function with a view to fulfilling a largely strategic leadership role in the running of the Academy, addressing such matters as:

- Policy development and strategic development

Governors' Report Year to 31 August 2021

- Ensuring sound management and administration of the Academy
- Ensuring compliance with legal requirements
- Establishing and maintaining effective internal controls
- The management of all resources
- The monitoring of performance
- Assessing and managing risk

The Board of Governors have delegated components of their responsibility to two committees (Teaching & Learning and Finance, Audit and Premises). The Teaching and Learning committee meet at least tri-annually, the Finance, Audit and Premises committee meets once every two months.

The Teaching & Learning Committee is responsible for matters relating to the curriculum, academics and the provision of education at the Academy through objective setting, approval of the education plan, operational implementation and monitoring/reporting on progress. It also oversees Safeguarding.

The Finance, Audit and Premises Committee is responsible for all financial management, ensuring an effective internal control environment and oversight of risk management, audit and premises matters.

The Principal is the Accounting Officer and is responsible for the day-to-day running of the Academy. The Principal is assisted by a Senior Leadership Team ("SLT"). The SLT controls the Academy at an executive level, implementing the policies laid down by the governing body and reporting back to them by providing evidence and analysis to the governing body meetings, enabling effective monitoring by the governors.

Global Academy UTC Trust Limited has a wholly owned subsidiary, Global Academy Trading Limited. Global Academy Trading Limited commenced business on 1 September 2016 and was created for the sale of PE Kits and uniform. The transactions within Global Academy Trading Limited are immaterial and therefore consolidated accounts are not prepared. The accounts for the subsidiary will not be audited this year as it is almost dormant.

Arrangements for setting pay and remuneration of key management personnel

The governors set the Principal's salary on appointment. Subsequent senior leadership remuneration was decided by the Principal in close negotiation with the Chair of Governors approval and pay panel. Criteria was based on current salaries, experience and area of responsibilities allocated. During the academic year, the Board of Governors approved salaries of the Senior Leadership Team. The Pay Review committee agrees and approves the annual increases for all other staff as well as the overall pay scale increases for teachers and support staff pay.

Trade Union Facility Time

During the year there were 34 full time equivalent employees, one of whom was a union official in the relevant period. In the whole year, no time was spent on Union business. There were no paid activities for Union business.

Connect organisations, including related party relationships

Global Media & Entertainment Ltd

The Trust works with Global Media & Entertainment Ltd, who is a sponsor of the Academy. Global Media and Entertainment Ltd provide a range of support as part of the Academy careers and industry learning programme including:

- Guest speakers and workshops
- Student mentoring
- Work Experience
- Access to events
- Industry Board
- Live projects and briefs
- Apprenticeship and freelancer recruitment of alumni
- Coverage of student projects and podcasts on Global Player

They also provide advertising and promotional support to enhance recruitment of students as well as governance and leadership support for Senior Leaders. Additionally, Global Media and Entertainment supported the school with full funding of a counselling provision for students and staff during the critical incident in June 2021.

Global is one of the world's leading Media & Entertainment groups. Europe's largest radio company, Global is home to respected, national market leading media brands broadcasting across the UK on DAB & FM and around the world on Global Player, including Capital, Heart, Classic FM, LBC, LBC News, Global's Newsroom, Smooth, Radio X, Capital XTRA and Gold.

Global is also one of the leading Outdoor companies in both the UK & Europe, with over 235,000 sites reaching 95% of the UK population. Global's extensive and diverse outdoor portfolio encompasses Transport for London's Underground network, almost all major UK airports, the UK's largest portfolio of roadside posters and premium digital screens in prime locations, as well as the UK's largest network of buses including all major cities.

On-air, on Global Player and with outdoor platforms combined, Global reaches 51 million individuals across the UK every week, including 25 million on the radio alone. Global created and operates DAX (Digital Ad Exchange), the market leader in digital audio advertising and a pioneering platform in programmatic outdoor advertising.

University of the Arts London

The Trust works with the University of the Arts London, who is a sponsor of the Academy, providing advice and guidance. UAL is a leading university made up of 6 colleges specialising in art and design, communications, fashion and performance. UAL work alongside the Academy to deliver an educational experience that will set students up for long-term success in the creative industries

OBJECTIVES AND ACTIVITIES

The Academy believes it is crucial to arm students with the proper technical, business and creative skills they need to work in the broadcast and digital media industry and to help them connect their core studies with vocational skills in a truly practical and entrepreneurial way in an inspirational environment.

The partnership with the University of the Arts London enables the Academy to offer a rigorous and challenging curriculum. Students at the Academy study a range of GCSE and vocational subjects at Key Stage 4. In the sixth form the students study a University of Arts Level 3 qualification in Broadcast & Digital Media (Equivalent to 3 A-Levels). The academy now delivers the qualification in two pathways - Content and Digital Design. The sixth form has become very popular and further curriculum options are being developed for the future, including T Levels.

Objectives, Strategies and Activities

The Academy is committed to creating a shared vision for its development through regular evaluation of lead targets by all stakeholders. The Academy's vision is focused on:

- The Academy enabling all students to achieve their full potential. The Academy fosters their ambition and encourages students to work hard and aim high. The Academy expects students to achieve high standards of progress in mainstream school subjects, particularly English, Maths and Science, as well as in the vocational specialism of broadcast and digital media.
- The Academy provides a supportive environment for learning for all. Creativity is at the heart of everything the Academy does. Students are encouraged to collaborate and work together in teams to develop the broader skills they will need to succeed in the 21st century.
- The technical media facilities at the Academy are world-class. Academy students benefit from close links to the industry and further education. The vocational curriculum is developed in close partnership with industry. Students learn from industry-quality briefs, receiving feedback on their work from people who already do the jobs they are aiming for. Students participate in regular and relevant industry visits.

