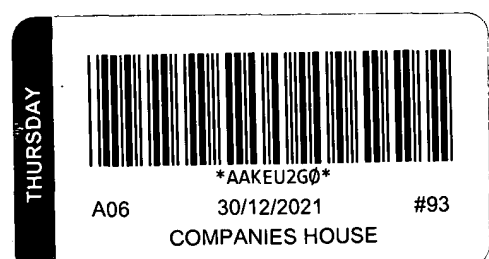


Astrum Multi Academy Trust

Report and Financial Statements

Year to 31 August 2021

Company Limited by Guarantee
Registration Number
10818052 (England and Wales)



Contents

Reports

Reference and administrative information	1
Trustees' report	3
Governance statement	14
Statement of regularity, propriety and compliance	22
Statement of trustees' responsibilities	23
Independent auditor's report on the financial statements	24
Independent reporting accountant's report	29

Financial statements

Statement of financial activities	31
Balance sheet	32
Statement of cash flows	33
Principal accounting policies	35
Notes to the financial statements	41

Reference and administrative information

Members	Mr A Grant until 01.01.21 Mrs A Garrard Mr J Pallet Mr F Saunders Mr Matthew Stanford
Trustees	Mr D Cason – Chair from 11.12.19 Mr P Patel Mrs A Garrard – Chair until 11.12.19 Mrs L Parr Mr E Chiquito – joined 16.09.20 Ms N Morrison – joined 11.11.20 Mr J Lloyd – joined 27.01.21 Mr Marc Jordan - joined 03.03.21 Mrs S Mighall – joined 19.05.21
Company Secretary	Michelmores Secretaries Limited
Senior Leadership Team	Mrs L Parr (CEO and Executive Headteacher) Mrs S Mallett (Trust Business Lead) Ms L Parr (Head of Lower School – Newbridge School) Mrs T Edmonston (Deputy Head of Lower School – Newbridge School) – left 18.04.21 Mrs S Jeffery (Head of Upper School – Newbridge School) Ms C Dordea- Acting Deputy Head of Upper School- Newbridge School – from 01.04.20 to 31.12.20 and Acting Deputy head of Lower School 31.03.21 to 31.03.21 Mrs V Mummery (Head of School- Hatchside School) From 01.01.21 Mrs C Dordea (Deputy Head of School Hatchside School) from 01.04.2021
Registered address	Woodwater House Pynes Hill Exeter Devon United Kingdom EX2 5WR
Company registration number	10818052 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Reference and administrative information

Bankers

Lloyds Bank plc
Threadneedle Street (306541) Branch
PO Box 1000
BX1 1LT

National Westminster Bank plc
Chadwell Heath Branch
27 High Road
Chadwell Heath
Romford
Essex
EM6 6QD

Solicitors

Michelmores LLP
Woodwater House
Pynes Hill
Exeter
EX2 5WR

INTRODUCTION

The Trustees of Astrum Multi Academy Trust ('the Trust') present their statutory report together with the financial statements of the charitable company for the year to 31 August 2021. The annual report serves the purposes of both a trustees' report under charity law and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 35 to 40 of the attached financial statements and comply with the Trust's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and governance

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Astrum Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Astrum Multi Academy Trust.

Details of the trustees who served during the year and the governance arrangements of the Trust and delegations to senior executive officers and Committees are set out in the Statement on page 14.

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

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10 million on any one claim and the cost for the premium for the period ended 31 August 2021 was included within the overall insurance premium.

Method of recruitment and appointment or election of trustees

The Members of the Trust are set out on page 14.

When appointing and recruiting Trustees (and members of Trust Committees and local governing bodies) regard is given to the skills mix and backgrounds of the existing members and potential new members so as to ensure that the Board of Trustees, its Committees and local governing bodies have all the necessary skills required to carry out their roles and contribute fully to the Trust's development.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies and procedures adopted for the induction and training of trustees

All new Trustees are recruited on their ability to play an active part in the governance of the Astrum Multi Academy Trust. On their appointment Trustees are taken through an induction process that includes an explanation of the role of a Trustee and Company Director. They are provided with all necessary documents needed to undertake their role as a Trustee, supported and advised by Trust executive staff, and invited to attend training sessions run by the Trust or external providers e.g. courses through their membership of the NGA, The Key for School Governors, the current Governor Clerking Service Juniper Education training resources and also the DfE funded training scheme via Governorspace.

Organisational structure

The Executive Headteacher, as the chief executive officer, is directly responsible for the day to day running of the Trust. She is assisted by the Trust's CFO/Trust Business Lead as the executive team, and the Schools Senior Leadership Teams consisting of the Heads of School, Deputy Heads of School and assistant heads.

The Trust executive and senior leadership team implements the policies agreed by the Trustees, supporting the schools in the Trust and providing evidence, reports and data analysis to Trustees to enable them to monitor effectively the performance of the Trust and its schools.

The CEO/Executive Headteacher is the Accounting Officer.

The Board of Trustees delegates its powers and functions to Committees and to the local governing body, known as the Schools Committee, to the CEO/Executive Headteacher and to the Heads of school of its academies, in accordance with its published Scheme of Delegation for Governance Functions.

The Trust has a Finance, Audit and Risk Committee (further details below) and a People and Pay Committee to oversee the performance management and pay of trust and school staff.

Each Head of School has delegated responsibility for the day-to-day running of the school and the implementation of the policies of the Trust and governing body; s/he is responsible for the internal organisation, management and control of the school and for the direction of teaching and the curriculum.

Each Head of School is accountable to the School's Committee for the performance of their school and to the CEO/Executive Headteacher.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees via the executive team and People and Pay Committee determine pay scales for all key management personnel which includes the Trust senior staff/officers and the Heads of School in each school.

The rate of pay for the CEO/ Executive Headteacher and CFO/ Trust Business Lead was set by the Trustees following a benchmarking exercise of comparable academy trusts by an independent executive consultancy. Any changes to this will be undertaken via external consultancy- therefore a second benchmarking exercise was completed in Summer 2020 which reviewed the Trust and Senior Leadership posts pay scales. The School Teachers Pay and Conditions have been used to set the pay range for Heads of School and Deputy Heads of School.

The performance of all key management personnel is assessed under the performance management framework. The Trust Board completes an annual assessment of the Executive Headteacher, with a panel (2 trustees and the School Improvement Partner), the Executive Headteacher reviews the Heads of School and other senior staff. The Executive Headteacher reviews the Heads of School through appraisal jointly with the School Improvement Partner and 1 trustee and reports the results to the Chair of the Schools and People and Pay Committees. All senior staff pay decisions are ratified by the Board of Trustees or the People and Pay Committee.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the period	Full-time equivalent employee number
2	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	—
1% - 50%	2
51% - 99%	—
100%	—

Percentage of pay bill spent on facility time

Total cost of facility time	£1,950
Total pay bill	£5,014,000
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.039%

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trade union facility time (continued)

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:	Nil.
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(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100

Equality

Astrum MAT ensures that training, career development and promotion opportunities are available to all employees and all are treated openly and fairly in accordance with the Equality legislation.

