

Company Registration No.06237630 (England & Wales)

Great Academies Education Trust

(A CHARITABLE COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

GREAT ACADEMIES EDUCATION TRUST
FINANCIAL STATEMENTS
Year ended 31 August 2020

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GREAT ACADEMIES EDUCATION TRUST

Reference and Administrative Details

Year ended 31 August 2020

Members

Annette Hall
Michael O'Hare (Member)
Anthony Powell (Member)

Date of change

Trustees

Paul Jones (Chair)*	Appointed 23/04/20
Frank Norris*	Appointed 06/01/20
Annette Hall	Resigned as Interim Chair 19/01/20
Sue Hutchinson*	Resigned 16/10/19
Chris Bowes #	Interim Chair between 19/01/20 - 23/04/20
Helen Curran* #	Resigned 14/05/20
Gregory Suligowski	Resigned 24/09/20
Catherine Sullivan-Williams#	
Michael Blakey	Appointed 23/04/20
Kal Kay	Appointed 20/04/20
Barbara Daykin	Appointed 20/04/20

member of the Remuneration Committee

* member of the Finance & Audit Committee

Senior Managers:

B Loughran	Chief Executive Officer
K Mohammed	Director of Finance & Estates
J Langley	Principal Great Academy Ashton (Resigned 31/10/20)
D Mason	Principal Silver Springs Primary Academy
K Paddy	Principal Copley Academy (Resigned 31/08/20)
R Craven	Principal Copley Academy (from 01/06/20)
J Kellett	Principal Middleton Technology School

Principal and Registered Office:

Cavendish 249
Cavendish Street
Ashton-under-Lyne
OL6 7AT

Company Number:

06237630 (England and Wales)

Independent Auditor:

RSM UK Audit LLP
3 Hardman Street
Manchester, M3 3HF

Bankers:

Co-operative Bank	Yorkshire Bank
1 Balloon Street	58 Spring Gardens
Manchester M60 4EP	Manchester M2 1YB

Solicitors:

Hill Dickinson LLP
No1 St Paul's Square, Liverpool, L3 9SJ

GREAT ACADEMIES EDUCATION TRUST TRUSTEES' REPORT

Year ended 31 August 2020

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Academy Trust operated three secondary academies and one primary academy during the year. The academies have a combined pupil capacity of 3,870 ranging from 3 to 16 years old and had a roll of 3,627 in Autumn 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee (company number 06237630) and an exempt charity. The charitable company's memorandum and articles of association dated April 2007 as amended December 2016 and September 2020 are the primary governing documents of the Trust. The Trustees of Great Academies Education Trust are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year are included in the company information section on page 3. The four academies within the Academy Trust during the financial year are Great Academy Ashton (formally New Charter Academy), Copley Academy, Middleton Technology School and Silver Springs Primary Academy.

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.

Trustees' Indemnities

The Academy Trust is a member of the Department for Education risk protection arrangement (RPA) which includes risk protection for Governors Liability with a liability limit of £10m.

Method of Recruitment and Appointment or Election of Trustees

The Academy Trust currently has eight Trustees who may appoint committees to be known as Local Governing Committees for each Academy. The constitution, membership and proceedings of any committee shall be determined by the Trustees. Appointments will be in accordance with the Trust's Memorandum and Articles of Association and Governor Recruitment Policy.

The members may appoint up to nine Trustees and any number of staff Trustees so long as the number does not exceed one third of the total number. The Trustees may also co-opt up to three Trustees onto the Board.

Trustees with the appropriate skills and experience are sought out to ensure a good balance of knowledge and expertise on the Board. The Academy Trust uses a combination of the Academies Ambassadors programme, printed press and on-line adverts to attract suitable candidates.

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Policies and Procedures Adopted for the Induction and Training of Trustees

The Board has developed a number of documents to support Trustees in their role including a handbook, code of conduct, role profile and competency framework.

A flexible induction process takes place taking into account the skills and experience of the trustee but includes, as a minimum, meetings with the Chair of the Board and the Chairs and Principals of each Academy and a day within the organisation spending time in each of the academies.

Trustees receive no remuneration or benefits in respect of their duties as Trustees but are reimbursed for expenses incurred in carrying out their duties. During the year, the Trustees held six Trust Board meetings. Due to the pandemic and associated lockdown, the Board met an additional three times with meetings being held virtually. The Board Chair and the two committee Chairs also hold catch up calls with the CEO every three weeks

Organisational structure

The Trustees meet at least four times a year to receive reports and manage its strategic objectives. In addition to the Trust Board, there are Trustee subcommittees for finance and audit, academic outcomes and pay and remuneration. These subcommittees meet to review and discuss key areas in more detail and make recommendations to governing committee. Each academy has a local governing committee.

The day to day management is delegated to the Chief Executive Officer and the Principals who are each supported by a Leadership Team. The scheme of delegation clarifies those decisions that must be referred to the Trustees.

Arrangements for setting pay and remuneration of key management personnel

Each local governing committee has a pay sub-committee to agree the decisions of the Principal with regard to their local staff and the Academy Trust has a Remuneration Committee which is responsible for setting the pay and remuneration of the Trust's senior managers and Principals. The Committee consists of three Trustees.

Related Parties and other Connected Charities and Organisations

The Academy Trust works to advance, for public benefit, the education of all pupils within our academies. Working with our teaching school, the Department for Education (DfE), Education and Skills Funding Agency (ESFA), Rochdale and Tameside Local Authorities, Tameside Sports Trust, local primary schools and other local organisations to establish links with the local community.

The Academy Trust entered into a secondment agreement with Rodillian Multi Academy Trust (RMAT) in April 2019 and the arrangement continued up until August 2020. RMAT are a related party to the Academy Trust through common trustees.

Trade union facility time

The Academy Trust does not employ any trade union representatives, instead this service is provided via the local authority.

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Engagement with employees (including disabled persons)

Communications

Great Academies Education Trust has 503 employees the majority working in the four academies in the Trust. Much of the communications with employees in each of the schools comes through the senior leaders in that school. The principals of the schools attend regular meetings with members of the Trust Executive Team where relevant information is shared and so they can cascade information as appropriate to their staff.

The Trust produces a fortnightly newsletter in order to communicate with employees.

The Trust has a number of network groups which bring together those in the schools with particular roles and members of the trust executive team. This enables staff to share ideas and challenges and to collaborate on solutions and new projects. It also enables relevant information to be communicated by the Executive Team members both to and from these groups.

Equal opportunities

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy Trust aims to establish equal opportunities in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Disabled persons

The Academy Trust welcomes applications from candidates with a disability. Applicants are advised to contact HR if they have any specific requirements to enable them to apply.

Selection panels are not provided with information about whether candidates have a disability at the shortlisting stage, as the equal opportunities monitoring information is removed prior to shortlisting taking place. New starters complete a health questionnaire which enables us to assess whether any adjustments are needed to the working environment.

The Academy Trust makes use of an occupational health provider. Any employee can request self-referral, and the Academies make regular referrals, most often for staff returning to work after a period of sickness absence, but also for employees who may be encountering difficulties at work, either due to a disability or due to other reasons. The Academies endeavour to act on the advice provided wherever possible, and will consult with the employee to ensure reasonable adjustments are provided.

Disabled employees are entitled to the same opportunities for training, development and promotion as other employees. Opportunities for promotion are advertised within the Academy, and staff wishing to be considered would be entitled to the same adjustments as candidates coming for interview and to have other adjustments considered, thus ensuring there are no barriers to their promotion.

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Consultation and seeking views

The Academy Trust recognises and regularly consults with a number of trade unions for both teaching and non-teaching staff. Regular scheduled meetings are held with full time union officials, and both the Academies and the trade union representatives also request additional meetings whenever the need arises. In addition to consultation with full time officials, local meetings are also held with the internal representatives both on a regular scheduled basis and on an ad hoc basis as required.

Consultation also takes place through staff events, staff questionnaires and a general culture of leaders being available and open to staff feedback.

A staff survey was introduced this year and results are considered at Trust and school level. Statutory consultations with appropriate staff are carried out on key changes such as staff restructures staffing changes and planned pupil admission number.

The Trust holds Joint Consultative Committee meetings six a year for union representatives and members of the Trust executive team to discuss HR matters and policies.

Sharing Trust's performance

The schools engage staff in discussing information such as the educational performance of pupils at their school. Headline performance information such as Ofsted inspection outcomes are shared through staff newsletters and this information along with other key information is published online, e.g. end of key stage performance and Trust annual accounts.

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

Suppliers

GAET relies on external suppliers for a number of key services. As well as being important for our success, we believe that dealing with suppliers in the right way is the right thing to do.

The Trust actively engages with suppliers through the undertaking of appropriate procurement exercises, ongoing contract management processes and partnership engagement. The Board-approved Procurement Policy sets out the procurement rules for the Trust which ensure that taxpayers' money is used in ways that are demonstrably open, fair, and good value. It requires that all suppliers are given an equal opportunity to seek business and make competitive offers, and that spending choices and decisions are transparent and defensible.

The Procurement Policy expects good contract management with suppliers to build and maintain a strong working relationship with the supplier and all with all relevant partners and stakeholders, checking that the scheduled goods, works or services are being delivered on time and to the required standards set out in the contract.

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Parents and carers

The Trust actively engages with parents and carers of pupils via the individual schools' communications methods which include email, text and the use of online platforms such as Schoolcomms and Dojo. These online platforms enable quick communication between staff and parents and one-to-one communications.

The Trust schools seek parent views via annual parent questionnaires and engage face to face (or online) with parents at parents' evenings and a wide range of other school events.

Pupils

Pupil views are gathered through a variety of routes such as pupil questionnaires, school councils and daily communications in class and in school in general.