- Students leave with technical and creative skills to proceed to further education or move directly into jobs in the creative industries.
- Employers across the industry recognise the Academy as a centre of excellence for media.

Public Benefit

In setting the Academy's objectives and planning its activities, the Governing Body have considered the Charity Commission's general guidance on public benefit, in particular its supplementary guidance on advancing education. The governors have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance by the Charities Commission in defining the strategic direction of the Academy.

In its fifth academic year, the Academy has continued to develop key relationships with local schools, Hayes based media companies and Hillingdon Council to understand more about and engage in community projects, with a media focus including IMG Studios, Canon and Central Research Laboratory.

Global Academy's in-house student radio station 'Youths Choice', was nominated for the 'Diversity and Inclusion Award' and won Silver for the category in the Student Radio Awards, this was in recognition of the team's work in producing diverse and inclusive content for youth audiences across the UK available on TikTok, Instagram and via audio podcasts on Global Player. The team are now working on developing audio content for international audiences via Nigeria's Brila FM.

The Academy and its students have been working with various schools to develop media activities for younger students, including attending schools and careers fairs across London, Hertfordshire and Berkshire during the year. The Academy continues to support students within its 'Global Cultural Learning' programme by dedicating time towards ensuring students were informed and educated in key issues such as British Values, Bullying, LGBT, Race and Relationship and Sex Education, many activities were delivered through the lens of creative media or broadcast. The Academy also continues to develop links with key employee groups at Global Media (RISE – BAME employee group, Pride@global, LGBT+ employee group and Parents@global, Parents employee group) for example, twenty sixth form students who identified as LGBT+ attended a media screening alongside Global's LGBT employees. The Academy have also worked with other companies such as Pantene, Canon and the BBC to develop projects for students to help link our Global Cultural Learning programme to real life experiences. Global Academy delivers dedicated social media resource and space to key issues as part of the Global Cultural Learning on Stress and Anxiety, Drugs Awareness, Black Lives Matter and LGBT Pride Month.

The Academy works closely with outreach teams at local universities including Brunel, University of West London and Buckingham University – as well as University of Arts London and other creative institutions such as SAE institute, Met Film School and Ravensbourne. Students organised a range of fundraising activities for Global's Make Some Noise to help raise funds for disadvantaged children and young people in London and across the UK. Students also supported live broadcast events organized by Global as part of the fundraising appeal.

STRATEGIC REPORT

Achievements and Performance

In June 2019 the Academy had its initial Ofsted report published with a judgement of Good in all areas. The Good Ofsted rating continues to support the strong base the Academy now has and will continue to have a positive impact on student recruitment, performance and improvement.

The September 2020 cohort of 376 students is an improvement on previous years and is considered a success compared to other similar UTC educational establishments. The Academy's strategy is to continue to focus on recruiting students who have a keen interest in media so that the teaching and learning environment both for students and staff is a rewarding experience and conducive to achieving the goals that have been set.

Key Performance Indicators

2021 saw the fourth set of year 11 GCSE results and year 13 level 3 results. 66% of students achieved a 9-4 grade in English and Maths and 33% achieved a 9-5 grade in English and Maths. These are higher than other UTCs that opened in 2016. Year 13 students achieved a 100% pass rate in the UAL Level 3 Extended Diploma in Creative Media Production and Technology, against a national average of 83% pass rate. 35% of Year 13 students achieved a Distinction grade which is equivalent to gaining three A* A Levels (168 UCAS points). The focus of the Academy is to enable students to pursue a career in the creative and digital media industry. 88% of the year 13 cohort, went into the creative industries, either through apprenticeship, further education or employment. Destinations for our year 13 graduating students has been very strong with every student in employment or further training after leaving the Academy. 44% of the cohort gained apprenticeships or employment in the creative industry upon leaving Global Academy, including places at top media companies such as Global, BBC, Google, Sky and Mediacom.

In terms of student recruitment there has been a 19% increase in 2020/21 (increased by 60 pupils in September 2020), which is much higher compared to the previous two years. The Academy will end the year with a much smaller in year deficit this year compared to 2019/2020. The Academy has a strong base to support better outcomes for students and enable learners to maximize their potential as a result of the investment made by the Academy in strategic leadership and teaching and learning.

Pupil attendance has continued to show marked improvements since the opening of the Academy.

Going concern

The Academy continues to review its financial position in detail with the ESFA and DfE. Financial projections for the next three academic years have been reviewed with the ESFA and ongoing discussions are taking place to ensure the Academy focuses its resources in the appropriate places, whilst student numbers continue to increase. The current deficit position has arisen through a need to restructure and enhance the senior leadership and teaching teams in addition to providing more investment into teaching and learning. Investments made in the current and previous academic year have resulted in positive outcomes for students, especially in relation to destinations for those completing their studies and the 'Good' Ofsted judgement. The ESFA has indicated its support to the Academy for the foreseeable future.

After making these appropriate enquiries, the accounting officer and Board of Governors have a reasonable expectation that the academy trust has adequate resources with assistance from the EFSA to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

FINANCIAL REVIEW

Financial report for the year

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of the General Annual Grant (GAG), the use of which is restricted for education purposes. The grants received from the ESFA and other government bodies during the period and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy's GAG for the 2020/21 academic year was based on actual student numbers of 376. The Academy paid its final balance of PNA (Pupil number adjustment) relating to 2018/19 in this financial year and as a result has no outstanding PNA debts.

The total income for the period was £2,822k (2019/20- £2,624k) including the General Annual Grant of £2,179k (19/20 -£1,756k). The net expenditure for the period including fixed assets and pension transactions was £4,147k.