Connected organisations, including related party relationships

The Trust works with the Department of Education and the ESFA and maintains links with the local authority. It has strong links with Secondary Schools and Primary Schools in the areas it operates and participates in local school partnerships. The Redbridge Education Partnership (REP) is the largest of these. Astrum MAT and its schools are also part of the Gants Hill Teaching School Alliance, sharing good practice and staff development across other schools.

OBJECTIVES AND ACTIVITIES

Objects and aims

The principle activity of the Astrum Multi Academy Trust is to advance for the public benefit education in the United Kingdom. In particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools specifically organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies").

Specifically, Astrum Multi Academy Trust delivers education to pupils with a range of Special Educational Needs in the London Borough of Redbridge at Newbridge Lower and Upper Schools. We also provide education for a small number of pupils from other neighbouring local authorities.

The Trust has entered into an agreement with the DfE under the Special Free School Process to set up a new Special Free School; Hatchside School which successfully opened on 1st April 2021.

OBJECTIVES AND ACTIVITIES

Objects and aims (continued)

Vision (continued)

At Astrum Multi Academy Trust, we will provide high quality education that meets the needs of every pupil, especially the most vulnerable, by being innovative and sharing excellent practice across the Trust and wider educational community through a partnership of outstanding special schools with the skills, expertise and resources working collaboratively to ensure the best outcomes for every pupil.

Our long term goal is to provide further opportunities for pupils with SEND across Redbridge through developing new SEND provision thus making a difference to the lives for children and young people within our schools and the SEN community.

Every year, Astrum Multi Academy Trust develops an Academy Trust development plan detailing the main objectives for the year ahead. These main objectives develop consistency and common approaches across the schools and cultivate the shared ethos.

The school based development planning leads on from this to deliver high quality education and strategic development to the Trusts schools who utilise the school based development planning to deliver school based strategic developments enhancing the education and progress of its pupils.

Principal activities

The principal activities of the Trust are the provision of education to children with Special Educational Needs.

Public benefit

In setting the Trust's objectives and planning its activities, the Board of Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's objectives and aims and in planning future activities. The Trustees consider that the Trust's aims are demonstrably to the public benefit.

STRATEGIC REPORT

Achievements and performance

Both Newbridge Lower and Upper Schools are highly respected and as such well remain at or near to capacity throughout the year despite in year movements of pupils. The local authority increased the upper school places by 7 from September 2020 to support the growing need for places for pupils with complex SEND across the local area, these places were funded directly by Redbridge Local Authority including the base and top up funding. For 2021 they are consulting on a 3 classroom and associated spaces new build at the Upper School site with the intention of 14 more places from September 2022 in addition to these.

Newbridge School was graded as Outstanding by Ofsted at inspections in 2010, 2013 and November 2019, therefore has remained in the Ofsted Outstanding category for over 10 years. The new inspection framework is very robust and has an increased focus on the curriculum and progress for pupils and this was looked at in depth by the inspectors who stated:

"Leaders and their staff make sure that pupils achieve very well"2019

"Leaders and governors want everything they do to make a difference to pupils. They use this sense of purpose to keep improving the school. Senior leaders are clear about the school's strengths but are not complacent."2019

Both sites have a clear direction and vision which enables all pupils to develop and make excellent progress in line with their SEND, starting points and abilities. The clear pathways in the curriculum enable a person-centred approach with an ever-increasing focus on developing life skills helping pupils to learn and progress developmentally leading to more independence and self-reliance across all age ranges.

Hatchside School opened in April 2021 to serve 32 pupils aged 2-7 years of age with unidentified special educational needs, for early intervention or statutory assessment. Pupils have the school as their named placement or named on their EHCP's including up to 8 allocated assessment places. The assessment processes and systems are mirroring those in place at Newbridge School as these have been assessed as highly suitable and proven.

All the top up funding for all the 32 places was fully funded by the Local Authority from 01.04.21 and will continue to be fully funded when the numbers rise to 48 in September 2022 and 64 in September 2023 when the school will be at its full capacity. The school successfully completed its pre-opening Ofsted inspection in February 2021 and its first post opening review was successful with no areas of action identified. The senior staff team were all successfully recruited prior to opening and all have experience of working at Newbridge School which aids continuity and good sharing of excellent practice. Other Newbridge school support staff also moved to Hatchside School to further support this and has proven very positive and supportive for the new staff and school development.

The curriculum, and assessment pathways are under constant evaluation and revision as the school develops and provides continuity and progression for the individual pupils that attend.

STRATEGIC REPORT

Achievements and performance (continued)

The comprehensive suite of CPD for all Trust staff ensures that staff are well prepared and have the necessary skills to support and develop the pupils. The specialised training all staff receive ensures that developments are continual and sharing new initiatives and ideas is encouraged and fostered across the schools.

During the COVID period a large amount of work and CPD was provided to staff across the Trust Teaching and Learning staff which has been extremely productive and has provided up to date training and development for staff. Much was through remote methods, even for staff in school, to work within the Bubble Strategy, and some printed documents were supplied to staff who required it. This approach is continuing to enable us to be flexible to the current COVID situation and to enable us to respond as and when any changes occur.

Through our succession planning strategy and development of staff through recognised pathways including; NPQML, NPQSL, NPQH and NPQExL along with a range of teacher training opportunities and support staff accredited training, we develop staff from within the organisation who often go on to apply for higher level roles within the Trust. Development of staff through targeted CPD and internal development opportunities along with rigorous appraisal systems is a key success of the schools. This leads to very effective teaching and learning for the pupils. All the above is ongoing and evolving further all the time in line with requirements and changes in legislation.

Remote learning offer- The remote learning offer for all pupils has been in place since the beginning of the COVID pandemic and has been added to and has evolved to meet the ever changing needs of the pupils and on evaluation of effectiveness and appropriateness. Parents and Carers have been fully involved and committed to this learning and where gaps occurred with some families the Trust Parent Liaison officer and welfare assistants worked closely with the teachers, senior staff and colleagues from Social Care to support the families to access the schools offer. The one area that the schools have identified as an area that was more difficult to maintain was the physical and therapeutic support for pupils as the LA commissioned services reduced their offer and were not completing face to face therapy and assessments with the pupils. This is an area that we will be focussing on for 2021-22 with the support of the Local Authority.

The remote offer was also in place for the pupils of Hatchside School during the transition phase as there were some pupils not able to initially access the school for various reasons.

The offer is in place now and in future for pupils who cannot attend any of the schools for any reason but who are not unwell and are able to engage with learning. This strategy has taken a lot of work and resources but has proven very successful in maintaining the provision and progression for the pupils across the schools.

Key Performance Indicators

All pupils across the Lower and Upper Schools are making expected or better progress in all areas as shown by our data. The assessment data, including school based and moderated data and reporting which is shared at the School Committee and Trust meetings termly. The data continues to show that the pupils Complex Special Educational Needs are their largest barrier to learning and that other areas e.g. Pupil Premium, gender, ethnicity show no significant impact to their progress.

Pupil progress has been under close scrutiny by the Teachers and senior leaders since the COVID closures and related changes in education to ensure skills have been maintained and developed through the remote learning and blended offer that has taken place across the schools. New methods of moderation have been developed by the senior leaders at all the schools to support this further.