Others in a business relationship with the trust

Three of our academies are within the Tameside borough and one falls within Rochdale. The Trust purchases some services from the relevant local authorities (LA) and has regular meetings with representatives from these LA. GAET considers itself and the LA to be strategic partners in that it works with the LA to develop solutions to meeting need in our respective boroughs.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

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OBJECTIVES AND ACTIVITIES

Objects and Aims

The Trust's objects are specifically restricted to the following:

Advancing education by:

- Establishing, maintaining, managing and developing schools offering a broad and balanced curriculum
- Promoting the physical, intellectual and social development of all children and young people, especially those who are socially and economically disadvantaged
- Developing the capacity and skills of those who are socially and economically disadvantaged in such a way that helps meet their needs and enables them to participate more fully in their communities and society at large
- Providing recreational and leisure time facilities in the interest of social welfare for the local communities in which the academies reside, especially those who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances.

Our aim is to provide outstanding schools to improve the academic achievement of all our children and young people and increase their life chances and opportunities for successful and fulfilled lives as well-educated future citizens.

Objectives, Strategies and Activities

In October 2019 and January 2020, the main strategic objectives of the Academy Trust were reviewed in a process involving Trustees, the Executive Team, Principals and LGC members. The strategic objectives are under five headings; People; Performance; Pupils and communities; structure, support and operations; and finance. In the light of the review, the objectives of the strategic plan 2020-2023 are summarised below:

Our Performance

1. To achieve the best possible academic performance

All measures such as student attendance and exclusions data, will reach and then improve upon national average data. We will achieve this by systematically implementing our school improvement model, including a relentless focus on improving the quality of provision in our schools, and specifically ensuring teaching that is routinely great. High levels of attendance also come from supportive and caring staff who ensure that an exciting curriculum awaits our students.

Our high aspiration is that by September 2022, we will be in the top 20% performing MATs for secondary academies, and SSPA will be in the top 10% nationally in the DfE primary performance tables. This requires an immediate focus from 2020 on current Y4 and Y9, and a plan for sustained improvement with subsequent years. By September 2025 the aim is for, all of our academies will be in the top 5% of similar schools, meaning that our MAT will be in the top 5% of similar MATs. All performance measures will improve on FFT 50, meet FFT 20, and reach FFT 5 over this time.

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Year ended 31 August 2020

Objectives, Strategies and Activities (continued)

Our People

2. To develop GAET's people

We will ensure that GAET becomes 'an employer of choice', because our employees are valued and supported in their careers. We will develop a shared culture across all our schools to reflect a consistency of approach where all staff adopt and demonstrate the Trust's values. By August 2020 we will have full complements to our Board and the LGCs, with an appropriate balance of specialist knowledge and skills spread across the governance function.

Governance at all levels will be strong and providing the right levels of challenge and support to improve our academies. Using our SCITT, NQT Appropriate Body and CPD offer, we will have developed career pathways and CPD entitlement from career entry to Trust Leadership level, where appropriate under the auspices of the Teaching School. We will have a programme of talent management and the ability to train and retain our best talent. By 2023, our aim is for all aspects of governance will be outstanding, our academies will be well-led by SLTs with clear delegated responsibilities, and there will be clear career pathways and opportunities for all employees where appropriate.

3. To develop GAET's processes of performance management, enabling our people to grow professionally

By September 2020 we aim to have embedded systematic and rigorous performance management standards for leaders, teachers and support staff at every level, and by September 2022, performance management will be developing and strengthening the individual capacities of each academy, and the Trust as a whole.

Our Pupils and Communities

4. To provide GAET's students with wider achievements and enrichment

In addition to securing great academic outcomes, we will ensure that all of our students benefit from and experience a wide entitlement to extra-curricular activity. After consulting with stakeholders and drawing on good practice (MTS Enrichment for all), by August 2021, we hope this will be enshrined in the 'GAET Charter of Enrichment for Students'. By August 2022, we aim to have measurable outcomes in terms of student wider extra-curricular activities and by 2025, an education with GAET will be synonymous with benefiting from a rounded and world-class education.

5. To develop Great partnerships with our local communities

By September 2021, our aim is to have posts in place to co-ordinate the outward facing dimension of each academy with their local community stakeholders including; parent bodies, local authority representatives, partner schools and trusts, the business community, and third sector organisations. By 2023, our target is for all academies to have thriving programmes of engagement with community stakeholders and become recognised as being truly at the heart of their communities.

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Objectives, Strategies and Activities (continued)

Our Finance and Resources

6. To manage our finances and resources efficiently to secure and sustain great provision and opportunities for the future

By September 2021, our goal is that curriculum led financial planning (CLFP) will be understood by all leaders and managers and schools will recognise the imperative and strive to reach balanced income and expenditure in-year budgets. This will be supported by monthly financial reports and quarterly LGC and Financial Accountability Meetings (FAMs). By September 2021, we aim to ensure that all schools will return a surplus of at least 3% of GAG in order to sustain total reserves of at least 10% of in Year GAG and enable a strategic estates management and an ICT refresh-programme.

Our Structure, Support and Operations

7. To develop and provide GAET'S services through our central structure, support and operations

By September 2021, we will have completed a process of alignment across our academies to ensure efficient practices and protocols are standardised against agreed practices of excellence, including our Great School Improvement Model, our finance, HR, governance, estates and ICT functions. These will clearly define the capacity and bespoke support systems required by and offered to each current and future academy. We will invest in an integrated data management system as we align our functions.

8. To grow the Great Academies Education Trust

From September 2020, we will have identified a pipeline of potential partner schools who may join our MAT, supported by marketing materials and a strategy to engage new prospective partner schools. We will be clear on who, when, where and why, as well as ensuring that we have the capacity for sensible growth. Our aim is that by September 2023, we will have at least three more primary schools in our Trust and by September 2025 we will have developed two clusters of around 4-6 schools in each of Rochdale and Tameside, with a view and strategy for growth into other regional areas in the north. Over these timescales, we will address our marketing strategy to increase the number of first choice applications to CA and GAA to regularly hit PAN, demonstrating renewed confidence and reflecting strong academic performance.

As the implications of the coronavirus pandemic became apparent early in 2020 the Trust proved to be agile in adapting its operations and strategic approach.

All Trust schools remained open throughout the second half of 2019-20 to children of key workers, children with SEND and children with a social worker. In addition, the schools remained open for children from families requiring additional support.

In June 2020, Trust schools managed the wider re-opening of schools effectively, safely based on detailed risk assessments and in line with all available national guidance.

In July and August, the schools were prepared thoroughly for the full reopening of schools which took place successfully at the start of the 2020-21 academic year.

The Trust schools ran programmes of Trust-funded activity camps during the summer holiday period, targeted for the pupils who were in greatest need.

GREAT ACADEMIES EDUCATION TRUST

TRUSTEES' REPORT

Year ended 31 August 2020

Objectives, Strategies and Activities (continued)

The trust was able to manage many activities despite the restrictions of the pandemic, including completing major capital works extending the school playground at MTS and completing all recruitment and appointments to ensure full complements of staffing for the new school year.

The schools efficiently collected accurate Teacher Assessments, based on existing assessment frameworks and mock examinations within the schools. The schools moderated and standardised within departments and in each academy, there was further moderation and standardisation by school leaders to develop Centre Assessed Grades, which were submitted to the exam boards. In August, all students in Key Stage 4 received GCSE grades accurately reflecting the level reached in their studies.

STRATEGIC REPORT

Achievements and Performance

Overview

Academic year 2019/20 has been a year of great challenge and change not least exacerbated by the coronavirus pandemic, but also a year of continued focussed determination to get things right for our academies and the young people we serve. We continue to align the Academy Trust and its academies into more successful and effective ways of working. The external evaluations of our academies tell us we are making progress in securing good standards of education for the children we serve, and we are still very much on our improvement journey as an Academy Trust.

Our Academies

Great Academy Ashton (GAA), formally New Charter Academy, had been subject to an Ofsted Section 5 Inspection on 28th February and 1st March 2017 and placed into Special Measures. The subsequent Ofsted monitoring visits in the year (September 2018, January 2019) noted the strong leadership in place and steady, continued positive improvement reflected in the strong support of the Academy Trust. A successful milestone for the Trust was in July 2019 when GAA underwent a section 5 inspection, came out of Special Measures, and was graded overall as Requires Improvement. The inspection also judged the sections of Leadership and Management and Teaching and Learning to be good.

During 2019-20, the academy continued to build on the positive aspects of coming out of Special Measures. The reconstituted Local Governing Committee was established at the start of the year and quickly fulfilled the role of an effective governing body providing support and challenge to the school leadership.

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Great Academy Ashton (continued)

In the year up to the start of the pandemic, students in key year groups were making good progress and it was anticipated that the academy outcomes would be improved. Student levels of attendance were improving and levels of exclusion had significantly reduced on previous years' levels. The grades awarded to KS4 students raised no concerns and no appeals. Overall, the levels of attainment and progress had shown modest improvement.

Copley Academy (CA) has had a year of many changes. It had been subject to an Ofsted Section 5 Inspection on 9th and 10th of October 2018 and was graded as Inadequate. The HMI monitoring visit on 2nd April 2019 found that leaders and managers were not taking effective action to remove Special Measures. The Trust moved swiftly to secure new interim leadership seconding in an Interim Principal and Interim Vice Principal from a partner MAT. With the support of the Trusts Improvement Team (GIST) the academy underwent a successful Ofsted section 8 visit in October 2019 when it was judged that improvement plans were fit for purpose and that effective action was being taken to remove special measures. This was again confirmed in a second section 8 monitoring visit in February 2020.

The Trust appointed a new permanent principal who was able to start work at the academy in June 2020 to enable a smooth transition of leadership from the interim leadership. A new Vice Principal was appointed and two further interim Assistant Principal posts were made permanent, meaning that new leadership was in place at the academy.