The Academy also received grants for fixed assets from the ESFA. In accordance with the Charities SORP 2019, such a grant is shown in the statement of financial activities during the period as restricted income within the fixed assets funds. The balance sheet restricted fixed assets fund is reduced by expenditure. The UTC building project is complete with some external finishing touches pending. The total amount of fixed assets capitalised during the year was £21K (19/20-£34k)

At 31 August 2021, the Academy had fund balances of £12,333k (2020 – £13,925k). These comprised £79k (19/20- £80k) of unrestricted funds, deficit of -£514k (19/20 -£481k) on restricted general funds which excludes the pension deficit of -£1,131k (19/20-£739k) referred to earlier in this report and a balance of £13,899k (19/20 £15,065k) on the restricted fixed asset fund.

The results for the period are shown on page 27.

Reserves policy

The Global Academy UTC (UTC) holds total funds at 31 August 2021 of £12,333k. The amount of these funds which are restricted and not available for general purposes of the Academy Trust at 31 August 2021 is £13,899k. The policy of the UTC is to carry forward a prudent level of funds in order to meet any uncertainty with the ESFA remittance and for the furtherance of the UTC's objectives.

Restricted general fund – The ESFA provides regular guaranteed remittances to the Academy Trust and therefore a large proportion of the income and expenditure for any academic year is predictable. The Academy ends the year 2020/21 with a much smaller in year deficit compared to the previous year.

Restricted funds – The main source of restricted funds in 2020/21 is the General Annual Grant of £2,179k. In addition to this the Academy received a transitional grant of £100k, Sponsor's donation of £27k and Teachers Pay and Pensions Grant of £96k. Business donations of £53k (19/20 £67,000) were received. The sponsor's donation has been used to maintain the

appointment of key staff and to support specific education projects. The unrestricted funds balance of £79k is earmarked for the improvement of external signage and other capital projects.

Restricted pension reserve – The Academy's employees belong to one of two defined benefit pension schemes, The Teachers' Pension Scheme and the Local Government Pension Scheme. The pension scheme costs and liabilities are assessed by independent actuaries and the value of the deficit in the Local Government Pension Scheme is reported in the pension reserve in the UTC's financial statements annually.

The governors take guidance from the external auditors if there is a need to take further action.

Principal risks and uncertainties

At each meeting of the governing body, the Academy's risk register is reviewed. The risk register prioritises what the leadership team and governing body consider to be main risks to which the Academy is exposed and focuses on how those risks can be mitigated.

During the period the key risks were identified as follows:

- Student recruitment challenges and the impact on funding
- Cash flow issues, which continue to require additional funding by the ESFA, at appropriate times, given the limited income from student numbers
- Impact of COVID-19 on student numbers, reopening the school to students/staff/contractors and student experience
- Recruitment and retention of appropriately skilled teaching staff

The Academy had planned for a higher level of student numbers in the fifth academic year of operation. Fewer pupils than projected have joined the Academy and as a consequence funding has been lower than expected. The Academy will continue to focus on improvements in teaching and learning and on focusing on recruitment of students with an interest in the media industries to mitigate this risk.

Cash flow is under constant scrutiny by the leadership team and the governing body. Cash forecasts have been prepared and are subject to ongoing discussions with the ESFA. The ESFA had agreed to provide a loan to the Academy to fund a deficit position in the year. In the 2020/21 academic year, this loan amounted to £144k (excluding a repayment of £100k with the Transitional Grant received in 2020/21). Under the current plan, financial projections do not require ESFA funding until January 2023. The focus on student recruitment and retention is also important to mitigate this risk given the relationship to funding. Constant scrutiny of the Academy's cash position, monthly review of projected costs and a clear and open communication with the ESFA are other mitigating factors.

Covid-19 has had an impact on the recruitment of students for 2020/21, such as the Academy not being able to run Open Evenings to showcase the school which normally attracts more students. Some prospective students decided not to travel long distances on the public transport system and therefore opted for schools that are nearer to their homes. The Academy had prepared very well for the reopening in March 2021 after the second lock down, putting in place all the necessary safety measures as directed by Public Health England and the Department for Education in keeping staff and students safe during this extraordinary period.

Fundraising

The Academy has not made any fundraising appeals to the general public during the year and is unlikely to do so in the future. There has been no outsourced fundraising via professional fundraisers or other third parties, consequently the school is not registered with the fundraising regulator and received no fundraising complaints during the year.

PLANS FOR FUTURE PERIODS

The Academy plans to expand the number of students in future academic years, focusing on students with an interest in the creative media industries. The Academy believes that this is important to secure the successful delivery of its vision and to maximise student retention.

The governing body and SLT will work to ensure the Academy continues to focus on its objectives and is able to attract more pupils with the appropriate interests. To this end the governing body is supportive in ensuring resources continue to be prioritised into teaching and learning in the media specialisation. Pupil numbers have increased in 2020/21 compared to the previous year and continues to see an increase within the sixth form in 2021/22.

AUDITOR

Insofar as the governors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- the governors 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 Governors' report, incorporating a strategic report, was approved by order of the Board of Governors', as the company directors, on 22nd December 2021 and signed on the board's behalf by:



Emma Bradley

Chair of Governors

Scope of responsibility

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

The Board of Governors has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Global Academy UTC Trust Limited and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors any material weaknesses or breakdowns in internal control.

