

Company Registration Number: 07563436 (England & Wales)

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. The first part of the paper is devoted to the study of the properties of the function $f(x)$.

2. In the second part, we consider the case when $f(x)$ is a polynomial of degree n .

3. The third part is devoted to the study of the function $f(x)$ when n is even.

4. In the fourth part, we consider the case when $f(x)$ is a polynomial of degree n and n is odd.

5. The fifth part is devoted to the study of the function $f(x)$ when n is even and n is odd.

6. In the sixth part, we consider the case when $f(x)$ is a polynomial of degree n and n is even.

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Diocese of St Albans Educational Trust Mr N Kier (appointed by the Diocese of St Albans Educational Trust) Mr D Morton (appointed by the Diocese of St Albans Educational Trust) Mr C Osborne (appointed by the Diocese of St Albans Educational Trust) Mrs E J Ferguson (Chair of Trustees)
Trustees	Mr S P Andrews (resigned 9 September 2019) Mr R Clifton (appointed 7 April 2020) Mrs S H Evans (appointed 30 October 2019) Mrs E J Ferguson, Chair of Trustees Mrs L M Fraser Mr J R Huntley (appointed 30 October 2019) Mr N Papé (resigned 19 January 2020) Mrs A Papé (appointed 30 October 2019) Rev R S Stokes, Vice Chair
Company registered number	07563436
Company name	Unity Church of England Multi Academy Trust
Principal and registered office	Great Barford Church of England Primary Academy Silver Street Great Barford Bedford Bedfordshire MK44 3HZ
Senior management team	Mrs S Evans, Headteacher Mrs S Collins, Assistant Headteacher Mrs S Ingram, Business Manager
Independent auditors	Streets Audit LLP Chartered Accountants Statutory Auditors Potton House Wyboston Lakes Great North Road Wyboston Bedfordshire MK44 3BZ
Bankers	Natwest Bank plc 81 High Street Bedford MK40 1YN

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

Solicitors Stone King LLP
Boundary House
91 Charterhouse Street
London
EC1M 6HR

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

Structure, governance and management

The Multi Academy Trust has one school within the Trust, Great Barford Primary Academy. The school serve a catchment area covering the village of Great Barford as well as surrounding villages and towns, and the educational provision extends to children from nursery to 11 years for this period. Great Barford Primary Academy has a pupil capacity of 300 and had a roll of 220 at the census in October 2019.

Since the Multi Academy Trust qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

a. Constitution

The Multi Academy Trust (MAT) is a charitable 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 Unity Church of England Multi Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company's Memorandum of Association is the primary governing document of the Multi Academy Trust.

The Trustees of Unity Church of England Multi Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is also known as Unity CEMAT.

Details of the Trustees who served during the period, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. 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.

c. Trustees' indemnities

In accordance with normal commercial practice, the MAT has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000.

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The management of the MAT is the responsibility of the trustees who are elected and co opted under the terms of the Articles of Association.

The Articles of Association set out the requirement for the trust to have at a minimum of 5 directors, comprising:

- up to 2 staff directors, and
- a minimum of 2 parent directors where no provision is made for representatives on Local Governing Bodies
- up to 2 co-opted directors (appointed with the consent of the Diocesan Board of Education)

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher, subject to remaining eligible to be a particular type of trustee, any trustee can be re appointed or re elected. Since the last AGM, we have had one appointment, Mr Roy Clifton and one termination of trustee, Mr Nicholas Papé.

The Chair and Vice Chair are elected annually. Trustees appoint the Headteacher who has responsibility for the day to day management of the academy. Trustees appoint a clerk who is responsible for trustee induction, meeting arrangements, company secretary duties and minute taking and who ensures each trustee receives a current copy of the 'Guide to the Law'.

The MAT has adopted a scheme of delegation whereby each member school has a separate, local governing body. However, as the MAT currently has just one school, it is not considered necessary to maintain this structure at the present time.