Delegated governance responsibilities had been withdrawn by the Trust when the school went into Special Measures. Governance for the academy during 2019-20 was undertaken by the Trust's Outcomes Board. In parallel with this a new designate LGC Chair was recruited and appointments were also made for the designate LGC who shadowed the Outcomes Board for the year, ensuring readiness to receive delegated governance responsibility in due course.

The academy outcomes in 2020 for attainment and progress were modest improvements on those in 2019. The grades awarded to KS4 students raised no concerns and no appeals. Student attendance levels had improved on prior levels, to the point of the limited opening due to the pandemic.

Middleton Technology School (MTS) was inspected by Ofsted in March 2019 and graded as Good. Although it hadn't been inspected previously for thirteen years, MTS had held its prior grading as an outstanding school for this period. The school continues to be popular in the area, and will have increased its numbers on roll by a third in the last four years, reaching full capacity and continuing to be over-subscribed.

MTS outcomes in 2020 were modest improvements on previous years. The grades awarded to KS4 students raised no concerns and one appeal about one grade for one student, which was successful. Overall to the point of limited opening due to the pandemic, attendance levels and exclusion levels were marginally improved on previous years.

MTS also has continued to operate a Teaching School and hosts the Trust's School Centred Initial Teacher Training (SCITT) programme. The SCITT was inspected by Ofsted in the summer of 2019 and graded as good.

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Silver Springs Primary Academy (SSPA)

SSPA were subject to an Ofsted Section 5 Inspection in November 2018 and graded as Requires Improvement. Previously, SSPA was judged good. Throughout 2019-20 SSPA developed and implemented plans to retain its previous grade.

At the onset of the limited opening of schools due to the pandemic, the academy assessed and benchmarked the attainment and progress of the pupils. This enabled the academy to accurately award KS2 outcomes to the Year 6 pupils in June 2020.

The teacher assessment also indicated that provision and outcomes in Early Years and Key Stage 1 continue to be good. Outcomes in Key Stage 2 reading had declined in 2019, and this was a limiting factor in the KS2 combined score. However, mathematics outcomes continue to be well above national average at Key Stage 2. There was much activity during 2019-20 to indicate the academy's dedicated 'Year of Reading'.

CA and SSPA draw students mainly from the Stalybridge area of Tameside. GAA pupils come mainly from homes in Ashton-under-Lyne in Tameside but also from bordering areas in Oldham LA. MTS pupils live predominantly, but not exclusively, in the Middleton area of Rochdale. Each of our academies' admission policies is drawn up in collaboration with the LA in which the academy is located. Our over-subscription criteria aim to match those of the LA.

Achievements and Performance

Silver Springs Primary Academy had a largely successful year with notable improvements being

- KS1 reading standards have improved at both the expected standard and at greater depth.
- Reading attainment at the end of KS1 has improved.
- Mathematics at KS1 is the strongest core subject in primary. With expected standards above 2019 national average.
- Science attainment at the end of KS1 has also risen.
- KS2 mathematics progress in well above average.

The positives for Middleton Technology school include:-

- Attainment 8 scores saw a significant rise in 2020.
- Overall pupils in Year 11 made average progress from their starting points.
- There were noticeable increases at both Grade 4+ and Grade 5+ in a number of core subjects.
- The process for reaching agreed centre assessed grades (CAGs) was rigorous and robust.

Great Academy Ashton continued its positive journey, with key achievements including:-

- Attainment 8 scores saw a significant rise in 2020.
- There were noticeable increases at both Grade 4+ and Grade 5+ in a number of core subjects.

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Achievements and Performance (continued)

- There were improvements in the Progress 8 measure.
- The process for reaching agreed centre assessed grades (CAGs) was rigorous and robust.

On the back of a challenging 2018-19, Copley Academy experienced a year of consolidation and posted noticeable improvements, which include:-

- There were improvements in the Progress 8 measure
- More pupils followed an EBacc pathway.
- Attainment 8 scores saw a significant rise in 2020.
- There were noticeable increases at both Grade 4+ and Grade 5+ in a number of core subjects.
- The process for reaching agreed centre assessed grades (CAGs) was rigorous and robust.

FINANCIAL REVIEW

Going concern

After making appropriate enquiries, the Academy Trust Board has a reasonable expectation that the Academy Trust has adequate resources to continue 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.

GAET managed to avoid the wider economic issues faced nationally and within other sectors which have come about due to Covid-19. Government assurances and continuation of funding were a key factor behind this. The lockdown also resulted in reductions in some educational activity and spend has also helped generate the savings

The academy trust has access to healthy cash reserves, which provide a high degree of comfort in the academy trust's ability to respond to and tackle any shortfalls in these turbulent times. This financial resilience will help the school to stay flexible and adaptable to unexpected changes in pupil numbers and to manage unplanned costs.

Expenditure of the school is dominated by staff, nevertheless opportunities for reducing costs are identified and actioned when possible. Progress with roll out of Curriculum Led Financial Planning will play an important step in achieving this.

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Going concern (continued)

Financial projections with sensitivity analysis were compiled and demonstrated cash resilience to the end of FY 2021-22. These projections included significant capital investment in our estates and ICT infrastructure.

Additionally, it is considered that, after examining likely future risks to the business, that there will be sufficient funds to cope with any unexpected expenditure, predominantly staff salary costs. For this reason, the Trustees have continued to adopt a going concern basis in preparing the School's financial statements.

Promoting the success of the company under section 172 of the Companies Act 2006

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

The trustees are committed to improving the outcomes of all our pupils through the relentless pursuit of scholarship and excellence, and securing the best possible outcomes. Our schools deliver the highest quality teaching and learning, are fully compliant within our policy framework.

We steadfastly believe that our approach allows local governing committees and academy leadership teams to focus on the needs of their communities within a supportive framework. The Trust provides the underpinning systems, structures and external networks to support the work in our schools, enabling them to prioritise their time on the teaching and learning strategies and outcomes at their schools.

We deliver effective, progressive, professional development opportunities for all staff who work within our schools creating a culture of success. Succession planning throughout the organisation is essential to ensure our standards remain high at all times.

We ensure our school environments are fit for purpose and going forward the trust will also ensure consideration is given to the environmental impact when making decisions with regards to our infrastructure.

As a Trust, we place an important emphasis on the professional conduct of our staff, trustees and visitors and all abide by a clear framework and policy. This includes being aware of equality, impartiality and the need to act fairly. The recent equality work within all our schools demonstrates the Trust's commitment to review policy and practice and be at the forefront of equality practice.

Financial report for the year

The principal sources of funding for the Academy Trust are grants from the ESFA, donations and investment income. Most of the Academy Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

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Financial report for the year (continued)

The Academy Trust also receives grants for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (FRS 102 SORP), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund generally when they are awarded, as set out in the Academy Trust's accounting policies. In addition to the grants received, the Academy Trust has previously recognised fixed asset transfers as voluntary income in the financial statements and during 2017 recognised the value of land and building occupied by Middleton Technology School. In prior years Great Academy Ashton (previously New Charter Academy), Copley Academy and Silver Springs Primary Academy have all been recognised. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

No voluntary donations were received from related parties in the current year (2019: nil). £2,000k permanent endowment fund and other cash not required to meet day to day running expenses is invested in short-term deposit accounts with the Academy's banks. Interest received on these deposits was £51k compared to £55k in the previous year.

During the year ended 31 August 2020, total expenditure exceeded income by £2,029k. This included depreciation charges on land and buildings of £1,183k. The net decrease in total funds in the year was £4,359k. 2019: net decrease in funds of £4,889k including depreciation charges on land and buildings of £1,182k and actuarial pension deficit of £3,298k.

The results for the year excluding FRS102 pension adjustments and depreciation on donated assets was a surplus of £335k (2019: £536k). This is a strong performance particularly in light of the significant cost pressures experienced within the Academy Trust and the sector.

Non-teaching staff are members of the Local Government Pension Scheme (LGPS). The deficit as at 31 August 2020 is £8,625k (2019: £9,358k). Middleton Technology School remained pooled with Rochdale Metropolitan Borough Council upon conversion and therefore employer contribution rates for MTS non-teaching staff (20.5%) differ from the rest of Great Academies Education Trust (17%).

The Academy held fund balances at 31 August 2020 of £52,903k comprising £2,000k Permanent Endowment Fund, £3,894k Unrestricted Fund, £57,346k Restricted Fixed Asset Fund, £2,512k Restricted General Fund and a pension reserve deficit of £12,849k.

The Academy Trust monitors cash flow and prepares financial forecasts to anticipate and manage financial risk and meet financial objectives.

GREAT ACADEMIES EDUCATION TRUST
TRUSTEES' REPORT
Year ended 31 August 2020

Reserves policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that the appropriate level of general reserves should be equivalent to £1,950k (10% of GAG income). The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, falling student numbers or no-notice changes in schools funding methodology. Variances to the appropriate 10% target are closely monitored. Balances higher or lower than this target are expected to be supported by appropriate spending or recovery plan. The general reserves balance at the end of the year was higher than the target. To ensure compliance with this policy, the Trust are working with the academies to develop an informed spending plan. To enable this, the Trust have commissioned condition surveys and developed a three year rolling ICT refreshment plan which together with other areas of investment requested by the academies form the crux of the spending plan and ensure that the reserves are used effectively and in the best interests of the Trust.

Areas currently identified include development of the secondary buildings (to provide adequate appropriate accommodation for the growing pupil numbers) and investment in school improvement (to accelerate improvements in attainment at Great Academy Ashton and Copley). Copley Academy has a deficit reserve position at 31 August 2020 (as a result of historic falling pupil numbers and three years of protected teacher pay following staff restructure) and Trust reserves are supporting Copley whilst the financial recovery plan eliminates the deficit.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted and endowed funds) is £3,894k (2019: £3,825k). The balance on this reserve mainly comprises charitable donations received from Great Neighbourhoods (previously related to GAET by virtue of common directors) and is used to fund development of the Trust.