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Board of Governors has formally met five times during the year. In addition to the five full governing body meetings the Trust ensures robust governance and effective management arrangements through sub-committee meetings of Finance, Audit & Premises and Teaching & Learning. The Finance, Audit & Premises committee meeting has met on a two monthly basis. Attendance during the year at meetings of the Board of Governors was as follows:

Governor	Meetings attended	Out of a possible
W Harding	5	5
D Henley	3	5
E Bradley	5	5
R Walsh (Resigned Sept 2020)	0	6
N Brett	1	5
Z Suka-Bill	4	5
A Spry (Resigned 30 April 2021)	4	4
T Guida (Parent)	5	5
P Quinn	2	5
S McCreesh	5	5
J Archibald	5	5
L Arnold	3	5
M Whatley	5	5
S Shamim (Appointed March 2021)	2	2

During the year, one governor was appointed, S Shamim and two resigned, R Walsh and A Spry.

The Board's composition ensures a wide range of stakeholder views, including representatives from the sponsors, parent governors, and secondary education sector. The

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structure of the governing body has adapted during the academic year to ensure it maintains and develops this wide representation.

The vision of the Global Academy is clearly articulated by the Board of Governors which well represents the sponsors, Global and UAL. The Board's understanding of the Academy's vision ensures decision and policy-making in line with this vision.

The Board of Governors is also familiar with the Academies Financial Handbook and is confident that the UTC's financial systems are robust.

The Finance Audit and Premises Committee is a committee of the main Board of Governors. During the year the committee formally met six times. Its purpose is to consider and advise the Board of Governors in matters relating to finance, audit and premises, including but not limited to:

- ensuring compliance with the Academies Financial Handbook
- considering the Academy's funding and the implications for the Trust
- to monitor and challenge expenditure
- all issues related to Premises

The **Finance, Audit & Premises Committee** also acts as the audit committee for the Academy. With this responsibility the purpose of the committee is to achieve internal scrutiny and provide assurance to the governors that risks are being appropriately assessed and managed. During the year, the committee worked with the Academy to produce a three year forecast for the ESFA to successfully ensure ongoing additional funding was secured from the ESFA

S Shamim was appointed Chair of this committee after the resignation of A Spry in April 2021. Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
A Spry (Chair) (Resigned 30April 2021)	3	6
S Shamim (Chair) (Appointed 23 March 2021)	3	3
D Henley	2	6
W Harding	5	6
P Quinn	2	6
J Archibald (Principal)	5	6
T Guida	4	6

The **Teaching & Learning committee** is also a committee of the main Board of Governors. During the year the committee formally met four times. Its purpose is to consider and advise the Board of Governors on matters relating to the curriculum.

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During the year Raymond Walsh resigned from the committee at the start of the academic year. Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
J (Principal)	4	4
N Brett	2	4
Z Suka-Bill	4	4
R Walsh (Resigned Sept 2020)		
S McCreesh	4	4
L Arnold	2	4
M Whatley	4	4

Review of value for money

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

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Governors where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Trust has delivered improved value for money during the year by making sure the payment controls in the academy remained strong and through implementing a benchmarking exercise, which targeted lower levels of agency staff, a more efficient staffing structure and a review of contracts. The ESFA had deployed a Schools Resource Management Advisor ("SRMA") in 2018 to review all its income and expenditure to further assist the school to obtain value for money. The Academy has achieved the level of savings recommended by the SRMA.

Following this benchmarking exercise and SRMA review, comparing expenditure levels to other academies and specifically UTCs, the Academy has carried out a full reorganisation of the support and teaching staff structure which resulted in significant savings. The Academy continues to outsource its facilities management services to obtain greater efficiency and best value by tendering the services to one contractor to deliver all premises compliance and management services. The Academy has also made a number of other changes to reduce expenditure. These changes have resulted in expenditure savings for this and future academic years. The review of expenditure and benchmarking of costs continues throughout the year.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the

achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Academy for the period 01 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Governors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 01 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process will be regularly reviewed by the Board of Governors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Governors
- regular reviews by the finance and audit committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programs
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Governors has considered the need for a specific internal audit function and appointed an internal auditor who completed an audit in September 2021. The audit reviewed the following areas: governance and minutes, budget setting and monitoring, banking and reconciliations, grant funding and other income, payroll, procurement, use of debit/credit card, staff expenses claims and assets and security. All recommendations by the internal auditor have been reviewed and prioritised for implementation as appropriate. The governors have appointed Haysmcintyre LLP, the external auditor, to perform additional checks. As part of the external audit a high-level review of the systems and controls in place at the Academy was undertaken.

The external auditor may be asked to perform specific additional internal audit checks on the operation of the systems of control and on the discharge of the Board of Governors' financial responsibilities, focusing on any key risk areas identified and reporting thereon to the Board of Governors through the Finance, Audit and Premises committee.

Review of effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Board of Governors on 22nd December 2021 and signed on its behalf by:



Emma Bradley
Chair of Governors



Jonathan Archibald
Accounting Officer

Statement on regularity, propriety and compliance 31 August 2021

As accounting officer of Global Academy UTC Trust Limited, I have considered my responsibility to notify the Academy Trust Board of Governors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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

jonny archibald

Jonathan Archibald
Accounting Officer

Date: 22 December 2021

Statement of Governors' Responsibilities Year to 31 August 2021

The governors (who act as trustees of Global Academy UTC Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the Board of Governors on 22 December 2021 and signed on its behalf by:



Emma Bradley
Chair of Governors

Independent auditor's report to the members of Global Academy UTC Trust

Opinion

We have audited the financial statements of Global Academy UTC Trust for the year ended 31 August 2021 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020-2021 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 academy's affairs as at 31 August 2021 and of its incoming resources and application of resources, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 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 academy 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 governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy'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 governors with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:
the information given in the Governors' Report (which includes the strategic report and the directors' report for the purposes of company law) 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 included within the Governors' 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 academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report (which incorporates 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 by the charitable company; or
the financial statements are not in agreement with the accounting records and returns; or
certain disclosures of Governors' remuneration specified by law are not made; or
we have not received all the information and explanations we require for our audit.