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new trustees will depend upon their existing experience but would usually include a tour of the academy school and a chance to meet staff and pupils. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustee. As there are normally only one or two new trustees a year, induction tends to be done informally and is tailored specifically to the individual. Full advantage is taken of specific courses offered by the Local Authority; again, dependent upon the trustee's experience and recent training history.

f. Organisational structure

The board of trustees establishes an overall framework for the governance of the MAT and determines membership, terms of reference and procedures of committees. The Scheme of Delegation devolves authorisation to the Local Governing Body especially in the areas of curriculum and standards, the trust receives reports from the Local Governing Body for ratification. Day to day management is delegated to the Headteacher and members of the leadership team in the school.

The board may from time to time establish working groups to perform specific tasks over a limited timescale. Curriculum subject leaders report to Academy Council on a rotational basis and all trustees have enhanced Disclosure and Barring Service (DBS) clearance.

Mrs S Evans, Headteacher of Great Barford Primary Academy, is the Accounting Officer for the MAT, and was appointed on 1st September 2017 and appointed CEO on 1st September 2019.

Mrs S Ingram, Business Manager of Great Barford Primary Academy, is CFO for the Multi Academy Trust, appointed on 1st September 2019.

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

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

No trustee receives any remuneration for their work as a trustee.

Key management personnel is determined as the Headteacher, Assistant Headteacher and School Business Manager.

The trust's pay for the Headteacher and Assistant Headteacher is set within the school group range in the School Teacher Pay and Conditions Document. Where it has proved difficult to recruit, as in the case of the Headteacher, Trustees have discretion to include a discretionary percentage in line with other posts of similar responsibility.

School Business Manager pay uses the NJC Scales published by the Local Authority. Any change in salary is supported by re evaluation of job description, which is then bench marked with other posts with similar responsibilities across the Authority.

The trustees meet termly to review staffing matters, including salaries and pay awards and to make any changes to salary structures with advice from HR. The school salary policy and appraisal policies are reviewed and ratified by the trustees' annually.

h. Related parties and other connected charities and organisations

There are no related parties which either control or significantly influence the decisions and operations of Unity Church of England Multi Academy Trust, though it works with 'Friends of Great Barford Primary Academy' in the pursuit of charitable activities and fundraising.

As a Church of England Trust the MAT is part of the Diocese of St Albans.

Related party relationships arising from the trustees' positions within other connected organisations are included on the register of business interests which is available from the trust's website. ~~Details of any transactions with related parties are disclosed in note 24.~~

i. Trade Union Facility Time

There were no employees who were relevant union officials during the year.

Objectives and activities

a. Objects and aims

The aims of the Multi Academy Trust are "to provide the best possible education for our children, helping them to achieve the fullness of their potential whilst supporting and developing our staff and communities."

The trust seeks to be a school led MAT, staying small enough to care while being large enough to share our resources.

The values and ethos statement for GBPA:

We seek to act on Jesus' call "He came to bring us life in its fullness". This begins with loving ourselves as well others. At our school we actively promote the opportunity for all to thrive and meet their full potential now and in the future. Through promoting and living our Christian Values we are one family in diversity.
John 10:10b, Mark 12:29-31, Eph 4:11-13, John 17:11b

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

Objectives and activities (continued)

b. Objectives, strategies and activities

Key activities and targets for GBPA includes the following:

- To ensure the curriculum is enriched, purposeful and engaging and meets the needs of our children
- To develop the skills of middle leaders so that they can improve the quality of teaching and raise standards in their areas of responsibility
- To support our children and their wide families through the Covid-19 pandemic
- To ensure that communication with families is both timely and of a high quality, so that parents have confidence in, and fully understand the reasons behind school leaders' decisions
- To improve the quality of teaching and raise standards by ensuring that:
 - teachers have consistently high expectations of what pupils can achieve across a full range of subjects
 - teachers routinely set work which challenges and stretches the most able pupils to achieve as well as they can
 - teaching effectively promotes pupils' personal development and enables them to develop their social skills in different contexts and situations so they are being well prepared for adult life
- To make explicit, develop and embed the Christian values and ethos
- To expand the primary provision in Great Barford
- To increase the schools in Unity C&E MAT

c. Public benefit

The trustees confirm that they have complied with the duty to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the trust's aims and objectives and in planning its future activities.