Going concern

The Trustees have considered carefully the Trust's level of reserves at 31 August 2021 and its results for the period then ended. They have given consideration to the effects of the pandemic when making their going concern assessment and as such are preparing a cash flow forecast up to December 2022 to evidence positive cash flows. They have also considered the likely limitations in future increases of funding for the Trust's existing schools and the known cost pressures arising from increases in the rates of pension contributions and changes in National Insurance following recent pension reform.

The Trustees are also mindful of the increased risk attaching to the increasing number of schools operated by the Trust. They have initiated clear protocols and risk management strategies to limit the risks arising from bringing new or existing schools into the Trust's control.

On the basis of budgets and forecasts prepared by the Trust's management, their assessment of the principal risks described elsewhere in this report and the capacity of the Trust to make further adjustments to its cost base in the event of adverse changes, the Trustees are satisfied that the Trust has sufficient resources to continue successfully for the foreseeable future. Accordingly, the attached financial statements have been prepared on the going concern basis.

FINANCIAL REVIEW

Total income was £13,845,000 (2020 - £4,816,000) and total expenditure was £6,159,000 for the year (2020 - £5,379,000).

At the 31 August 2021, the net book value of fixed assets was £16,572,000 (2020 - £8,481,000) and movements in tangible assets are shown in note 10 to the financial statements. The assets were used exclusively for providing education and the associated support services to students of the School.

The impact of cancellation of lettings as a result of the pandemic have not impacted the overall financial position of the trust to date.

Financial position and reserves policy

The Trustees review the reserves of the Trust annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The Trustees have determined that the Trust's desired level of reserves is equal to one month's worth of operational expenditure, being approximately £425,000.

On 31 August 2021, the Trust held total funds of £13,486,000 (2020 - £6,590,000), which comprised of £12,688,000 of restricted funds (2020 - £5,795,000) including the pension deficit of £4,268,000 (2020 - £2,864,000) and the restricted fixed asset fund of £16,572,000 (2020 - £8,481,000). Remaining total funds of £798,000 were unrestricted (2020 - £795,000). Hence the Trust has comfortably met its target level of reserves.

Investment policy

The Trust's liquid assets are held in the form of cash balances. The Trust does not invest these cash balances in longer terms deposits or other investment vehicles. Should it wish to do so in the future, the Trustees will consider a recommendation by the Trust's executive officers.

PRINCIPAL RISKS AND UNCERTAINTIES

Astrum Multi Academy Trust has a formal risk management process and implements risk management strategies. This process is overseen and reviewed by the Finance, Audit and Risk Committee which identifies the types of risk the Trust faces. These risks are then assessed and prioritised in terms of their potential operational and financial impact and the likelihood of occurrence. Where necessary, actions to mitigate the risks identified are put in place if not already in place.

The principal risk relates to control of staff costs. Employer contribution rates for the Teacher's Pension Fund have increased as expected. Further pressure is therefore likely on payroll costs and each school's payroll ratio.

Recruitment was identified as a possible risk during the March to August 2021 COVID period but has proven to be of minimal impact due to the initial number of pupils unable to attend the site during 2020 and then also with a remote/blended offer. Recruitment continued remotely for other key roles and reverted to face to face recruitment as much as possible from the Summer Term 2021.

Numbers on roll and individual high needs funding remains strong across all schools and with the increased pressure on local authority funding there could have been some pressure on pupils individual high needs funding in the future, however the Local Authority rebanded the pupils high needs banding rates across Newbridge School (154 pupils) with a flat banding rate which is higher than that given before. They will review the Hatchside School bandings in the future. This has given certainty for planning processes and reflects the base offer across the Trust School/s.

We will continue to review termly for impact on budgets and staffing and this will be managed by a review of policies, continued review of performance and a continued focus on future opportunities including collaborative working with local schools and the Local Authority.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

The Covid school closure/partial opening period offered some uncertainties regarding pupil numbers, funding and progress of pupils but the Trust has mitigated these by discussions with the Local Authority and through excellent home remote/blended offer learning including some supplied home physical resources. Funding continued to be paid in full and pupils have continued to develop their skills. A new Recovery Curriculum was put in place from 1 June 2020 to support pupil's welfare and coping strategies across the trust successfully and is ongoing.

FUNDRAISING

The Academy Trust only held small fundraising events during the year including non-uniform/dressing up days. The Academy Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year, no complaints or issues have arisen as a result of the fundraising events.

Newbridge School Parent and Friends Association (PFA), organise and set up events at the school throughout the year in order to raise funds (i.e. fete and quiz nights). The PFA is a separate registered charity. This has been hampered recently by the COVID lockdown and increased procedures but the PFA planning for future events has continued.

PLANS FOR FUTURE PERIODS

- ◆ To continue to work with Redbridge Local Authority in relation to an expansion of the Upper School by 14 more pupils from September 2022, by a new build extension at the Upper School site and to provide a 16-19 specialist provision in the future at the site behind the Upper School currently owned by the London Borough of Redbridge.
- ◆ Two further applications to the Condition Improvement Fund made for 2020-21 were unsuccessful and will be resubmitted in the next round for 2021-22. Both bids are for Newbridge Upper School which is an old building. These were to replace the pool boilers at the Upper School Site as they are at the end of their useful life and the second is to upgrade the electrical services throughout the school.
- ◆ Further development of the central services team to support the additional school is ongoing and has been hampered by the ongoing COVID situation since March 20 but is now starting to move ahead.
- ◆ The current CEO/Executive Headteacher is retiring at the end of December 2021 and the new post holder – Lara Parr was appointed by the trust board in July 2021 and will start their new tenure on 1st January 2022. Lara Parr is an established senior leader in the trust and as such is completing a transition period during the autumn term 2021.

Trustees' report Year to 31 August 2021

AUDITOR

In so far as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, and signed on its behalf by:



D. Cason

Chair of Board of Trustees of the Trust

Date: 23rd December 2021

Governance statement 31 August 2021

Astrum Multi Academy Trust is a company limited by guarantee and an exempt charity; the formal governance arrangements for the Trust are set out in its Articles of Association.

Governors of the Trust

The following persons were in office for the year to 31 August 2021, and up until the date of approval of the annual report and financial statements (unless otherwise indicated).

Members

Mr Francis Saunders
Mr Alan Grant (resigned 13th January 2021)
Mrs Ann Garrard
Mr John Pallet
Mr Matthew Stanford

Trustees	Appointing Body	Appointed/Resigned
Mrs Ann Garrard	Trust Board	
Mr Premal Patel	Trust Board	
Mr Davide Cason	Trust Board (chair)	
Mrs Louise Parr	CEO, Executive Headteacher	
Mr Emilio Chiquito	Trust Board	Appointed 16 th September 2020
Ms Natalie Morrison	Trust Board	Appointed 11 th November 2020
Mr Jeremy Lloyd	Trust Board	Appointed 27 th January 2021
Mr Marc Jordan	Trust Board	Appointed 3 rd March 2021
Mrs Sarah Mighall	Trust Board	Appointed 19 th May 2021

The Members of the Trust are the subscribers to the Memorandum of Association – the people who established the Trust – and any other individuals appointed by the Members. The Members have an overview of the governance arrangements of the Trust and may amend the Trust's Articles of Association. The Members appoint Trustees and may remove Trustees.

The Board of Trustees

The Members have delegated all their powers and duties, apart from those specified above, to the Board of Trustees.