Responsibilities of Governors for the financial statements

As explained more fully in the Statement of Governors' Responsibilities set out on page 19, the governors (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 Governors 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 governors are responsible for assessing the academy'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 governors either intend to liquidate the academy 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:

Based on our understanding of the academy and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety, employment law, GDPR, safeguarding and academy regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Academies Account Direction 2020- 2021, Companies Act and consider other factors such as VAT and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements including the risk of override of controls, and determined the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquires of management regarding correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Testing journals posted during the year;

Independent auditor's report Year to 31 August 2021

Challenging assumptions and judgements made by management in their critical accounting estimates

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

Use of our report

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



Thomas Wilson (Senior Statutory Auditor)

for and behalf of

Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place

London

EC4R 1AG

Date: 31/12/21

Independent reporting accountant's assurance report on regularity to Global Academy UTC Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 24th October 2019 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 Global Academy UTC Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Global Academy UTC Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Global Academy UTC Trust's funding agreement with the Secretary of State for Education dated 1 July 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 01 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.

Approach (continued)

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

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

The work undertaken to draw to our conclusion includes:

- ◆ Walkthrough testing of controls to ensure operational effectiveness;
- ◆ Substantive testing on a sample of expenditure items, ensuring expenditure is in accordance with the funding agreement and appropriately authorised;
- ◆ Detailed testing on a selection of credit card statements and expense claims;
- ◆ Review of minutes, bank certificates and related party declarations provided by Governors and senior management.

Conclusion

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

Haysmacintyre LLP

Haysmacintyre LLP
Reporting accountant
10 Queen Street Place
London
EC4R 1AG

Date: 31/12/21

Statement of Financial Activities
For the year ended 31 August 2021

	Notes	Restricted funds			2021 Total funds £'000	2020 Total funds £'000
		Unrestricted general funds £'000	General funds £'000	Fixed assets funds £'000		
Income from:						
Donations and capital grants	2	53	-	20	73	297
Charitable activities:						
Funding for the academy trust's educational operations	3	9	2,604	-	2,613	2,248
Other trading activities	4	136	-	-	136	79
Total		198	2,604	20	2,822	2,624
Expenditure on:						
Charitable activities:						
Academy trust educational operations	7	111	2,850	1,186	4,147	4,042
Total		111	2,850	1,186	4,147	4,042
Net (expenditure)		87	(246)	(1,166)	(1,325)	(1,418)
Transfers between funds	18	-	-	-	-	-
Other recognised gains/(losses)						
Actuarial (losses) on defined benefit pension schemes	20	-	(267)	-	(267)	(247)
Net movement in funds		87	(513)	(1,166)	(1,592)	(1,665)
Reconciliation of funds						
Total funds brought forward		80	(1,220)	15,065	13,925	15,590
Total funds carried forward		167	(1,733)	13,899	12,333	13,925

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

A Statement of Total Recognised Gains and Losses are included in the Statement of Financial Activities.

Balance sheet
For the year ended 31 August 2021

	Notes	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed assets					
Intangible assets	13		6		7
Tangible assets	14		13,893		15,059
Current assets					
Debtors	15	41		57	
Cash at bank and in hand		442		405	
		483		462	
Liabilities					
Creditors: Amounts falling due within one year	16	(316)		(306)	
Net current assets			167		156
Total assets less current liabilities			14,066		15,222
Creditors: Amounts falling due after more than one year	17		(602)		(558)
Net assets excluding pension scheme liability			13,464		14,664
Defined benefit pension scheme liability	20		(1,131)		(739)
Total net assets			12,333		13,925
Restricted funds					
Fixed asset fund	18		13,899		15,065
Restricted income fund excluding pension liability	18		(514)		(481)
Pension reserve	18		(1,131)		(739)
Total restricted funds			12,254		13,845
Unrestricted income funds					
General fund	18		79		80
Total funds			12,333		13,925

The financial statements were approved by the trustees and authorised for issue and are signed on their behalf by



Emma Bradley
Trustee

Date: 22 December 2021
Global Academy UTC Trust Limited
Registration number: 07813518

Statement of Cash Flows
For the year ended 31 August 2021

	Notes	2021 £'000	2020 £'000
Net cash inflow from operating activities			
Net cash (used in) operating activities	A	(6)	(161)
Cash flows from investing activities	C	(1)	1
Cash flows from financing activities	B	44	236
Change in cash and cash equivalents in the year	E	37	76
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at beginning of year		405	329
Cash and cash equivalents at the end of the year	D	442	405
A Reconciliation of net (expenditure) to net cash flow from operating activities			
		2021 £'000	2020 £'000
Net (expenditure) for the reporting period (as per the statement of financial activities)		(1,325)	(1,418)
Adjusted for:			
Depreciation charges		1,187	1,192
Capital grants from DfE and other capital income		(20)	(34)
Defined benefit pension scheme costs		125	174
Decrease in debtors		16	-
Increase/(Decrease) in creditors		10	(97)
Net cash (used in) operating activities		(6)	(183)
B Cash flows from financing activities			
		2021 £'000	2020 £'000
Repayments of borrowing		(100)	(200)
Cash inflows from new borrowing		144	436
Net cash provided by financing activities		44	236
C Cash flows from investing activities			
		2021 £'000	2020 £'000
Purchase of tangible fixed assets		(21)	(33)
Capital grants from DfE/ESFA		20	34
Net cash provided by investing activities		(1)	1
D Analysis of cash and cash equivalents			
		2021 £'000	2020 £'000
Cash in hand and at bank		442	405
Total cash and cash equivalents		442	405
E Analysis of changes in net debt			
	Balance at 1 September	Cash Flows	Balance at 31 August
	2020	2021	2021
	£'000	£'000	£'000
Cash	405	37	442
Loans falling due after more than one year	(558)	-46	-604
Total	- 153	- 9	-162

Notes to the Financial Statements For the year ended 31 August 2021

1 Statement of 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 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 Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Basis of Consolidation

Global Academy UTC Trust Limited has a wholly owned subsidiary, Global Academy Trading Limited. Global Academy Trading Limited commenced business on 1 September 2016 and was created for the sale of PE kits and uniform which has now been discontinued. The transactions within Global Academy Trading Limited are immaterial and therefore consolidated accounts have not been prepared.