The Trust is in the process of reviewing the current reserves policy and assessing the adequacy of the target level set. Proposed changes including setting the target levels between a minimum and maximum range. This approach will allow the Trust to properly consider the risks and possible opportunities at each academy and plan use of surplus reserves accordingly.

Investment policy

The Academy Trust prefers banking institutions that have strong ethical values and a low risk profile. In order to manage risk whilst maximising returns, deposits are placed with more than one institution. Only those institutions which meet the criteria set out in the Trust's Treasury Policy are used for the placing of deposits.

Performance Indicators

The second half of the year required additional monitoring by Trustees of the executive and school leaders' management of the coronavirus pandemic and its impact on the academies and their communities.

GREAT ACADEMIES EDUCATION TRUST
TRUSTEES' REPORT
Year ended 31 August 2020

Performance Indicators (continued)

The Chair of the Board and Chairs of the two main committees met through virtual meetings with the CEO every three weeks from March 2020 to monitor the Trust response to the pandemic. The Board held additional monthly meetings from April to August 2020 to monitor the Trust response to the pandemic.

In addition, the Academy Trust Board continued to receive reports on academic and financial performance and management at each meeting. Key information monitored by the Academy Trust Board and Governing Bodies include:

- The on-going work towards achieving balanced budgets, approved by the Academy Trust Board and reported on throughout the year along with regular management accounts and forecasts (along with assessment of reserves position to address any in-year deficit budget)
- Managing cash balances – ensuring surplus cash placed on deposit and sufficient available funds to meet operational needs
- staff costs as a percentage of total income less donations which is in line with the target level of 78% in 2019/20 (76% in 2018/19). 2019/20 increase affected by Teachers Pension employer contribution rate increase.
- Pupil attendance and behaviour data for all of the academies.

Principal risks and uncertainties

The Trustees formally review the risk register and matrix on an annual basis and key risks are discussed at Trustee meetings as required. The major risks to which the Academy Trust is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Academy Trust and its finances have been assessed and appropriate processes and controls have been implemented to minimise and manage risk, including an effective system of internal financial control which is further detailed in the Governance Statement. The main risks identified include:

- * Financial
- * Market and Sector
- * Personnel
- * Business Continuity
- * Safeguarding
- * Health and safety
- * Legal and compliance

A key risk to the Academy Trust is the outsourced Facilities Management contract in place at Great Academy Ashton. This contract is expensive and the provision of the services has been poor. The Trust have been working with the parties involved and emphasising that the services delivered are not comprehensive, not fully cost-effective and does not appear to be delivered on a best value basis. Communication to the Trust by the service providers has been poor and is leading to uncertainty of costs and progress of urgent estate works.

The Academy Trust also monitors and manages risk through the Self Evaluation Framework (SEF) which reports key risks and challenges. Action planning to address areas highlighted and impact of actions taken is reported to the Academy Trust Board directly or via the individual Academy Governing Bodies. The management of financial risk centres on continuing to have strong student numbers and therefore attract maximum funding.

GREAT ACADEMIES EDUCATION TRUST
TRUSTEES' REPORT
Year ended 31 August 2020

Principal risks and uncertainties (continued)

This risk is addressed by a marketing programme aimed at prospective students and by driving improvement in academic standards.

The on-going changes in funding methodology and associated reduction in grants received, combined with rising staff costs (in particular significant increases in pension costs for both teaching and non-teaching staff) and high fixed cost of the managed service charges for the building at Great Academy Ashton present uncertainty for the years ahead.

Coronavirus and the closure of schools due to the lockdown caused unprecedented challenges for everyone involved, from the students themselves, to their teachers and their parents. Managing schools through the pandemic continues to have a bearing on the day-to-day operations and activity within the academies.

The on-going pandemic also brings a high degree of financial uncertainty however, the Trust has navigated these challenges well. GAET continues to avoid the wider economic issues faced nationally and within other sectors which have come about due to Covid-19. Government assurances and continuation of funding have been a key factor behind this.

Financially, the availability of cash and access to healthy surplus reserves is central to the Trust's availability to mitigate the financial impact of Covid-19. On top of this, the Trust have adopted the following approach towards minimising or mitigating wider risks:-

- * Assessing the ability of debtors to pay debts as they fall due
- * Ensuring the Trust is able meet its current liabilities and, if necessary, to renegotiate credit terms
- * Assessing eligibility and access to funding from relevant government schemes

Given the rapidly changing environment and level of uncertainty, preparing detailed forecasts has been challenging. To mitigate this the trust considers both sector specific and broader economic issues, whilst considering various scenarios and how they may impact the trust. This includes:

- * social distancing measures over various lengths of time
- * any resurgence of the disease and associated lockdown measures
- * the availability of various government relief mechanisms that the entity is eligible for, over varying lengths of time

All academies in the trust have completed detailed and robust risk assessments and put in place appropriate measures to mitigate the H&S risks. Two of our academies have had HSE visits and have received positive feedback on the arrangements in place.

GREAT ACADEMIES EDUCATION TRUST
TRUSTEES' REPORT
Year ended 31 August 2020

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020	2019-20
Energy consumption used to calculate emissions (kWh)	7,153,029.56
Energy consumption breakdown (kWh)	
• Gas	4,821,516.00
• Electricity	2,318,395.60
• Transport Fuel	13,117.96
<u>Scope 1 emissions in metric tonnes CO2e</u>	
Gas consumption	886.53
Owned transport – mini-buses	2.95
<u>Total Scope 1</u>	889.49
<u>Scope 2 emissions in metric tonnes CO2e</u>	
Purchased electricity	540.51
<u>Scope 3 emissions in metric tonnes CO2e</u>	
Business travel in employee owned vehicles	0.33
Total gross emissions in metric tonnes CO2e	1,430.33
Intensity Ratio Tonnes CO2e per pupil	0.39

Quantification and reporting methodology

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

Intensity measurement

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

Measures taken to improve energy efficiency

As part of the renovations works in 2019 to the nursery at Silver Springs the following were completed:

- Replacement of the boiler to an energy efficient model
- Replacement of all windows to double glazed units
- Installation of LED lighting in all rooms

Middleton technology school replaced all lighting in the gym and sports hall to LED lighting from fluorescent fittings. They have also replaced all external floodlighting from the main building to LED lighting.

Copley academy have replaced all lighting on the external fire routes to led lighting controlled by light sensors so only on when required. They are also in the process of replacing the main floodlights at the front of the academy to led and moving from timer units to light sensor controls. All faulty light fittings that require replacing are now as a matter of course replaced with led lighting units. Emergency lighting has been upgraded to led units as part of the fire upgrading works.

GREAT ACADEMIES EDUCATION TRUST
TRUSTEES' REPORT
Year ended 31 August 2020

Plans for future periods

The immediate plans for the Academy Trust continue to be centred on driving significant improvement in educational standards in all academies.

The Academy Trust will continue to strive to improve the performance of all its students and make efforts to ensure its secondary students successfully secure employment, further education or training upon leaving the secondary academies and its primary students move onto secondary education with the required numeracy and literacy skill levels upon leaving the primary academy. In addition to academic achievement, the Academy Trust aims to ensure that when students leave, they take other life skills with them.

Auditor

RSM UK Audit LLP has indicated its willingness to continue in office.

Statement as to disclosure of information to auditors

Insofar as the Trustees are aware:

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

The report of the Trustees, incorporating a strategic report, was approved by the Trustees, as the company directors, and signed on their behalf by:

Chair of Board: P Jones

Date:

25/1/21



GREAT ACADEMIES EDUCATION TRUST
GOVERNANCE STATEMENT
Year ended 31 August 2020

Scope of Responsibility

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

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

Governance

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

Trustee	Meetings attended	Out of possible
Chris Bowes	5	6
Annette Hall	6	6
Catherine Williams	5	6
Greg Suligowski	3	6
Frank Norris	3	5
Paul Jones	4	4
Michael Blakey	3	4
Kal Kay	4	4
Barbara Daykin	4	4

To ensure robust governance and effective oversight of funds, the Trustees also took part in two telephone calls in addition to the formal meetings listed above.

Governance reviews

Governor and Trustee appraisals are held on an annual basis to review effectiveness across the boards. Feedback from the appraisals is used to help shape the training and development calendar for the following academic year. There is a termly training session for all GAET members on subjects such as Safeguarding, Admissions and Exclusions, plus academy specific training appropriate to each governing body. In addition, we hold an annual GAET Away Day for all members to look at Governor and Director roles, GAET's vision and objectives and hosts guest speakers. The Trust's Governance Officer provides governors and trustees with a range of information regarding training and online resources to which we have access. We are subscribing members to organisations including the National Governors Association, Governor e-Learning and The Key. Training records are held centrally by the clerk and are reviewed at individual appraisals to ensure attendance and that Governors are playing an active part in their personal training and development needs.

GREAT ACADEMIES EDUCATION TRUST
GOVERNANCE STATEMENT
Year ended 31 August 2020

Governance reviews (continued)

The Academy Trust and has strengthened the governance through the new Trustee appointments. These appointments join the academy trust with the necessary skills to fill previously identified skills gaps. Governance will continue to be reviewed annually to ensure that the arrangements meet the changing needs of the Trust.

Finance and Audit Committee

The Finance and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee financial reporting and review and approve the audit activity. In addition to the Finance Director, Kal Kay and Helen Curran are chartered accountants and were members of the committee. Attendance at meetings in the year is as follows:

Trustee	Meetings attended	Out of possible
Sue Hutchinson	0	1
Frank Norris	3	3
Helen Curran	4	4
Paul Jones	1	1
Kal Kay	1	1

The Chair of the Board will be joining the Finance and Audit Committee up until new additional permanent trustees are appointed to serve this committee.