The Board of Trustees consists of 8 Trustees appointed by the Members plus the CEO, as long as s/he remains in office; the Trustees may in addition appoint up to 1 more co-opted Trustee.

The Trustees are responsible for the general control of the Trust in accordance with the provisions set out in the Articles of Association and its Scheme of Delegation. The Board of Trustees is the accountable body for the performance of all Academies within the Trust and, as such, must:

1. Ensure clarity of vision, ethos and strategic direction of the Trust as a whole;
2. Hold the CEO to account for the educational performance of the Academies and their pupils, and the performance management of staff; and

The Board of Trustees (continued)

3. Oversee the financial performance of the Trust, ensuring financial probity and value for money.

As mentioned above, the Trust is a company limited by guarantee and an exempt charity. Therefore, Trustees must comply with company, education and charity law requirements. This results in the terms 'Trustees' and 'Directors' being used interchangeably. However, the Articles of Association refer to 'Trustees'. The use of the term Trustee also distinguishes these individuals from those who are executive officers with the job title of director but who are not actually Companies House registered directors.

While Trustees can serve as Members, best practice recognises that the Members are responsible for holding the Trustees to account. Therefore, there should be separation between the Members and Trustees.

The Board of Trustees is permitted to exercise all the powers of the Trust. The Board of Trustees will delegate, to the CEO, responsibility for the day-to-day operations of the Trust.

The Trustees (with the consent of the Members where changes to the Board of Trustees are at issue) have the right to review and adapt the Trust's governance structure at any time, which includes revoking delegation.

The Board of Trustees meets on a termly (or more frequently if necessary) basis. The Board of Trustees also has 2 committees: Finance, Audit and Risk Committee and the People and Pay Committee which meet on a termly (or more frequently if necessary) basis, to enable more scrutiny and healthy challenge.

The Board of Trustees can delegate powers and functions other than those above to committees including the Schools Committee (local governing body), but retains legal accountability for any decisions taken. The Board of Trustees will not get involved in the day-to-day running of the Trust or its schools.

Schools Committee (SC)

The Board of Trustees has established a local governing body named the Schools Committee for the schools in the Trust, to which it delegates its powers and functions with regard to the management and performance and oversight of the school. There is currently a shared SC for Newbridge School and Hatchside School to enable Hatchside School to benefit from the continuity in its first year. In 2022-23 school year this committee will reform as 2 smaller Schools committees, one for each school.

Each Schools Committee is responsible for:

- ◆ Ensuring clarity of vision, ethos and strategic direction of the school.
- ◆ Proposing the Academy Curriculum plan to the CEO for approval.
- ◆ Overseeing and monitoring and evaluating the effectiveness of compliance with statutory requirements e.g. H&S, Fire management, Safeguarding and Information Governance for its individual School.

Governance statement 31 August 2021

Schools Committee (SC) (continued)

- ◆ Overseeing and monitoring the educational performance of the school and ensuring its money is well spent, reporting any issues which arise to the Trust Finance, Audit and Risk committee.
- ◆ Holding the Heads of School to account for educational Performance.
- ◆ Implementation of the Trust agreed performance management policy.
- ◆ Adoption and compliance with Trust Policies.

The SC will not get involved in the day-to-day running of the school.

They must at all times act in accordance with the Governance Procedures agreed by the Trust, and ensure that the school's policies and the ways that it is managed and operates are consistent with the Articles of Association and Funding Agreement and the policies and procedures of the Trust, and with all relevant legislation and regulations. The SC must take account of the advice given to them by the Board of Trustees and CEO/ Executive Headteacher.

The SC may carry out its delegated functions as it sees fit and may delegate those functions to a committee, individual governor or executive office holder, subject to such delegation and any associated committee remits or conditions being approved by the Board of Trustees. The Board of Trustees may, in exceptional circumstances, impose conditions and restrictions upon the delegated authority it has given to the SC.

The Schools Committee attendance information for the year is as follows:

Members of Schools Committee	Number of meetings attended	Out of a possible
Mr D Atkins	2	3
Ms S Jeffery	2	3
Ms L Parr	2	3
Mrs V Mummery	2	3
Ms C Dordea	3	3
Mrs D Ross (left 04/11/2021)	0	3
Mrs D Piggot	3	3
Mrs C Saunders	3	3
Mr B Woodcock	2	3
Ms A Khanom	3	3
Ms J Cole-Davis	2	3
Ms Sylvia Nyamaah	2	3
Mrs Jenine Jungerhans	2	3

Trust Committees

The Board of Trustees has established the following committees:

- ◆ A Finance, Audit and Risk (FAR) Committee that reviews the risks to internal financial control and agrees the processes and checks required to address these risks and ensure the Trust's financial policies and procedures are being carried out properly.
- ◆ A People and Pay (PAP) Committee that reviews and oversees personnel issues, recruitment and staff pay.

The Board of Trustees will, as required, establish ad hoc committees to which it delegates authority to deal with matters relating to a specific incident or individual, such as considering a complaint or a personnel matter. The Board of Trustees will establish a Panel where required from which members may be selected to form an ad hoc committee. The Panel is made up of made up of Trustees and selected non-Trustee members from across the Trust and who bring specific expertise and experience.

Delegation to Trust Executive officers

The Board of Trustees delegates to the Executive Headteacher (CEO) responsibility for delivery of the Trust's strategy and for the implementation of the policies of the Trust, and for the day-to-day running, internal organisation, management and control of central Trust services. The Executive Headteacher is responsible for the performance management of the Trust executive team and each Head of School.

The Trust Business Lead (CFO) is also responsible for supporting the team delivery of the Trust's strategy from a business perspective and as such is also in attendance at Trust and committee meetings.

The Board of Trustees delegates to each Head of School in the Trust the responsibility for the day-to-day running of the school, including the internal organisation, management and control of the school and the direction of teaching and the curriculum, and for the implementation of the policies of the Trust and Schools Committee.

The full Trust Board has had 5 meetings in this period. In addition, the People and Pay Committee and Finance, Audit and Risk Committee meetings have met throughout the year.

Governance statement 31 August 2021

Meeting attendance

The Board of Trustees has formally met 5 times during the year 2020/21.

Members of Trust Board	Number of meetings attended	Out of a possible
Mrs Ann Garrard (Chair)	5	5
Mr Davide Cason	5	5
Mr Premal Patel	5	5
Mrs Louise Parr (CEO)	5	5
Emilio Chiquito	4	4
Natalie Morrison	1	5
Jeremy Lloyd	2	3
Sarah Mighall	2	2
Marc Jordan	2	2

Governance review

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

The Trust board reviewed its membership in light of the opening of Hatchside School in April 2021 and new trustees were appointed bringing the trustees to 9 in number.

A revised extensive Governance Plan was developed and was approved by the DfE in 2021.

Following on from the opening of Hatchside School, in 2023 we envisage developing an independent Schools Committee for the school. In its first year of opening it will be part of the Joint Schools Committee to ensure continuity and sharing of experienced Governors.

Scope of responsibility

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

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

Review of value for money

As Accounting Officer the Executive Headteacher (CEO) 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.