Strategic report

Achievements and performance

This year GBPA continued developing the leadership and staff structures to achieve our aims for future growth, developing staff skills through training opportunities on all levels. The unprecedented situation of Covid-19 brought us challenging and uncertain times. The school kept running for the key workers from our school and other schools and due to the systems we already had in place staff were able to work from home straight away, creating distance learning for all children. One of our key targets was communication and we have developed effective processes and throughout lockdown provided timely, relevant and accurate communication which was well received by the community. The trust is currently seeking to establish a strategy to increase the schools within the Trust.

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

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

Key Performance Indicators 2019-2020 upto:	Aug-20	Help Text
Total Staff Costs (£)	1,159,279.42	Total of all staffing costs incl. Other Expenditure (EL 300, EL 301, EL 302, EL 303a, EL 303b, EL 303c, EL 303d, EL 303e)
Total Staff Costs to EFA Revenue Income(%)	101%	£1,142,628.84
Total Staff Costs to Total Income (%)	70%	£1,653,777.28
Total Staff Costs as Proportion of Total Expense (%)	73%	£1,588,949.26
FTE Teaching Staff	12.3	Total of teaching staff FTEs (EL 300, EL 301)
FTE Support Staff	19.2	Total of non-teaching staff FTEs (EL 302, EL 303a, EL 303b, EL 303c, EL 303d, EL 303e)
Total FTE	31.5	Total of all staff FTEs
Total Pupil Numbers by Lagged Pupil Numbers	255	Matches the totals on the Pupil Numbers page
Pupil Teacher Ratio as per Lagged Pupil Numbers	21	Total pupils ÷ Total of teaching staff FTE
Average Teacher Cost (£)	50,747	£624,190.78
Spend per pupil for non-pay expenditure lines (£)	£1,684.98	£429,669.84

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

Strategic report (continued)

Achievements and performance (continued)

Pupil attendance

Period: 03/09/2019 to 28/02/2020

Pupils DOB Range: 01/09/2004 - 31/08/2015

Scope: Whole School

Percentage of Sessions

Group	Presents	AEA	Authorised Absences	Unauthorised Absences	Possible	% Attend
Whole School	95.9	0.2	3.4	0.5	100.0	96.1
Totals	95.9	0.2	3.4	0.5	100.0	96.1

Key stage results

School closed on 20th March due to the Covid-19 pandemic. The school reopened on March 23rd providing care for key worker and vulnerable children only until June 1st. On June 1st we began to offer part time schooling to Year N, R, 1, and 6. This was on a staggered basis with only 8 children in each year group on site at a time. Key worker and vulnerable groups stayed in their own separate bubbles.

Throughout this time home learning was provided for all children.

Statutory testing did not take place during the academic year due to the pandemic.

Ofsted

Our current OFSTED rating is RI following an inspection in February 2019. We are awaiting our next inspection but they will not recommence until January 2021.

b. Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Financial review

a. Reserves policy

The trustees have given careful consideration to the level of reserves held by the Multi Academy Trust. The trust seeks to maintain its commitment to delivering high quality education at the best value for money, within the funding available from the ESFA and other sources.

The budget for 2019/20 forecasted a small in-year surplus, this takes account of the improvements to the staffing structure and training to create an environment for growth within the school and trust, also continuing to improve and develop our premises for primary education. However, the MAT was notified in February 2020 that there would be a GAG clawback of £217,558 for 2019/20 which has completely eliminated the trust's reserves. Also, due to the impact of Covid-19, we have had a loss of self-generated income and an increase in costs that will continue into the new academic year. In April 2020, the trust agreed a repayment plan for the GAG clawback with the ESFA, to minimise the cashflow impact of the repayment and the trustees have monitored the level of reserves closely during the year.