Review of Value for Money

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

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

- **Targeting resources to focus on improving educational results**

The Multi Academy Trust regularly reviews its staffing structure to ensure that staffing levels are appropriate to support the delivery of the curriculum. The on-going reduction in funding levels has renewed the focus on ensuring that the right staff are in post to drive improvement in the key areas. Although staff numbers have reduced in response to budget pressures, more flexible and focused deployment of the remaining staff has enabled the Academy Trust to continue driving improvement.

GREAT ACADEMIES EDUCATION TRUST
GOVERNANCE STATEMENT
Year ended 31 August 2020

Review of Value for Money (continued)

- **On-going review and challenge of all costs**

The Multi Academy Trust has an established culture of challenging all requested spend – do we need to spend, is there an alternative, more cost effective way of providing, have we secured the best procurement deal? There has been a renewed focus on this in light of the funding cuts with renegotiation of all service contracts as they have come due, benchmarking and sharing cost data across the Multi Academy Trust and seeking ways to secure better deals Trust-wide.

There are opportunities to further expand group procurement and exploit potential economies of scale, and this will be the value for money focus for the next financial 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 ongoing 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 Great Academies Education Trust for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular 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 programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has appointed Jackson Stephen LLP, to carry out a programme of agreed upon procedures for the 2019/20 financial year.

GREAT ACADEMIES EDUCATION TRUST
GOVERNANCE STATEMENT
Year ended 31 August 2020

The risk and control framework (continued)

The reviewer's role included giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The review focused on testing of the payroll, purchase ledger and cash receipts. The auditor reported to the Board of Trustees, through the finance and audit committee, on the operation of the systems of control.

On an annual basis, the auditor reports to the Board of Trustees, through the finance and audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

For the year ending 31 August 2020, the agreed schedule of work was delivered as planned with no control issues arising from the work.

Changes in Trustees

The Trust has experienced a number of changes to its Trustees during the year. This includes a new permanent Chair appointment.

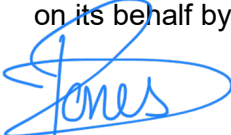
Review of effectiveness


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

- the work of Jackson Stephen LLP
- the work of the external auditor
- the work of the directors 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 and Audit Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 25 January 2021 and signed on its behalf by:


P Jones
Chair


B Loughran
Accounting Officer

GREAT ACADEMIES EDUCATION TRUST
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
Year ended 31 August 2020

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

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

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



B Loughran
Accounting Officer
25 January 2021

GREAT ACADEMIES EDUCATION TRUST
STATEMENT OF TRUSTEES' RESPONSIBILITIES
Year ended 31 August 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 25 January 2021 and signed on its behalf by:

Chair of Board: P Jones



GREAT ACADEMIES EDUCATION TRUST

Independent Auditor's Report to the Members of Great Academies Education Trust for the year ending 31 August 2020

Opinion

We have audited the financial statements of Great Academies Education Trust (the "charitable company") for the year ended 31 August 2020 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, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies: Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

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

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

GREAT ACADEMIES EDUCATION TRUST

Independent Auditor's Report to the Members of Great Academies Education Trust for the year ending 31 August 2020

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our 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 Trustees' Report, which includes the Directors' Report and the Strategic Report prepared 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 Directors' Report and the Strategic Report included within the Trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

GREAT ACADEMIES EDUCATION TRUST

Independent Auditor's Report to the Members of Great Academies Education Trust for the year ending 31 August 2020

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 28, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

RSM UK Audit LLP

JOHN GUEST (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

Date 29 January 2021

GREAT ACADEMIES EDUCATION TRUST
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 August 2020
(including income and expenditure account)

	Note	Permanent Endowment Fund £'000	Unrestricted Fund £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:							
Donations and capital grants	2	-	30	-	76	106	490
Charitable activities:							
Funding for the Academy Trust's educational operations	3	-	-	22,602	-	22,602	21,524
Teaching schools	28	-	-	221	-	221	162
Other trading activities	4	-	535	-	-	535	695
Investments	5	-	51	-	-	51	55
Total			616	22,823	76	23,515	22,926
Expenditure on:							
Raising funds	6	-	547	-	-	547	664
Charitable activities:							
Academy Trust educational operations	6 / 7	-	-	23,232	1,569	24,801	23,663
Teaching Schools	6/28	-	-	196	-	196	190
Total		-	547	23,428	1,569	25,544	24,517
Net income / (expenditure)		-	69	(605)	(1,493)	(2,029)	(1,591)
Transfers between funds		-	-	(286)	286	-	-
Other recognised (losses) / gains							
Remeasurement of net defined benefit obligations	24	-	-	(2,330)	-	(2,330)	(3,298)
Net movement in funds		-	69	(3,221)	(1,207)	(4,359)	(4,889)
Reconciliation of funds							
Total funds brought forward		2,000	3,825	(7,116)	58,553	57,262	62,151
Total funds carried forward		2,000	3,894	(10,337)	57,346	52,903	57,262

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

GREAT ACADEMIES EDUCATION TRUST

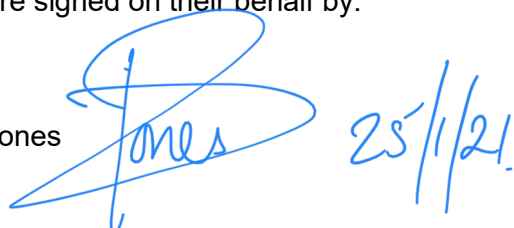
BALANCE SHEET

as at 31 August 2020

	Note	2020 £'000	2019 £'000
Fixed assets			
Tangible assets	12	57,346	58,553
Current assets			
Debtors	13	943	966
Current asset investments: cash on deposit		3,423	3,652
Cash at bank and in hand		8,898	7,791
		13,264	12,409
Current liabilities			
Creditors: amounts falling due within one year	14	(4,858)	(4,342)
Net current assets			
		8,406	8,067
Total assets less current liabilities			
		65,752	66,620
Defined benefit pension scheme liability	24	(12,849)	(9,358)
Total net assets			
		52,903	57,262
Funds of the academy trust			
Restricted funds			
Permanent Endowment Fund	16 & 17	2,000	2,000
Restricted General Fund	16 & 17	2,512	2,242
Restricted Fixed Asset Fund	16 & 17	57,346	58,553
Pension Fund	16 & 17	(12,849)	(9,358)
		49,009	53,437
Unrestricted funds			
Unrestricted General Fund	16 & 17	3,894	3,825
Total funds			
		52,903	57,262

The financial statements on pages 32 to 61 were approved by the Trustees and authorised for issue on 2021 and are signed on their behalf by:

Chair – P Jones



GREAT ACADEMIES EDUCATION TRUST
Statement of Cash Flows
for the year ended 31 August 2020

	Note	2020 £'000	2019 £'000
Cash flows from operating activities			
Net cash provided by operating activities	20	1,113	1,226
Cash flows from / (used in) investing activities			
	21	(235)	(36)
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		878	1,262
		<hr/> <hr/>	<hr/> <hr/>
Cash and cash equivalents at 1 September 2019	22	11,443	10,181
		<hr/>	<hr/>
Cash and cash equivalents at 1 September 2020	22	12,321	11,443
		<hr/> <hr/>	<hr/> <hr/>
Represented by:			
Cash at bank and in hand		8,898	7,791
Cash on deposit		3,423	3,652
		<hr/>	<hr/>
		12,321	11,443
		<hr/> <hr/>	<hr/> <hr/>

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

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.

General information

Great Academies Education Trust is a Charitable Company (the “Academy Trust”). The principal place of business is noted on page three. The nature of the Trust’s operations are set out in the Trustees’ Report.

Basis of preparation

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

These financial statements are presented to the nearest £1,000, except where otherwise indicated. The financial statements are presented in sterling which is also the functional currency of the Academy Trust

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust’s ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

In arriving at the Going Concern assessment, the Trustees have assessed the cashflow forecast and financial performance forecasts until August 2022. These forecasts have given serious consideration to the financial impact brought by the pandemic and focuses on four key areas:-

Financial Projections

- * produce detailed financial forecasts including sensitivity analysis to ‘reasonable worst-case scenario’ and assessing business impact

Cashflow management and rapid cost reduction

- * produce and review cashflow forecasts
- * apply for Government funding
- * identify the cost reduction levers available to the trust to improve the liquidity position (e.g. cancel non essential orders, rationalise shifts or implement changes to working weeks)

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

Going Concern (continued)

Workforce

- * plan and project manage key COVID-19 response workstreams (e.g. engagement, communications and remote working)
- * rapidly redeploy employees to emerging needs, based on a fuller understanding of roles, skills and availability

Business, technology resilience

- * develop our approach to risk and controls (e.g. supervision and management)
- * test the resilience of and invest in our IT infrastructure
- * facilitate remote learning for our pupils and working practices for our staff

Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, receipts are probable and the amount can be measured with sufficient reliability.

- Grants receivable 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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full 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 when there is entitlement, when performance-related conditions have been met, and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

- Interest income on cash balances is included in the statement of financial activities on a receivable basis or on an accruals basis where it is probable and is receivable at the balance sheet date.
- Where assets are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised as Transfer on conversion within Donations and capital grant income.
- Endowment income is held in a separate Endowment Fund. The funds are invested to retain their value and generate additional income. Endowment funds are classified as restricted or unrestricted by reference to the conditions documented by the donor. Restricted endowments are to be used only for the specific purpose or activity. Unrestricted endowments are to be used for the general purposes of the Academy Trust.

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.