Going Concern

The Academy continues to review its financial position in detail with the ESFA and DfE. Financial projections for the next three academic years have been reviewed with the ESFA and following October 2021 census discussions are taking place to ensure the Academy focuses its resources in the appropriate places, whilst student numbers have not increased as hoped. The successful Ofsted and continued dedication of staff to establish good practice prevented the Covid effect being worse than it was. The support of the Sponsors and ESFA continues to enable the UTC to embed quality teaching and learning especially during these challenging times. The sponsors have provided £27k to support the activities of the Academy. The ESFA provided a deficit funding loan of up to £176k this year and has indicated further support whilst pupil numbers grow to absorb the fixed costs of the Academy. Investments made in the current and previous academic year have resulted in positive outcomes for students, especially in relation to results and destinations. The ESFA has indicated its support to the academy for the foreseeable future.

The accounting officer and board of governors have a reasonable expectation that the Academy Trust has adequate resources with assistance from the EFSA to continue in operational existence for the foreseeable future. There are no material uncertainties surrounding going concern therefore the financial statements are prepared on a going concern basis.

Income

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

Grants

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

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

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

Donations

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

Other Income

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

1 Statement of accounting policies (continued)

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.

Expenditure on Raising Funds

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

Charitable Activities

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

All expenditure is inclusive of irrecoverable VAT.

Intangible Fixed Assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Purchased computer software - 20% p.a.

Tangible Fixed Assets

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

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

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

Long leasehold buildings - 5% p.a.
Fixtures, fittings and equipment - 20% p.a.
Computer hardware - 20% p.a.

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

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

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.

Notes to the Financial Statements
For the year ended 31 August 2021

1 Statement of accounting policies (continued)

Provisions

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

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

Leased Assets

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

Financial Instruments

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

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

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

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

Taxation

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

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

1 Statement of accounting policies (continued)

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore 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 scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund Accounting

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

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

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability and assets. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 21.

Notes to the Financial Statements
For the year ended 31 August 2021

2 Donations and capital grants

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed assets funds £'000	2021 Total funds £'000	2020 Total funds £'000
Capital grants	-	-	20	20	34
Other donations	53	-	-	53	263
	53	-	20	73	297

In 2020, of the total income from donations and capital grants, £25k was to unrestricted funds, £238k was to restricted general funds and £34k was to restricted fixed asset funds.

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted general funds £'000	2021 Total funds £'000	2020 Total funds £'000
DfE / ESFA grants				
General Annual Grant (GAG)	-	2,179	2,179	1,756
Pupil Premium	-	52	52	43
Post Opening Grant	-	-	-	50
Other DfE / ESFA grants	-	297	297	337
	-	2,528	2,528	2,186
Other Government grants				
Local authority grants	-	74	74	56
Special educational projects	-	2	2	1
	-	76	76	57
Other income from the academy trust's educational operations	9	-	9	5
	9	2,604	2,613	2,248

In 2020, of the total income from charitable activities, £nil was to unrestricted funds and £2,186k was to restricted general funds.

4 Other trading activities

	Unrestricted funds £'000	Restricted general funds £'000	2021 Total funds £'000	2020 Total funds £'000
Hire of facilities/lettings income	35	-	35	16
Trip income	70	-	70	61
Income from other ancillary trading activities	31	-	31	2
	136	-	136	79

In 2020, of the total income from other trading activities, £79k was to unrestricted funds and £nil was to restricted general funds.

Notes to the Financial Statements
For the year ended 31 August 2021

5 Expenditure (2021)	Non Pay Expenditure			2021	2020
	Staff costs £'000	Premises £'000	Other £'000	Total funds £'000	Total funds £'000
Academy's educational operations:					
Direct costs	1,699	-	185	1,884	1,937
Allocated support costs	636	1,470	(636)	1,470	2,105
	<u>2,335</u>	<u>1,470</u>	<u>(451)</u>	<u>3,354</u>	<u>4,042</u>
Expenditure (2020)				2020	2019
	Staff costs £'000	Premises £'000	Other £'000	Total funds £'000	Total funds £'000
Academy's educational operations:					
Direct costs	1,756	-	181	1,937	2,334
Allocated support costs	428	1,474	203	2,105	1,837
	<u>2,184</u>	<u>1,474</u>	<u>384</u>	<u>4,042</u>	<u>4,171</u>

In 2019, of the total expenditure, £14k was to unrestricted general funds, £3,029k was to restricted general funds and £1,175k was to restricted fixed assets funds.