Governance statement 31 August 2021

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during the academic year, and reports to the board of trustees where value for money can be improved, including the use on benchmarking data where available. The accounting officer for the academy trust has delivered and improved value for money during the year by:

- ◆ The growing size and reputation of the Trust has enabled the Trust to negotiate improved service standards from a number of providers. These include our bankers, payroll, insurers and recruitment agencies.
- ◆ Economies of scale have been achieved in contract negotiations by agreeing contracts and arrangements taking into account onboarding another school. Examples are the photocopier contract negotiated through Ricoh, the upgrade and installation of telephony and electronic welcome stations throughout the trusts schools..

The Trust reviewed any potential impact that COVID 19 may have had and identified that the only impact was in relation to the continued payment of agency staff during this period.

- ◆ Free School Meals continued through the usual provider via food deliveries and a voucher system.
- ◆ Staff expenditure continued as usual.
- ◆ Supplier payments were maintained via BACs

This was seen as a positive outcome for the Trust.

Finance, Audit and Risk (FAR) committee

The purpose of the Audit Committee is to review the risks to internal financial control, and to agree the processes and checks required to address these risks and ensure the Trust's financial policies and procedures are being carried out properly.

The Committee will approve the programme of work of the Trust's Auditors to address these risks; receive quarterly reports on the checks carried out to address the risks, receive the annual report of the Auditors, inform the Trust's governance statement and make any comments or recommendations to the Board regarding audit and risk.

During the year the Finance Audit and Risk Committee met 3 times.

Members of Committee	Number of meetings attended	Out of a possible
Mr Premal Patel (Chair)	3	3
Mrs Louise Parr (CEO)	3	3
Mr Brian Woodcock	3	3
Emilio Chiquito	2	3
Marc Jordan	2	2

The remit of the Committee is set out in an agreed terms of reference. The principal role is to provide assurance to the Board of Trustees that risks are being identified and the internal control framework is both suitable and effective.

Local Governing Bodies

Responsibility for managing the financial performance of each school in the Trust, ensuring financial performance of the Trust and regulations are adhered to and ensure value for money are delegated to the school's local governing body.

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 the Trust's 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 at the Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Trustees have reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees have is of the view that there is an ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The Trust is aware of the newly revised Financial Reporting Council Ethical Standard and as such has ceased to use it's external auditor for it's internal scrutiny and have appointed a new service provided by Juniper Education Services for 2021-22 to provide a programme of internal assurance arrangements agreed by the Trust.

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 Board of Trustees 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 (including asset purchase or capital investment) guidelines in line with the Trust / Schools Development Plans;
- ◆ delegation of authority and segregation of duties; and
- ◆ identification and management of risks.

The risk and control framework (continued)

The Board of Trustees agreed a programme of internal and external audits during 2020-21.

Buzzacott completed an external statutory audit and an assignment to gain assurance over regularity, propriety and compliance.

Review of effectiveness

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

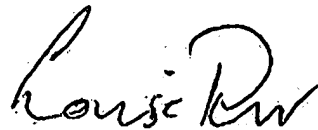
- ◆ the work of the external auditor;
- ◆ Internal assurance arrangements;
- ◆ the monthly management accounts process which is consistent across all schools; and
- ◆ the work of the Senior Leadership Team within the Trust which has responsibility for the development and maintenance of the internal control framework.

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



D. Cason

Chair of Board of Trustees of the Trust



L. Parr

Executive Headteacher and Accounting Officer

Approved on: 23rd December 2021

Statement on regularity, propriety and compliance 31 August 2021

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

I confirm that I and the 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 2020.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.

A handwritten signature in black ink, appearing to read 'Louise Parr', with a stylized flourish at the end.

L. Parr

Accounting Officer

Date: 23rd December 2021

Independent auditor's report on the financial statements 31 August 2021

The Trustees (who are also the directors of the Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Requirements issued 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 Trust and of 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 FRS 102 and the Academies Accounts Direction 2020 to 2021;
- ♦ make judgments and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom 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 Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Academy 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 Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended. The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the Trust'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 23rd December 2021 and signed on its behalf by:



D. Cason
Chair of Board of Trustees of the Trust

Independent auditor's report on the financial statements 31 August 2021

Independent auditor's report to the members of Astrum Multi Academy Trust

Opinion

We have audited the financial statements of Astrum Mutli Academy Trust (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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) (the Charities SORP 2019) and the Academies Accounts Direction 2020 to 2021.

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 2021 and of its income and expenditure, for the period then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Independent auditor's report on the financial statements 31 August 2021

Conclusions relating to going concern (continued)

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ♦ the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has 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 trustees' report including the strategic report.

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

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

Independent auditor's report on the financial statements 31 August 2021

Matters on which we are required to report by exception (continued)

- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;

Independent auditor's report on the financial statements 31 August 2021

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

- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2020 to 2021, the Academies Financial Handbook 2020, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;
- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and papers provided to the trustees.
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of trustees' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and

Independent auditor's report on the financial statements 31 August 2021

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

- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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

Use of our report

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

Buzzacott LLP

23.12.2021

Hugh Swainson (Senior Statutory Auditor)

For and on behalf of Buzzacott LLP, Statutory Auditor

130 Wood Street

London

EC2V 6DL

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

In accordance with the terms of our engagement letter dated 8 July 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by the Astrum Multi Academy Trust during the period from 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Astrum Multi Academy Trust's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of Astrum Multi Academy Trust's funding agreement with the Secretary of State for Education dated 24 July 2017 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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.

Independent reporting accountant's report 31 August 2021

Approach (continued)

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

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

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

Buzzacott LLP

23.12.2021

Buzzacott LLP
Reporting Accountants
130 Wood Street
London
EC2V 6DL

Statement of financial activities Year to 31 August 2021
(including income and expenditure account)

	Notes	Restricted funds			2021 Total funds £'000	2020 Total funds £'000
		Un- restricted general fund £'000	Restricted general fund £'000	Fixed assets fund £'000		
Income from:						
. Donations and capital grants	1	3	—	8,394	8,397	62
Charitable activities						
. Funding for the Trust's educational operations	3	—	5,544	—	5,544	4,712
. Other trading activities	2	14	—	—	14	42
Total income		17	5,544	8,394	13,955	4,816
Expenditure on:						
Charitable activities						
. Trust's educational operations	4	14	5,782	363	6,159	5,379
Total expenditure		14	5,782	363	6,159	5,379
Net income (expenditure)		3	(238)	8,031	7,796	(563)
Transfer between funds	13	—	(72)	72	—	—
Other recognised gains and losses						
Actuarial (loss) gain on defined benefit pension scheme	17	—	(900)	—	(900)	216
Net movement in funds		3	(1,210)	8,103	6,896	(347)
Reconciliation of funds						
Fund balances brought forward at 1 September 2020		795	(2,686)	8,481	6,590	6,937
Fund balances carried forward at 31 August 2021		798	(3,896)	16,584	13,486	6,590

All of the academy trust's activities derive from continuing operations in the above two financial periods.

All gains and losses are included in the Statement of Financial Activities.