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

It is difficult to determine the level of reserves needed for the future provision of primary education in the village and for the development of the MAT, and the trustees continue to monitor the situation closely.

b. Investment policy

The trust's investment policy aims to ensure that:

- The academy trust's funds are only in accordance with the law, its articles of association, its funding agreement and the Academies Financial Handbook
- The trust's funds are used in a way that commands broad public support
- Value for money (economy, efficiency and effectiveness) is achieved
- Trustees fulfil their duties and responsibilities as charitable trustees and company directors.

c. Principal risks and uncertainties

The principal risks and uncertainties facing the schools are as follows:

Financial - the trust has considerable reliance on continued Government funding through the ESFA. The level of funding is dependent on pupil numbers and there is no assurance that Government policy or practice will remain the same, or that public funding will continue at the same levels or on the same terms. COVID19 has had an impact financially on our self-generated income i.e. out of school care income, lettings income and fundraising.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Safeguarding and child protection - the trustees continue to ensure that the highest standards are maintained in the areas of ~~recruitment, selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.~~

Staffing - The success of the trust is reliant on the quality of its staff and so the trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Pension Liability - The trust has a large pension liability due to one school in the trust closing. The trustees closely monitor the pension liability.

Fraud and mismanagement of funds - The trust has appointed Strictly Education Limited as internal auditor, to carry out a programme of checks on the financial systems and records, as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. The risk register is reviewed and updated on a regular basis.

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

Fundraising

The trust is committed to fundraising practices therefore following the 6 principles of fundraising.

- Planning effectively
- Supervising the trust's fundraisers
- Protecting the trust's charity reputation, money and other assets
- Identifying and ensuring compliance with the laws or regulations that apply specifically to the trust
- Identifying and following any recognised standards that apply to the trust's fundraising
- Being open and accountable

Plans for future periods

The trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at its member schools, to ensure they achieve their potential .

The trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives and develop its facilities to provide the best educational opportunities for the pupils in its care.

The Trust will continue to expand the primary provision in Great Barford and extend the schools within the Unity CfE MAT.

Funds held as custodian on behalf of others

The Academy and its Governors do not act as the Custodian Trustees of any other Charity.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 3 December 2020 and signed on its behalf by:



Mrs E J Ferguson
Chair of trustees

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The board of Trustees has delegated the day-to-day responsibility to the 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 Unity Church of England Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 8 times during the year.

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

Trustee	Meetings attended	Out of a possible
Mr S P Andrews	0	0
Mr R Clifton	3	4
Mrs S H Evans	8	8
Mrs E J Ferguson, Chair of Trustees	8	8
Mrs L M Fraser	8	8
Mr J R Huntley	5	5
Mr N Papé	2	3
Mrs A Papé	7	7
Rev R S Stokes, Vice Chair	8	8

The Accounting Officer, Headteacher and Business Manager also attend the MAT board meetings.

The MAT board have sought to co opt individuals with the relevant skills and expertise to assist with the restructuring from 3 tier to 2 tier primary education within the village.

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Examining the costs of purchases, particularly large orders, for competitive pricing and sharing costs between member schools where appropriate
- Reviewing all contracts for value for money
- Reviewing all salary expenditure and keeping costs to a minimum whilst retaining good teachers and ensuring that the standard of education is maintained

The purpose of the system of internal control

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

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Multi Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Multi Academy Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the local governing bodies of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Trustees has decided to employ Strictly Education Ltd as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Multi Academy Trust's financial systems. In particular the checks carried out in the current period included:

- Autumn term- review of Purchasing, Petty Cash control, Fixed assets, budget monitoring and Data security.
- Spring term- review of Payroll, Annual accounts and audit, Pupil premium grant income, Purchases, Risk management and insurance and investments
- Summer term- review of Governance and finance policies, VAT and taxation, Income and banking controls and development plan.