6	Net (expenditure) for the year includes:	2021	2020
		£'000	£'000
	Depreciation	1,187	1,175
	Fees payable to auditor for Audit	10	10
	Other services	4	3
7	Charitable activities	2021	2020
		Total funds £'000	Total funds £'000
	Direct costs - educational operations	1,884	1,937
	Support costs - educational operations	2,263	2,105
		<u>4,147</u>	<u>4,042</u>
		2021	2020
		Total funds £'000	Total funds £'000
	Analysis of support costs		
	Support staff costs	636	428
	Depreciation	1,187	1,192
	Technology costs	80	64
	Premises costs	283	282
	Legal costs - other	-	-
	Other support costs	65	126
	Governance costs	12	13
	Total support costs	<u>2,263</u>	<u>2,105</u>

Notes to the Financial Statements
For the year ended 31 August 2021

8 Staff

(a) Staff costs

Staff costs during the period were:

	2021	2020
	Total	Total
	funds	funds
	£'000	£'000
Wages and salaries	1,586	1,484
Social security costs	171	166
Operating costs of defined benefit pension schemes	546	429
	2,303	2,079
Agency staff costs	28	105
Staff restructuring costs	4	-
	2,335	2,184
Staff restructuring costs comprise:		
Termination payments	-	-
Staff restructuring costs	4	-
	4	-

(b) Staff numbers

The average numbers of persons employed by the Academy during the period was as follows:

	2021	2020
	No.	No.
Teachers	22	21
Administration and support	14	16
Management	4	4
	40	41

(c) Higher paid staff

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

	2021	2020
	No.	No.
£60,001 - £70,000	1	1
£70,001 - £80,000	2	2
£110,001 - £120,000	-	-
£120,001 - £130,000	1	1

(d) Key management personnel

There are 4 Senior Leadership Team members - a Principal, 2 Vice Principals and a Finance Director. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £495,335 (2020:£483,254)

**Notes to the Financial Statements
For the year ended 31 August 2021**

9 Related Party Transactions - Governors' remuneration and expenses

No Governors were paid remuneration from an employment with the Academy. The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment.

	2021	2020
	£'000	£'000
Jonty Archibald, Principal and Staff Trustee		
Remuneration	120 - 125	110 - 115
Employer's pension contributions paid	30 - 35	25 - 30

During the period ended 31 August 2021, no travel and subsistence expenses were paid.

10 Governors' and Officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the period ended 31 August 2021 was £6,768 (2020: £5,688). The cost of this insurance is included in the total insurance cost.

11 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.

12 Related party transactions

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

There were no related party transaction during the year (2020: None).

Notes to the Financial Statements
For the year ended 31 August 2021

13 Intangible fixed assets

	Computer Software £'000	2021 £'000
Cost/valuation		
At 1 September 2020	8	8
At 31 August 2021	8	8
Amortisation		
At 1 September 2020	1	1
Charge in year	1	1
At 31 August 2021	2	2
Carrying amount		
At 31 August 2021	6	6
At 31 August 2020	7	7

14 Tangible fixed assets

	Leasehold land and buildings £'000	Fixtures & Fittings & Fees £'000	Computer equipment £'000	Total funds £'000
Cost/valuation				
At 1 September 2020	17,131	830	1,612	19,573
Additions	-	-	21	21
Disposals	-	-	-	-
At 31 August 2021	17,131	830	1,633	19,594
Depreciation				
At 1 September 2020	2,749	614	1,151	4,514
Charge in year	694	168	324	1,187
Disposals	-	-	-	-
At 31 August 2021	3,443	782	1,475	5,701
Net book value				
At 31 August 2021	13,688	48	158	13,893
At 31 August 2020	13,688	55	157	13,900

15 Debtors

	2021 £'000	2020 £'000
VAT recoverable	25	30
Other debtors	6	3
Prepayments and accrued income	10	24
	41	57

16 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	-	20
Taxation and social security	96	48
ESFA creditor: abatement of GAG	-	-
Other creditors	-	69
Accruals and deferred income	220	169
	316	306
Deferred income		
Deferred income at 1 September 2020	47	50
Released during the year	(47)	(50)
Resources deferred in the year	103	47
Deferred income at 31 August 2021	103	47

At the balance sheet date the academy trust was holding funds received in advance for educational purposes.

17 Creditors: amounts falling due in greater than one year

	2021 £'000	2020 £'000

Notes to the Financial Statements
For the year ended 31 August 2021

ESFA loan	<u>602</u>	<u>558</u>
	602	558

On 1st October 2020, the Academy secured up to £176,000 in recoverable deficit funding from ESFA with the remainder of the Package agreed for 19/20. During the year £144,000 of the above agreed amount, was drawn down and a repayment of £100,000 was made, therefore an increase in loan funding of £44,000 for the period to 31 August 2021. The loan is subject to conditions based on the delivery of financial information and repayment will begin in 2024. No interest is charged on the loan.

Notes to the Financial Statements
For the year ended 31 August 2021

18 Funds

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	(439)	2,179	(2,059)	(209)	(528)
Pupil Premium	-	52	(52)	-	-
Post Opening Grant	-	-	-	-	-
Other ESFA Grants	-	297	(290)	7	14
Pension reserve	(739)	-	(125)	(267)	(1,131)
	<u>(1,178)</u>	<u>2,528</u>	<u>(2,526)</u>	<u>(469)</u>	<u>(1,645)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	15,065	20	(1,186)	-	13,899
	<u>15,065</u>	<u>20</u>	<u>(1,186)</u>	<u>-</u>	<u>13,899</u>
Other restricted funds					
Local authority grants	-	74	(86)	12	-
Other restricted funds	(42)	2	(238)	278	-
	<u>(42)</u>	<u>76</u>	<u>(324)</u>	<u>290</u>	<u>-</u>
Total restricted funds	<u>13,845</u>	<u>2,624</u>	<u>(4,036)</u>	<u>(179)</u>	<u>12,254</u>
Unrestricted funds					
General funds	80	198	(111)	(88)	79
Total unrestricted funds	<u>80</u>	<u>198</u>	<u>(111)</u>	<u>(88)</u>	<u>79</u>
Total funds	<u>13,925</u>	<u>2,822</u>	<u>(4,147)</u>	<u>(267)</u>	<u>12,333</u>