Balance sheet 31 August 2021

	Notes	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed assets					
Tangible fixed assets	10		16,572		8,481
Current assets					
Debtors	11	413		447	
Cash at bank and in hand		1,083		979	
		1,496		1,426	
Liabilities					
Creditors: amounts falling due within one year	12	(314)		(453)	
Net current assets			1,182		973
Net assets excluding pension scheme liability			17,754		9,454
Pension scheme liability	17		(4,268)		(2,864)
Total net assets			13,486		6,590
Funds of the Trust					
Restricted funds					
. Fixed assets fund	13		16,584		8,481
. Restricted income	13		372		178
. Pension reserve	13		(4,268)		(2,864)
			12,688		5,795
Unrestricted funds					
. General fund	13		798		795
Total funds			13,486		6,590

The financial statements were approved by the Trustees, and authorised for issue on 23rd December 2021 and are signed on their behalf by:



D. Cason

Chair of Trustees of the Trust
Astrum Multi Academy Trust
Company Limited by Guarantee
Registration Number: 10818052 (England and Wales)

Statement of cash flows Year to 31 August 2021

		2021 £'000	2020 £'000
Cash inflows from operating activities			
Net cash provided by operating activities	A	(7,864)	15
Cash flows from investing activities	C	7,968	(105)
Change in cash and cash equivalents in the year		104	(90)
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September 2020		979	1,069
Cash and cash equivalents at 31 August 2021	B	1,083	979

A Reconciliation of net income (expenditure) to net cash provided by operating activities

	2021 £'000	2020 £'000
Net expenditure for the year (as per the statement of financial activities)	7,796	(563)
Adjusted for:		
Inherited tangible assets (note 10)	(8,028)	—
Depreciation (note 10)	363	264
Capital grants from DfE and other capital income	(8,394)	(58)
Defined benefit pension scheme cost less contributions payable (note 17)	451	361
Defined benefit pension scheme finance cost (note 17)	53	55
Decrease in debtors	34	2
Decrease in creditors	(139)	(46)
Net cash provided by operating activities	(7,864)	15

B Analysis of cash and cash equivalents

	2021 £'000	2020 £'000
Cash at bank and in hand	1,083	979

C Cash flows from investing activities

	2021 £'000	2020 £'000
Purchase of tangible fixed assets	(426)	(163)
Capital grants from DfE/EFSA	8,394	58
Net cash used in investing activities	7,968	(105)

Statement of cash flows Year to 31 August 2021

D Analysis of changes in net debt

	At 1 September 2020 £'000	Cash flows £'000	At 31 August 2021 £'000
Cash	979	104	1,083

Principal accounting policies Year to 31 August 2021

Statement of accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are presented in sterling to the nearest thousand pounds.

The comparative figures cover the year to 31 August 2020.

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 making their assessment, the trustees have considered the impact of coronavirus.

Income

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

Grants

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

Principal accounting policies Year to 31 August 2021

Income (continued)

Grants (continued)

The General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement 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. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations

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

Donated assets

Donations assets are recognised in income on a receivable basis, and valued at the best estimation of fair value.

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.

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.

Charitable activities

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

All expenditure is stated net of recoverable VAT.

Principal accounting policies Year to 31 August 2021

Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Trust's depreciation policy.

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

Leasehold buildings	Over 41 years, or over 50 years
Computer equipment	Over 3 years
Furniture and equipment	Between 3 and 10 years

Depreciation is charged from the month of acquisition.

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

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Leased assets

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

Principal accounting policies Year to 31 August 2021

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 11. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 12. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 17, 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 recognised in the period to which they relate.

Principal accounting policies Year to 31 August 2021

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 in other recognised gains and losses.

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

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted ESFA funds comprise all other grants received from the Education and Skills Funding Agency.

Restricted other funds comprise all other restricted funds received and include grants from the Local Authority, London Borough of Redbridge.

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.

Principal accounting policies Year to 31 August 2021

Critical accounting estimates and areas of judgement (continued)

Critical accounting estimates and assumptions (continued)

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 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Notes to the financial statements Year to 31 August 2021

1 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	2021 Total funds £'000
Capital grants	—	—	366	366
Donated fixed assets (see note 10)	—	—	8,028	8,028
Other donations	3	—	—	3
	<u>3</u>	<u>—</u>	<u>8,394</u>	<u>8,397</u>

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	2020 Total funds £'000
Capital grants	—	—	58	58
Other donations	4	—	—	4
	<u>4</u>	<u>—</u>	<u>58</u>	<u>62</u>

2 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000
Hire of facilities	14	—	14
	<u>14</u>	<u>—</u>	<u>14</u>

	Unrestricted funds £'000	Restricted funds £'000	2020 Total funds £'000
Hire of facilities	28	—	28
Catering income	—	1	1
Miscellaneous income	13	—	13
	<u>41</u>	<u>1</u>	<u>42</u>

Notes to the financial statements Year to 31 August 2021

3 Funding for academy's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2021 Total funds £'000
DfE / ESFA grants			
. General Annual Grant (GAG)	—	1,614	1,614
Other DfE / ESFA			
. UIFSM	—	4	4
. Pupil Premium	—	50	50
Other DfE Group grants			
. Others	—	422	422
	—	2,090	2,090
Other government grants			
. Local Authority grants	—	3,399	3,399
	—	3,399	3,399
COVID-19 additional funding (DfE/ESFA)			
Catch-up premium	—	36	36
Other DfE/ESFA COVID-19 funding	—	19	19
	—	55	55
2021 Total funds	—	5,544	5,544

The trust received £36,000 of funding for catch-up premium and this was fully spent in the year ended 31 August 2021.

Newbridge School was required to stay open throughout a number of the lockdown periods as well as school holidays for its vulnerable pupils and was eligible to make claims for expenditure from the Coronavirus (COVID-19) Schools Fund against staffing costs and other costs such as additional hygiene and cleaning materials, PPE, costs related to the reconfiguration and change of room purpose to accommodate social distancing regulations etc. totalling £19,000. All of these claims were set against costs already expended by the school and therefore was fully spent.

*Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified in the note on the following page.

Notes to the financial statements Year to 31 August 2021

3 Funding for academy's educational operations (continued)

	Unrestricted funds £'000	Restricted funds £'000	*2020 Total funds £'000
<i>DfE / ESFA grants</i>			
. General Annual Grant (GAG)	—	1,483	1,483
<i>Other DfE / ESFA grants</i>			
. UIFSM	—	4	4
. Pupil Premium	—	52	52
. Others	—	191	191
<i>Other government grants</i>			
. Local Authority grants	—	2,978	2,978
	<u>—</u>	<u>4,708</u>	<u>4,708</u>
COVID-19 additional funding			
Other COVID-19 funding	—	3	3
Other income from the academy's educ. operations	—	1	1
2020 Total funds	<u>—</u>	<u>4,712</u>	<u>4,712</u>

In the prior year, the academy trust was eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

The funding received for coronavirus exceptional support covers £2,638 of virus control related costs. These costs are included in notes 5 and 6 below as appropriate.