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

All assets of a capital nature costing more than £500 and with an expected useful life exceeding one year are capitalised. Tangible fixed assets are stated at cost less depreciation.

Depreciation is charged on a straight line basis beginning in the year in which the asset is brought into use at the following annual rates:

Leasehold land	0.8%p.a. (reflecting 125 year lease)
Leasehold buildings	2% - 20% p.a.
Furniture and equipment	10% - 33% p.a.
ICT equipment	20% - 33% p.a.

Where fixed assets have been acquired with the aid of specific grants, they are included in the balance sheet at cost and are depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the Statement of Financial Activities and carried forward in the balance sheet). The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

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 and current asset investments classified as basic financial instruments and 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 13 and 14. 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.

Operating Leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

Retirement benefits for employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated 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 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

Pensions Benefits (continued)

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 as other comprehensive income.

Actuarial gains and losses are recognised immediately as other comprehensive income.

Fund Accounting

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

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

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

Agency arrangements

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds on behalf of the ESFA and Teacher Training Bursary Payments on behalf of the National College of Teaching and Learning (NCTL). Related payments received from the ESFA and NCTL and subsequent disbursements to students/trainees are excluded from the statement of financial activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. A maximum allowance of 5% of the total bursary funds received from the ESFA may be recognised as a contribution to administration costs in the statement of financial activities. Where funds have not been fully applied in the year then an amount will be included within creditors for distribution to students/trainees in the following year. The funds received and paid any balances are described in note 27.

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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

The Trustees deem the key area of estimation in the accounts to be useful economic lives of assets and estimated residual value, which would impact the depreciation rates used as outlined in the accounting policies section.

Critical areas of judgement

There are no critical areas of judgement.

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

2 Donations and capital grants

	Unrestricted Funds £'000	Restricted funds £'000	2020 £'000	2019 £'000
Capital grants	-	76	76	482
Donated fixed assets				-
Donation in kind – office space	30	-	30	7
Other donations	-	-	-	1
	<u>30</u>	<u>76</u>	<u>106</u>	<u>490</u>

3 Funding for the Academy Trust's charitable activities

	Restricted Funds £'000	2020 £'000	2019 £'000
DfE / ESFA grants			
General Annual Grant (GAG)	19,504	19,504	19,113
Pupil Premium	1,522	1,522	1,463
Other DfE/ESFA grants	1,176	1,176	323
National College Grants	221	221	162
	<u>22,423</u>	<u>22,423</u>	<u>21,061</u>
Other Government Grants			
Local authority grants	400	400	625
	<u>22,823</u>	<u>22,823</u>	<u>21,686</u>

4 Other trading activities

	Unrestricted Funds £'000	2020 £'000	2019 £'000
Catering	392	392	582
Hire of facilities	7	7	19
Other income	136	136	94
	<u>535</u>	<u>535</u>	<u>695</u>

5 Investment income

	Unrestricted funds £'000	2020 £'000	2019 £'000
Short term deposits	51	51	55
	<u>51</u>	<u>51</u>	<u>55</u>

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

6 Expenditure

	Non-Pay Expenditure			2020	2019
	Staff Costs	Premises	Other		
	£'000	£'000	£'000	£'000	£'000
Expenditure on raising funds	324	1	222	547	664
Academy's educational operations:					
Direct costs	15,925	(1)	1,730	17,654	16,890
Allocated support costs	3,045	3,150	952	7,147	6,773
Teaching School	93	-	103	196	190
	<u>19,387</u>	<u>3,150</u>	<u>3,007</u>	<u>25,544</u>	<u>24,517</u>

Staff costs reported above include FRS102 accounting for the Local Government Pension Scheme.

	2020	2019
	£'000	£'000
Net income / (expenditure) for the period includes:		
Operating leases	33	32
Depreciation	1,569	1,499
Fees payable to auditor for:		
Statutory audit	21	19
Other services	6	6
Net interest on defined benefit pension liability	178	151
Compensation	-	17

7 Charitable activities

	2020	2019
	£'000	£'000
Direct costs – educational operations	17,654	16,890
Support costs – educational operations	7,147	6,773
	<u>24,801</u>	<u>23,663</u>

Analysis of support costs	2020	2019
	£'000	£'000
Support staff costs	3,045	2,778
Depreciation	1,456	1,386
Technology costs	167	168
Premises costs	1,694	1,735
Other support costs	758	681
Governance costs	27	25
	<u>7,147</u>	<u>6,773</u>

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

8 Staff

Staff costs

Staff costs during the period were:	2020	2019
	£'000	£'000
Wages and salaries	13,450	12,982
Social security costs	1,208	1,195
Operating costs of defined benefit pension schemes	3,929	3,016
Apprenticeship levy	50	50
	<hr/>	<hr/>
	18,637	17,243
Supply staff costs	717	974
Staff restructuring costs	33	110
	<hr/>	<hr/>
	19,387	18,327
	<hr/> <hr/>	<hr/> <hr/>

Staff restructuring costs comprise:

Redundancy payments	15	13
Severance payments	-	17
Other restructuring costs	18	80
	<hr/>	<hr/>
	33	110
	<hr/> <hr/>	<hr/> <hr/>

Non statutory / non-contractual staff severance payments

Staff restructuring costs three PILONS totalling £15,668, a compensation payment of £2,077 and a confidentiality payment of £100.

Staff numbers

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

	2020	2020	2019	2019
	No.	No.	No.	No.
	Actual	FTE	Actual	FTE
Teachers	235	225	229	219
Administration and support	262	181	265	188
Management	6	6	6	6
	<hr/>	<hr/>	<hr/>	<hr/>
	503	412	500	413
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

8 Staff (continued)

Higher paid staff

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

	2020	2019
£60,001 - £70,000	9	6
£70,001 - £80,000	2	1
£80,001 - £90,000	-	-
£90,001 - £100,000	2	2
£100,001 - £110,000	-	1
£120,001 - £130,000	1	-
£140,001 - £150,000	-	1

13 of the employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme. During the year ended 31 August 2020, employer pension contributions for these staff amounted to £230,476 (2019: £139,433). One of the highest paid staff participated in the Local Government Pension Scheme, so pension contributions amounted to £11,170 (2019: nil).

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team roles as listed on page 3. The Trustees do not receive remuneration for their services as Trustees. The total cost of the senior management team (including employer national insurance and pension contributions) to the Academy Trust was £639,288 (2019: £749,117). This includes nil exit payments (2019: £51,966). The Principal at CA was on secondment from Rodillian Multi Academy Trust and services were provided under a secondment agreement. The costs associated with this post are included in the total above and amount to £123,120 (2019:£18,535).

B Loughran (Current CEO)

Remuneration £120,000 - £130,000

Employer's Pension contributions £30,000 - £40,000

A Crompton (Previous CEO & Trustee) – For prior year comparative

Remuneration £140,000 - £150,000

Employer's Pension contributions £20,000 - £25,000

9 Related Party Transactions – Trustees' remuneration and expenses

Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees.

During the year ended 31 August 2020, travel expenses totalling £470 were reimbursed or paid directly to one Trustee (2019 - £240). The Trust also pay for relevant Professional course fees for Trustees. During the year ended 31 August 2020, these fees totalled £213 (2019: included within expense claims).

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

10 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The Academy Trust is a member of the Education Funding and Skills Agency's Risk Protection Arrangement which provides cover for Governors, Officers and Trustees with a liability limit of £10m. The cost of this insurance is included in the total insurance cost.

11 Central Services

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

- Human Resources
- Finance
- Legal
- Governance
- School Improvement
- Health & Safety
- Central funding via intervention funds
- Health Cashback Plan

The Academy Trust charges for these services as a percentage of income and is currently charged at 4.5%. The actual amounts charged in 2020 were as follows:

	2020	2019
	£'000	£'000
Great Academy Ashton (previously New Charter Academy)	315	242
Middleton Technology School	311	240
Copley Academy	167	133
Silver Springs Primary Academy	85	63
	878	678
	878	678

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

12 Tangible Fixed Assets

	Land & Building £'000	Furniture and Equipment £'000	ICT equipment £'000	Total £'000
Cost				
As at 31 August 2019	64,407	1,957	1,282	67,646
Additions	230	75	57	362
At 31 August 2020	<u>64,637</u>	<u>2,032</u>	<u>1,339</u>	<u>68,008</u>
Depreciation				
As at 31 August 2019	7,084	1,093	916	9,093
Charge in year	1,183	249	137	1,569
At 31 August 2020	<u>8,267</u>	<u>1,342</u>	<u>1,053</u>	<u>10,662</u>
Net book value				
At 31 August 2020	<u>56,370</u>	<u>690</u>	<u>286</u>	<u>57,346</u>
At 31 August 2019	<u>57,323</u>	<u>864</u>	<u>366</u>	<u>58,553</u>

Academy land and building for Great Academy Ashton, Silver Springs Primary Academy, Copley Academy and Middleton Technology School have been recognised in the balance sheet on the basis that substantially all the risks and rewards of ownership lie with the Academy Trust and are subject to long leasehold agreements of 125 years.

13 Debtors

	2020 £'000	2019 £'000
Prepayments & accrued income	753	746
HMRC - VAT debtor	142	188
Trade debtors	17	23
Other debtors	31	9
	<u>943</u>	<u>966</u>

Included within Prepayments & accrued income is a provision of £54,000 against income which is due to the trust but may not materialise.

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

14 Creditors: amounts falling due within one year

	2020	2019
	£'000	£'000
Trade creditors	297	656
Other creditors	250	314
Accruals	3,965	3,020
Deferred Income	34	29
Other taxation and social security	312	323
	4,858	4,342
	4,858	4,342
Deferred income	2020	2019
	£'000	£'000
Deferred income at 1 September	29	66
Resources deferred in the year	34	25
Amounts released from previous years	(29)	(62)
	34	29
	34	29

Deferred income at 31 August 2020 include universal infant free school meals first instalment for 2019/19 and Autumn 2020 Nursery funding. Similarly deferred income at 31 August 2019 include universal infant free school meals first instalment for 2018/19 and Autumn 2019 Nursery funding.