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	(369)	1,757	(2,201)	-	(813)
Pupil Premium	-	48	(48)	-	-
Post Opening Grant	-	153	(153)	-	-
Other ESFA Grants	-	261	(261)	-	-
Pension reserve	(318)	-	(75)	(169)	(562)
	<u>(687)</u>	<u>2,219</u>	<u>(2,738)</u>	<u>(169)</u>	<u>(1,375)</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	16,226	45	(1,175)	-	15,096
	<u>16,226</u>	<u>45</u>	<u>(1,175)</u>	<u>-</u>	<u>15,096</u>
Other restricted funds					
Local authority grants	12	48	(36)	-	24
Other restricted funds	(45)	180	(255)	30	(90)
	<u>(33)</u>	<u>228</u>	<u>(291)</u>	<u>30</u>	<u>(66)</u>
Total restricted funds	<u>15,506</u>	<u>2,492</u>	<u>(4,204)</u>	<u>(139)</u>	<u>13,655</u>
Unrestricted funds					
General funds	84	41	(14)	(30)	81
Total unrestricted funds	<u>84</u>	<u>41</u>	<u>(14)</u>	<u>(30)</u>	<u>81</u>
Total funds	<u>15,590</u>	<u>2,533</u>	<u>(4,218)</u>	<u>(169)</u>	<u>13,736</u>

Notes to the Financial Statements
For the year ended 31 August 2021

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

The General Annual Grant is funding from the DfE for the Academy's operating costs.

DfE/ESFA capital grants were to fund the purchase of fixed assets.

Pupil premium is additional government funding to raise te attainment of disadvanatged pupils of all abilities and to close the gaps between them and their peers.

Local government grants is used to support pupils with SEND and those with low attainment on entry.

The pension reserve relates to the School's Local Government Pension Scheme liability for support staff.

Other grants were to support the Academy's operating costs.

Other restricted funds relate to funding from the Academy's sponsor to support the costs of the Senior Leadership Team structure.

Notes to the Financial Statements
For the year ended 31 August 2021

19 Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Fund balances at 31 August 2021 are represented by:				
Intangible fixed assets	-	-	6	6
Tangible fixed assets	-	-	13,893	13,893
Current assets	79	404	-	483
Current liabilities	-	(316)	-	(316)
Non-current liabilities	-	(602)	-	(602)
Pension scheme liability	-	(1,131)	-	(1,131)
Total net assets	79	(1,644)	13,899	12,333

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

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total funds £'000
Fund balances at 31 August 2020 are represented by:				
Intangible fixed assets	-	-	7	7
Tangible fixed assets	-	-	15,059	15,059
Current assets	80	382	-	462
Current liabilities	-	(306)	-	(306)
Non-current liabilities	-	(558)	-	(558)
Pension scheme liability	-	(739)	-	(739)
Total net assets	80	(1,221)	15,066	13,925

20 Pensions and similar obligations

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

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

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

Teachers' Pension Scheme

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

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

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

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

The pension charge for the year includes contributions payable to the TPS of £253,892 (2020: £181,545) and at the year-end £nil (2020: £nil) was accrued in respect of contributions to this scheme.

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £102,833 (2020: £112,693), of which employer's contributions totalled £75,177 (2020: £81,152) and employees' contributions totalled £27,656 (2020: £31,541). The agreed contribution rates for future years are 19.2% for employers and 5.5-12.5% for employees.

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

Notes to the Financial Statements
For the year ended 31 August 2021

20 Pensions and similar obligations (continued)

Principal actuarial assumptions

	At 31 August 2021	At 31 August 2020
Rate of increase of salaries	3.20%	2.50%
Rate of increase for pensions in payment/inflation	2.90%	2.20%
Discount rate for scheme liabilities	1.65%	1.70%
Inflation assumption (CPI)	2.90%	2.20%

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

Current mortality rates

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	22.3	22.1
Females	24.7	24.3
<i>Retiring in 20 years</i>		
Males	23.3	22.8
Females	26.2	25.5

Below sets out the impact on the present value of defined benefit obligations of changes in key assumptions:

Sensitivity analysis

	At 31 August 2021 £	At 31 August 2020 £
Discount rate +0.5%	(60)	(219)
Discount rate -0.5%	60	219
CPI rate +0.5%	54	193
CPI rate -0.5%	(54)	(193)

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

	Fair value at 31 August 2021 £'000	Fair value at 31 August 2020 £'000
Equities	531	404
Corporate bonds	339	266
Property	181	129
Cash and other liquid assets	79	60
Total market value of assets	1,130	859

Notes to the Financial Statements
For the year ended 31 August 2021

20 Pensions and similar obligations (continued)

Amount recognised in the statement of financial activities

	2021	2020
	£'000	£'000
Current service cost	189	244
Past service cost	-	17
Interest cost	29	15
Interest income	(15)	(7)
Total amount recognised in the Statement of Financial	203	269
Activites	203	269

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

	2021	2020
	£'000	£'000
Scheme obligations as at 1 September 2020	1,598	640
Current service cost	189	244
Interest cost	29	15
Employee contributions	29	37
Benefits paid	(2)	(1)
Changes in financial assumptions	392	37
Change in demographic assumptions	46	1
Other experience	(20)	608
Past service cost	-	17
At 31 August 2021	2,261	1,598

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

	2021	2020
	£'000	£'000
Fair value of scheme assets at 1 September 2020	859	322
Interest income	15	7
Actuarial gain/(loss)	151	399
Employer contributions	78	95
Employee contributions	29	37
Benefits paid	(2)	(1)
At 31 August 2020	1,130	859

21 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the academy trust received £23,681 and disbursed £22,208 from the fund. An amount of £nil is included in other creditors relating to undistributed funds that is repayable to ESFA. Comparatives for the accounting period ending 31 August 2020 are £21,818 received, £11,452 disbursed and £10,365 included in other creditors.