Notes to the financial statements Year to 31 August 2021

4 Expenditure on charitable activities – Trust's educational operations

	Staff costs £'000	Non pay expenditure		2021 Total funds £'000
		Premises £'000	Other costs £'000	
Trust's educational operations				
. Direct costs	2,235	327	129	2,691
. Allocated support costs (see note 5)	2,779	300	389	3,468
	5,014	627	518	6,159

	Staff costs £'000	Non pay expenditure		2020 Total funds £'000
		Premises £'000	Other costs £'000	
Trust's educational operations				
. Direct costs	1,968	264	24	2,256
. Allocated support costs	2,676	253	194	3,123
	4,644	517	218	5,379

	2021 Total funds £'000	2020 Total funds £'000
Net expenditure for the period include:		
Depreciation	363	264
Fees payable to auditor		
. Statutory audit	15	10
. Other services	2	4

5 Analysis of support costs

	2021 Total funds £'000	2020 Total funds £'000
Support staff costs	2,779	2,676
Depreciation	36	26
Technology costs	66	48
Premises costs	300	227
Legal costs	42	—
Other support costs	222	124
Governance costs	23	22
Total support costs	3,468	3,123

Notes to the financial statements Year to 31 August 2021

6 Comparative information

Analysis of income and expenditure in the year to 31 August 2020 between restricted and unrestricted funds:

	Un-restricted general fund £'000	Restricted funds		2020 Total funds £'000
		Restricted general fund £'000	Fixed assets fund £'000	
Income from:				
. Donations and capital grants	4	—	58	62
Charitable activities				
. Funding for the Trust's educational operations	—	4,712	—	4,712
. Other trading activities	41	1	—	42
. Investments	—	—	—	—
Total income	45	4,713	58	4,816
Expenditure on:				
Charitable activities				
. Trust's educational operations	41	5,074	264	5,379
Total expenditure	41	5,074	264	5,379
Net income (expenditure)	4	(361)	(206)	(563)
Transfer between funds	—	(105)	105	—
Other recognised gains and losses				
Actuarial gain on defined benefit pension scheme	—	216	—	216
Net movement in funds	4	(250)	(101)	(347)
Reconciliation of funds				
Fund balances brought forward at 1 September 2019	791	(2,436)	8,582	6,937
Fund balances carried forward at 31 August 2020	795	(2,686)	8,481	6,590

Notes to the financial statements Year to 31 August 2021

7 Staff

(a) Staff costs

Staff costs during the period were:

	2021 Total funds £'000	2020 Total funds £'000
Wages and salaries	3,298	3,053
Social security costs	303	268
Pension costs	1,167	1,103
	4,768	4,424
Supply staff costs	241	203
Staff restructuring costs	5	17
	5,014	4,644

(b) Staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil in 2021 (2020 – £16,422 paid to one member of staff).

(c) Staff numbers

The average number of persons (including the senior management team) employed by the charitable company during the period ended 31 August 2021 was as follows:

Charitable activities	2021 No.	2020 No.
Teachers	29	26
Administration and support	124	133
Management	5	7
	158	166

	2021 FTE	2020 FTE
Teachers	26	23
Administration and support	75	77
Management	6	8
	107	108

Notes to the financial statements Year to 31 August 2021

7 Staff (continued)

(d) Higher paid staff

	2021 No.	2020 No.
£60,001 - £70,000	1	3
£70,001 - £80,000	2	1
£110,001 - £120,000	1	1

(e) Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior leadership team who include the Executive Headteacher, the Heads and Deputy Heads of the two schools and the Trust Business Lead. The total amount of employee benefits (including employer's pension contributions and employer's national insurance contributions) received by key management personnel for their services to the academy trust was £450,000 (2020 - £621,000).

8 Trustees' remuneration and expenses

The Executive Headteacher only receives remuneration in respect of services she provides undertaking the role of Executive Headteacher/CEO and not in respect to her services as Trustee. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees. The value of trustees' remuneration and other benefits whilst in office was as follows:

	2021 £'000	2020 £'000
Louise Parr, Executive Headteacher and trustee		
. Remuneration	116	113
. Employer's pension contributions	27	27

During the period to 31 August 2021, £300 of travel and subsistence expenses were reimbursed to one Trustee (2020 – none).

Other related party transactions involving the trustees are set out in note 18.

9 Trustees' and Officers' insurance

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees' and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10 million on any one claim and the cost for the period ended 31 August 2021 was included within the overall insurance premium.

Notes to the financial statements Year to 31 August 2021

10 Tangible fixed assets

	Leasehold land and buildings £'000	Furniture and equipment £'000	Computer equipment £'000	Total funds £'000
Cost/valuation				
At 1 September 2020	9,022	77	135	9,234
Donated assets	7,787	228	13	8,028
Additions	266	26	134	426
At 31 August 2021	17,075	331	282	17,688
Depreciation				
At 1 September 2020	636	35	82	753
Charge in year	292	19	52	363
At 31 August 2021	928	54	134	1,116
Net book value				
At 31 August 2021	16,147	277	148	16,572
At 1 September 2020	8,386	42	53	8,481

The academy trust's transactions relating to land and buildings included the acquisition of the Hatchside School building (donated by the ESFA) assigned a value of £7,787,000.

11 Debtors

	2021 £'000	2020 £'000
Trade debtors	186	329
Prepayments and accrued income	227	118
	413	447

12 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Taxation and social security	63	59
Trade creditors	111	145
VAT	7	—
Other creditors	93	81
Accruals and deferred income	40	168
	314	453

	2021 £'000	2020 £'000
Deferred income at 1 September	13	274
Released from previous years	(13)	(274)
Resources deferred in the year	—	13
Deferred income at 31 August	—	13

Deferred income at the balance sheet date in the prior year consisted of Higher Needs funding received in advance and lettings income received in advance.

Notes to the financial statements Year to 31 August 2021

13 Funds

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general fund					
. General Annual Grant (GAG)	178	1,614	(1,348)	(72)	372
. Other DfE/ESFA grants					
. UIFSM	—	4	(4)	—	—
. Pupil premium	—	50	(50)	—	—
. Covid Catch-up premium	—	36	(36)	—	—
. Other DfE/ESFA Covid funding	—	19	(19)	—	—
. Other	—	3,821	(3,821)	—	—
. Pension reserve	(2,864)	—	(504)	(900)	(4,268)
	<u>(2,686)</u>	<u>5,544</u>	<u>(5,782)</u>	<u>(972)</u>	<u>(3,896)</u>
Fixed assets fund					
. Transfer on conversion	8,262	8,028	(292)	—	15,998
. DfE / ESFA capital grants	70	366	(19)	—	417
. Capital expenditure from GAG	140	—	(50)	72	162
. Private sector capital sponsorship	9	—	(2)	—	7
	<u>8,481</u>	<u>8,394</u>	<u>(363)</u>	<u>72</u>	<u>16,584</u>
Total restricted funds	5,795	13,938	(6,145)	(900)	12,688
Unrestricted fund					
. General funds	795	17	(14)	—	798
	<u>795</u>	<u>17</u>	<u>(14)</u>	<u>—</u>	<u>798</u>
Total funds	6,590	13,955	(6,159)	(900)	13,486

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

ESFA revenue grant fund and other restricted funds

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 31 August 2021.

Other funds relate to monies received for specific purposes such as pupil premium funding.

Fixed asset fund

Restricted fixed assets funds were funded by government grants or donations. When capital expenditure is incurred a transfer is made from the fund which funded the acquisition to the restricted fixed asset fund. That asset is then depreciated through the restricted fixed asset fund over the lifetime of that asset.

Pension reserve

The pension reserve relates to the local government pension scheme liability.