15 Financial Instruments

The Academy Trust has the following financial instruments:

	2020	2019
	£'000	£'000
Financial Liabilities		
Financial liabilities measured at amortised cost	4,262	3,677
	4,262	3,677
Financial Assets		
Debt instruments measured at amortised cost	17	23
	17	23
	17	23

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

16 Funds

	Balance at 31 August 2019 £'000	Incoming resources £'000	Resources Expended £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	1,886	19,504	(18,973)	(286)	2,131
Pupil Premium	-	1,522	(1,522)	-	-
Other grants	-	1,576	(1,576)	-	-
NCTL (Teaching School)	25	221	(196)	-	50
Transfer on conversion	331	-	-	-	331
Pension reserve	(9,358)	-	(1,161)	(2,330)	(12,849)
	<u>(7,116)</u>	<u>22,823</u>	<u>(23,428)</u>	<u>(2,616)</u>	<u>(10,337)</u>
Endowment	2,000	-	-	-	2,000
Restricted fixed asset fund	58,553	76	(1,569)	286	57,346
Total restricted funds	<u>53,437</u>	<u>22,899</u>	<u>(24,997)</u>	<u>(2,330)</u>	<u>49,009</u>
Unrestricted funds	<u>3,825</u>	<u>616</u>	<u>(547)</u>	<u>-</u>	<u>3,894</u>
Total funds	<u>57,262</u>	<u>23,515</u>	<u>(25,544)</u>	<u>(2,330)</u>	<u>52,903</u>

Historic income generated from endowed investments, donations from previous related parties and Middleton Technology School Fund balance on conversion have been credited to unrestricted funds.

Restricted incoming resources must be used by the academy to deliver and improve educational provision. The restricted fixed asset fund includes the Devolved Formula Capital Grant and land and buildings.

Where assets have been purchased with a cost in excess of capital funding received in the year, funds have been transferred from the general reserve to the fixed asset reserve. In addition, where specific projects have been funded from unrestricted reserves, the value of these projects has been transferred from unrestricted reserves to general reserves.

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

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

16 Funds (continued)

Total funds analysis by academy

	Balance at 31 August 2020 £'000	Balance at 31 August 2019 £'000
Great Academy Ashton	2,058	1,737
Silver Springs Primary Academy	626	655
Copley Academy	(163)	(139)
Middleton Technology School	2,919	2,717
Teaching School	51	25
Trust (including donations and central services)	915	1,072
Total before fixed assets and pension reserve	6,406	6,067
Endowment	2,000	2,000
Restricted fixed asset fund	57,346	58,553
Pension reserve	(12,849)	(9,358)
Total net movement in funds for the year ending 31st August 2020	52,903	57,262

Copley Academy is carrying a net deficit of £163k as a result of historically falling pupil numbers and a number of teaching staff on pay protection agreements, which only ended on 31st August 2020. The academy are developing a deficit recovery plan in order to eliminate the deficit balance, which is focused around cost savings and strong pupil growth. The Academy Trust is supporting Copley during the recovery period.

Analysis of academies by cost:

	Teaching & Educational Support Staff Costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs (excl Dep'n) £'000	Total £'000
Great Academy Ashton (previously New Charter Academy)	5,090	881	497	1,629	8,097
Silver Springs Primary Academy	1,718	228	178	277	2,401
Copley Academy	2,900	499	240	723	4,362
Middleton Technology School	5,188	825	479	1,169	7,661
Teaching School	93	-	90	12	195
Central Services	366	416	16	187	985
Academy Trust	15,355	2,849	1,500	3,997	23,701

Support staff costs exclude amounts relating to FRS102 pension accounting.

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

17 Analysis of net assets between funds

	Endowment Fund	Unrestricted Funds	Restricted General Fund	Restricted Fixed Asset Fund	Total
	£'000	£'000	£'000	£'000	£'000
Balance 31 August 2020					
Tangible Fixed Assets	-	-	-	57,346	57,346
Current Assets	2,000	3,894	7,370	-	13,264
Creditors: falling due within 1 year	-	-	(4,858)	-	(4,858)
Pension scheme liability	-	-	(12,849)	-	(12,849)
Funds	<u>2,000</u>	<u>3,894</u>	<u>(10,337)</u>	<u>57,346</u>	<u>52,903</u>

18 Capital commitments & Non-cancellable contracts

There are no capital commitments at the year end.

A non-cancellable contract exists for the Great Academy Ashton in the form of annual charges to cover the service costs associated with the delivery of hard facility management activity which is charged by the local authority, who pass on the costs charged by the Local Enterprise Partnership vehicle tasked with management of the contract. The commitment amounts to £526k within 1 year, £2,834k within 2-5 years, and £4,727k in over 5 years, subject to an increase which is linked to the retail price index. These costs incurred in year are recognised within the SOFA.

19 Commitments under operating leases

At 31 August 2020 the Academy Trust had annual commitments under non-cancellable operating leases as follows:

	2020 £'000	2019 £'000
Operating leases in respect of equipment which expire:		
Due within one year	24	31
Due between one and five years	27	49
	<u>51</u>	<u>80</u>

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

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

	2020	2019
	£'000	£'000
Net (expenditure) for the reporting period (as per the statement of financial activities)	(2,029)	(1,591)
Depreciation	1,569	1,499
Capital grants from DfE Group	(76)	(482)
Interest receivable	(51)	(55)
Defined benefit pension scheme cost less contributions payable	983	775
Defined benefit pension scheme finance cost	178	151
Decrease / (increase) in debtors	23	(97)
Increase / (decrease) in creditors	516	1,026
Net cash provided by operations	<u>1,113</u>	<u>1,226</u>

21 Cash flows from investing activities

	2020	2019
	£'000	£'000
Interest received	51	55
Purchase of tangible fixed assets	(362)	(501)
Capital grants from DfE/ESFA	76	482
Net cash provided / (used in) by investing activities	<u>(235)</u>	<u>36</u>

22 Analysis of cash and cash equivalents

	2020	2019
	£'000	£'000
Cash in hand and at bank	8,898	7,791
Notice deposits	3,423	3,652
Total cash and cash equivalents	<u>12,321</u>	<u>11,443</u>

23 Members liability

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

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

24 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and 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 (TPS)

The trust participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £2,041k (2019: £1,396k) and at the year-end £nil (2019 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2020, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2020. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The key elements of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

24 Pension and similar obligations (continued)

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closed to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2020 was £973,818 (2019: £931,744) of which employer's contributions totalled £736,468 (2019: £699,033) and employees' contributions totalled £237,350 (2019: £232,710). Although all employees within the Local Government Pension Scheme are in the Greater Manchester Pension Fund, Middleton Technology School has remained pooled with Rochdale Metropolitan Borough Council. Consequently, the employer pension contributions included in the statement of financial activities reflect different contribution rates. The agreed employer contribution rates as at 31 August 2020 were 20.5% for Middleton Technology School members and 17% for all others and an average of 6% for employees.

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

The current valuation does not reflect the expected increase in benefits and therefore liability as a result of Guaranteed Minimum Pension ('GMP') equalisation between men and women which is required as a result of the removal of the Additional State Pension. Methodologies for a long-term solution are still being investigated by the Government as set out in the published (January 2019) outcome of the Government Consultation 'Indexation and Equalisation of GMP in Public Sector Pensions Schemes' and therefore the expected impact cannot be reliably estimated and consequently no provision/liability has been recognised.

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

24 Pension and similar obligations (continued)

Principal Actuarial Assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2016 updated to 31 August 2020 by a qualified independent actuary.

The major assumptions used by the actuary were:

	31 Aug 2020	31 Aug 2019
	% p.a.	% p.a.
Rate of increase in salaries	3.0	3.1
Rate of increase for pensions	2.2	2.3
Discount rate for liabilities	1.7	1.8

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The average future life expectancies at age 65 are summarised below:

	2020	2019
<i>Males</i>		
Current pensioners	20.5	20.6
Future pensioners	22.0	22.0
	<u> </u>	<u> </u>
<i>Females</i>		
Current pensioners	23.1	23.1
Future pensioners	25.0	24.8
	<u> </u>	<u> </u>

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

	Value at 31 August 2020	Value at 31 August 2019
	£'000	£'000
Equity Instruments	11,300	10,909
Bonds	2,659	2,406
Property	1,163	1,283
Cash	1,495	1,444
	<u> </u>	<u> </u>
Total fair value of assets	16,617	16,402
	<u> </u>	<u> </u>

The actual return on scheme assets was £369k (2019: £803k)

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

24 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2020	2019
	£'000	£'000
Current service cost	(1,707)	(997)
Past service cost re: McCloud	-	(232)
Net interest cost	(178)	(151)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	(11)	(238)
Total operating charge	<u>(1,896)</u>	<u>(1,618)</u>

Amounts recognised in Other Comprehensive Income

	2020	2019
	£'000	£'000
Changes in financial assumptions	(4)	(4,987)
Changes in demographic assumptions	(816)	1,390
Other experience	(1,134)	-
Return on assets excluding amounts included in net interest	(376)	299
Total operating charge	<u>(2,330)</u>	<u>(3,298)</u>

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

	2020	2019
	£'000	£'000
At 1 September	25,401	19,737
Current service cost	1,707	1,229
Past service cost (including curtailments)	11	238
Interest cost	473	570
Employee contributions	237	230
Actuarial loss/(gain)	1,954	3,597
Benefits paid	(317)	(200)
At 31 August	<u>29,466</u>	<u>25,401</u>

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

24 Pension and similar obligations (continued)

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

	2020	2019
	£'000	£'000
At 1 September	16,043	14,603
Interest income	295	419
Return on plan assets (excluding net interest on the net defined pension liability)	(376)	299
Employer contributions	735	692
Employee contributions	237	230
Benefits paid	(317)	(200)
At 31 August	<u>16,617</u>	<u>16,043</u>

Included within the results for 2019 is an adjustment has been made to reflect the outcome of the McCloud judgement.