Notes to the financial statements Year to 31 August 2021

13 Funds (continued)

Comparative information

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general fund					
. General Annual Grant (GAG)	—	1,483	(1,200)	(105)	178
. UIFSM	—	4	(4)	—	—
. Pupil premium	—	52	(52)	—	—
. Other DfE/ESFA group grants	—	191	(191)	—	—
. Coronavirus exceptional support	—	3	(3)	—	—
. Local authority grants	228	2,978	(3,207)	—	—
. Other	—	1	(1)	—	—
. Pension reserve	(2,664)	—	(416)	216	(2,864)
	<u>(2,436)</u>	<u>4,712</u>	<u>(5,073)</u>	<u>111</u>	<u>(2,686)</u>
Fixed assets fund					
. Transfer on conversion	8,482	—	(220)	—	8,262
. DfE / ESFA capital grants	20	58	(8)	—	70
. Capital expenditure from GAG	71	—	(36)	105	140
. Private sector capital sponsorship	9	—	—	—	9
	<u>8,582</u>	<u>58</u>	<u>(264)</u>	<u>105</u>	<u>8,481</u>
Total restricted funds	6,146	4,770	(5,338)	216	5,795
Unrestricted fund					
. General funds	791	45	(41)	—	795
	<u>791</u>	<u>45</u>	<u>(41)</u>	<u>—</u>	<u>795</u>
Total funds	6,937	4,815	(5,378)	216	6,590

Analysis of fund by academy

Fund balances at 31 August 2021 were as follows:

	2021 £'000	2020 £'000
Hatchside School	193	—
Newbridge School	977	973
Total before fixed assets and pension reserve	1,170	973
Restricted fixed asset fund	16,584	8,481
Pension	(4,268)	(2,864)
Total	13,486	6,590

Notes to the financial statements Year to 31 August 2021

13 Funds (continued)

After the opening of Hatchside School on 1st April 2021, the trust continued to recharge the central team costs incurred by Newbridge School to Hatchside School and will continue to do so throughout the coming year 2021-22 whilst the school roll builds and stabilises. This will continue to be reviewed going forwards.

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

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Total 2021 £'000
Hatchside School	134	93	17	68	312
Newbridge School	1,862	2,475	112	602	5,051
	1,996	2,568	129	670	5,363

In the prior year, all expenditure related to Newbridge School.

14 Analysis of net assets between funds

Group	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Total 2021 £'000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	—	—	16,572	16,572
Current assets	798	686	12	1,496
Current liabilities	—	(314)	—	(314)
Pension scheme liability	—	(4,268)	—	(4,268)
Total net assets	798	(3,896)	16,584	13,486

Group	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset fund £'000	Total 2020 £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	—	—	8,481	8,481
Current assets	795	631	—	1,426
Current liabilities	—	(453)	—	(453)
Pension scheme liability	—	(2,864)	—	(2,864)
Total net assets	795	(2,686)	8,481	6,590

15 Commitments under operating leases

Operating leases

At 31 August 2021 and 31 August 2020, the Academy's had no material operating lease commitments.

Notes to the financial statements Year to 31 August 2021

16 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.

17 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the London Borough of Redbridge. They are a multi-employer defined benefit schemes.

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

There were £86,053 contributions payable to the schemes at 31 August 2021 (2020 - £75,643).

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

- ♦ employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy);
- ♦ total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million; and

Notes to the financial statements Year to 31 August 2021

17 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023. The employer's pension costs paid to TPS in the period amounted to £344,927 (2020 - £299,000). A copy of the valuation report and supporting documentation is on the [Teachers' Pension Scheme website](#). Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme (LGPS)

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 2021 was £470,000 (2020 - £459,000) of which employer's contributions totalled £372,000 (2020 - £369,000) and employees' contributions totalled £98,000 (2020 - £90,000). The agreed employer contribution rates for 2021-22 remains at 22.10% of pensionable pay and employee contribution rates between 5.5% and 12.5% of pensionable pay.

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

Principal Actuarial Assumptions	At 31 August 2021	At 31 August 2020
Rate of increase in salaries	2.9%	2.2%
Rate of increase for pensions in payment / inflation	2.9%	2.2%
Discount rate for scheme liabilities	1.7%	1.7%

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

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	21.8	21.6
Females	24.2	23.7
<i>Retiring in 20 years</i>		
Males	23.0	22.5
Females	26.0	25.3

Notes to the financial statements Year to 31 August 2021

17 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumption at 31 August 2021:	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount £'000
0.1% decrease in Real Discount Rate	2%	237
1 year increase in member life expectancy	4%	384
0.1% increase in the Salary Increase Rate	0%	18
0.1% increase in the Pension Increase Rate	2%	216

Change in assumption at 31 August 2020:	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount £'000
0.5% decrease in Real Discount Rate	13%	832
0.5% increase in the Salary Increase Rate	2%	110
0.5% increase in the Pension Increase Rate	11%	707

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

	Fair value at 31 August 2021 £'000	Fair value at 31 August 2020 £'000
Equities	3,886	2,956
Bonds	798	780
Property	586	328
Cash and other liquid assets	53	41
Total market value of assets	5,323	4,105
Present value of scheme liabilities		
· Funded	(9,591)	(6,969)
Deficit in the scheme	(4,268)	(2,864)

Amounts recognised in statement of financial activities	2021 £'000	2020 £'000
Current service cost	(823)	(730)
Interest income	73	73
Interest cost	(126)	(128)
Total amount recognised in the SOFA	(876)	(785)

Notes to the financial statements Year to 31 August 2021

17 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

	2021 £'000	2020 £'000
Reconciliation of net liability at 31 August 2021		
Defined benefit obligation	(9,591)	(6,969)
Share of scheme assets	5,323	4,105
Net pension liability	(4,268)	(2,864)

Changes in the present value of defined benefit obligations were as follows:	2021 £'000	2020 £'000
At 1 September 2020	(6,969)	(6,313)
Current service cost	(823)	(730)
Interest cost	(126)	(128)
Employee contributions	(98)	(90)
Actuarial (loss) gain	(1,616)	253
Benefits paid	41	39
At 31 August 2021	(9,591)	(6,969)

Changes in the fair value of the Academy's share of scheme assets:	2021 £'000	2020 £'000
At 1 September 2020	4,105	3,649
Actuarial gain	73	73
Expected return on assets	716	(37)
Employer contributions	372	369
Employee contributions	98	90
Benefits paid	(41)	(39)
At 31 August 2021	5,323	4,105

18 Related party transactions

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of Trustees may have an interest. All transactions involving such organisations are conducted in accordance with the Trust's financial regulations and normal procurement procedures.

The daughter of the CEO and Executive Headteacher has a contract of employment with the Trust. During the period from 1 September 2020 to 31 August 2021 she received gross pay of £77,649 (2020 - £75,660) and employer's pension contributions of £18,387 (2020 - £17,895), and was paid at standard pay scales.

The academy trust conducted the above related party transactions in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with their financial regulations and procurement procedures.

Notes to the financial statements Year to 31 August 2021

19 Commitments

At 31 August 2021 the Trust had £nil capital commitments (at 31 August 2020 – the Trust was committed to paying £24,790 of costs towards capital works in relation to an upgraded safeguarding area).