25 Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. The Academy Trust identified one organisation which falls under this category. This includes:-

- Rodillian Multi Academy Trust (RMAT)– Became a related party in April 2019

The Academy Trust entered into a secondment arrangement with RMAT to second two staff members to take up key leadership posts at Copley Academy from 24th June 2019 and then for the full academic year 2020. The posts have been filled are the Principal and Vice-Principals roles. The payments under this arrangement represent the actual salary costs of the staff members, 5% indirect costs and travel costs. The 5% indirect costs represent administrative charges and the costs associated with the employer having to replace these staff within RMAT.

Our related party relationship with Active Tameside ceased in October 2018.

The following is a summary of transactions with related parties:

	2020	2019
	£	£
Staff secondment services from RMAT	(227,707)	(38,018)
Premises costs and sports provision invoiced by AT (to Oct 2018)	-	(24,975)

There was a trade creditor balance of nil (2019: £nil) and £16,030 costs within accruals (2019: £38,018) with Rodillian Multi Academy Trust;

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

25 Related party transactions (continued)

In entering into the transactions, the Academy Trust has considered the requirements of the ESFA's Academies Financial Handbook.

The charity Trustees received £470 for expenses (2019: £321) and no charity trustee received any emolument or payment for professional or other services.

26 Schools Sports Partnership (SSP)

Schools Sports Partnership are groups of schools working together to develop PE and sport opportunities for young people. In 2010 Great Academy Ashton became host to Tameside SSP comprising a partnership development manager, seven local secondary and thirty four primary schools. Additionally, the academy hosted other smaller community sporting projects. 2011 was the final year for this activity in its previous form, as funding streams for schools sports activities have changed. However the SSP Development Manager remains in post and accesses available funding in order to continue these activities. These sporting projects spent grants of £24,687 in the year (2019: £96,845). The associated expenditure is excluded from the academy's income and expenditure account on the basis that the Academy acts only as host to these projects. The balance contained within Other Creditors for SSP was £105,525 (2019: £124,024).

27 Agency arrangements

Up until 31 August 2019, the Academy Trust distributed 16-19 bursary funds to students as an agent for ESFA and to trainee teachers as an agent for the National College of Teaching and Learning. In the accounting period ending 31 August 2020 the Academy Trust received nil and disbursed nil in respect of 16-19 students and £236,671 in respect of trainee teachers (2019: £183,400). An amount of £42,702 is included in other creditors relating to undistributed 16-19 bursary funds that is repayable to the ESFA.

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

28 Teaching School trading account

	2020	2019
	£'000	£'000
Income		
Other Income	221	162
	<hr/>	<hr/>
Total income	221	162
	<hr/> <hr/>	<hr/> <hr/>
Expenditure		
Direct Costs		
Direct staff costs	93	85
Other direct costs	57	25
	<hr/>	<hr/>
	150	110
Other Costs		
Other support costs	46	80
	<hr/>	<hr/>
Total Expenditure	196	190
	<hr/>	<hr/>
Surplus / (Deficit) from all sources	25	(28)
Teaching school balances at 1 September 2019	25	53
	<hr/>	<hr/>
Teaching school balances at 31 August 2020	50	25
	<hr/> <hr/>	<hr/> <hr/>

Income also includes training monies earned within MTS Academy and not the teaching school. These have been fully offset with expenditure.

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

29 Prior year SOFA

	Note	Permanent Endowment Fund £'000	Unrestricted Fund £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2019 £'000	Total 2018 £'000
Income and endowments from:							
Donations and capital grants	2	-	8	-	482	490	84
Charitable activities:							
Funding for the Academy Trust's educational operations	3	-	-	21,524	-	21,524	21,312
Teaching schools	28	-	-	162	-	162	204
Other trading activities	4	-	695	-	-	695	689
Investments	5	-	55	-	-	55	41
Total			758	21,686	482	22,926	23,330
Expenditure on:							
Raising funds	6	-	664	-	-	664	642
Charitable activities:							
Academy Trust educational operations	6 / 7	-	-	22,164	1,499	23,663	22,952
Teaching Schools	6/28	-	-	190	-	190	247
Total		-	664	22,354	1,499	24,517	23,841
Net income / (expenditure)		-	94	(668)	(1,017)	(1,591)	(1,511)
Transfers between funds		-	-	(19)	19	-	-
Other recognised (losses) / gains							
Remeasurement of net defined benefit obligations	24	-	-	(3,298)	-	(3,298)	1,804
Net movement in funds		-	94	(3,985)	(998)	(4,889)	293
Reconciliation of funds							
Total funds brought forward		2,000	3,731	(3,131)	59,551	62,151	61,858
Total funds carried forward		2,000	3,825	(7,116)	58,553	57,262	62,151

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

30 Prior year funds

	Balance at 31 August 2018 £'000	Incoming resources £'000	Resources Expended £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	1,619	19,113	(18,827)	(19)	1,886
Pupil Premium	-	1,463	(1,463)	-	-
Other grants	-	948	(948)	-	-
NCTL (Teaching School)	53	162	(190)	-	25
Transfer on conversion	331	-	-	-	331
Pension reserve	(5,134)	-	(926)	(3,298)	(9,358)
	<u>(3,131)</u>	<u>21,686</u>	<u>(22,354)</u>	<u>(3,317)</u>	<u>(7,116)</u>
Endowment	2,000	-	-	-	2,000
Restricted fixed asset fund	59,551	482	(1,499)	19	58,553
Total restricted funds	<u>58,420</u>	<u>22,168</u>	<u>(23,853)</u>	<u>(3,298)</u>	<u>53,437</u>
Unrestricted funds	<u>3,731</u>	<u>758</u>	<u>(664)</u>	<u>-</u>	<u>3,825</u>
Total funds	<u>62,151</u>	<u>22,926</u>	<u>(24,517)</u>	<u>(3,298)</u>	<u>57,262</u>

Total funds analysis by academy

	Balance at 31 August 2019 £'000	Balance at 31 August 2018 £'000
Great Academy Ashton (previously New Charter Academy)	1,737	1,767
Silver Springs Primary Academy	655	655
Copley Academy	(139)	(343)
Middleton Technology School	2,717	2,016
Teaching School	25	53
Trust (including donations and central services)	1,072	1,586
Total before fixed assets and pension reserve	<u>6,067</u>	<u>5,734</u>
Endowment	2,000	2,000
Restricted fixed asset fund	58,553	59,551
Pension reserve	(9,358)	(5,134)
Total net movement in funds for the year ending 31st August 2019	<u>57,262</u>	<u>62,151</u>

GREAT ACADEMIES EDUCATION TRUST
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2020

30 Prior year funds (continued)

Analysis of academies by cost:

	Teaching & Educational Support Staff Costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs (excl Dep'n) £'000	Total £'000
Great Academy Ashton (previously New Charter Academy)	4,967	866	495	1,585	7,913
Silver Springs Primary Academy	1,633	195	153	310	2,291
Copley Academy	2,836	474	280	646	4,237
Middleton Technology School	4,633	778	538	1,138	7,087
Teaching School	85	-	55	15	156
Central Services	494	442	-	155	1,091
Academy Trust	<u>14,648</u>	<u>2,755</u>	<u>1,521</u>	<u>3,849</u>	<u>22,775</u>

31 Prior year analysis of net assets by fund

	Endowment Fund £'000	Unrestricted Funds £'000	Restricted General Fund £'000	Restricted Fixed Asset Fund £'000	Total £'000
Balance 31 August 2019					
Tangible Fixed Assets	-	-	-	58,553	58,553
Current Assets	2,000	3,825	6,584	-	12,408
Creditors: falling due within 1 year	-	-	(4,342)	-	(4,342)
Pension scheme liability	-	-	(9,358)	-	(9,358)
Funds	<u>2,000</u>	<u>3,825</u>	<u>(7,116)</u>	<u>58,553</u>	<u>57,262</u>

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GREAT ACADEMIES EDUCATION TRUST LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 6 July 2017 and further to the requirements of the Education and Skills Funding Agency ('ESFA') as included in the Academies Accounts Direction 2019 to 2020, to obtain limited assurance about whether the expenditure disbursed and income received by Great Academies Education Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Basis for conclusion

The framework that has been applied is set out in the Academies Accounts Direction 2019 to 2020 Annex B: Regularity Reporting. We are independent of Great Academies Education Trust in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Great Academies Education Trust's accounting officer and trustees

The accounting officer is responsible, under the requirements of Great Academies Education Trust's funding agreement with the Secretary of State for Education dated 23 August 2016 and the Academies Financial Handbook extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation Great Academies Education Trust and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and the procedures performed vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO GREAT ACADEMIES EDUCATION TRUST LIMITED AND THE
EDUCATION AND SKILLS FUNDING AGENCY**

Parliament or that the financial transactions do not conform to the authorities which govern them.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Financial Handbook 2019 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in Academies Accounts Direction 2019 to 2020.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

Use of our report

This report is made solely to Great Academies Education Trust and the ESFA in accordance with the terms of our engagement letter dated 6 July 2017. Our work has been undertaken so that we might state to the Great Academies Education Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Great Academies Education Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

RSM UK AUDIT LLP

Chartered Accountants
3 Hardman Street
Manchester
M3 3HF

29 January 2021