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

The internal auditor has delivered their schedule of work as planned and the board of trustees and senior management team have reviewed the recommendations in order to continue the development of best practice within the trust.


Review of effectiveness

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


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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the board of trustees committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 3 December 2020 and signed on their behalf by:



Mrs E J Ferguson
Chair of Trustees



Mrs S H Evans
Accounting Officer

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST


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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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


Mrs S H Evans
Accounting Officer
Date: 3 December 2020

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

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

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


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

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

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

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

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



Mrs E J Ferguson
Chair of Trustees
Date: 3 December 2020

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Multi Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements which highlights the trust's negative reserves at the balance sheet date and limited opportunities for the trust to generate additional income given the current situation with the coronavirus pandemic. Whilst the Academy Trust will continue to receive grant funding from central and local government, these circumstances indicate that a material uncertainty exists that may cast significant doubt on the Multi Academy Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST (CONTINUED)

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Linda J Lord BSc BFP FCA TEP (Senior Statutory Auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants

Statutory Auditors

Potton House

Wyboston Lakes

Great North Road

Wyboston

Bedfordshire

MK44 3BZ

Date: 16/12/20

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 24 October 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Unity Church of England Multi Academy Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Unity Church of England Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Unity Church of England Multi Academy Trust's funding agreement with the Secretary of State for Education dated 14 March 2011 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw our conclusions included:

- Review of the Academy's systems and controls to ensure effective design.
- Confirmation of satisfactory operation of controls during the year, including authorisation of invoices, payments and salary adjustments.
- Review of a sample of expenses focusing on those nominal codes considered to include transactions of a greater risk.
- Review of the reports from internal scrutiny work undertaken during the year.
- Discussion with the Finance Team.

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO UNITY
CHURCH OF ENGLAND MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING
AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Linda J Lord BSc BFP FCA TEP
Streets Audit LLP
Chartered Accountants
Statutory Auditors

Date: 16/12/20

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	3	16,063	15,509	400,757	432,329	47,310
Charitable activities	4	-	1,195,169	-	1,195,169	1,356,141
Other trading activities	5	9,746	-	-	9,746	17,275
Investments	6	-	27,000	-	27,000	-
Total income		25,809	1,237,678	400,757	1,664,244	1,420,726
Expenditure on:						
Raising funds	7	11,596	-	-	11,596	23,161
Charitable activities	8	-	1,460,014	100,667	1,560,681	1,534,457
Total expenditure		11,596	1,460,014	100,667	1,572,277	1,557,618
Net income/(expenditure)		14,213	(222,336)	300,090	91,967	(136,892)
Transfers between funds	19	(145,488)	106,689	38,799	-	-
Net movement in funds before other recognised gains/(losses)		(131,275)	(115,647)	338,889	91,967	(136,892)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	25	-	(484,000)	-	(484,000)	(250,000)
Net movement in funds		(131,275)	(599,647)	338,889	(392,033)	(386,892)
Reconciliation of funds:						
Total funds brought forward		131,275	(1,253,865)	36,138	(1,086,452)	(699,560)
Net movement in funds		(131,275)	(599,647)	338,889	(392,033)	(386,892)
Total funds carried forward		-	(1,853,512)	375,027	(1,478,485)	(1,086,452)

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 25 to 49 form part of these financial statements.

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)
REGISTERED NUMBER: 07563436

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	285,834	36,138
		<u>285,834</u>	<u>36,138</u>
Current assets			
Stocks	15	-	3,797
Debtors	16	328,841	78,128
Cash at bank and in hand		221,976	200,410
		<u>550,817</u>	<u>282,335</u>
Creditors: amounts falling due within one year	17	(415,578)	(79,925)
Net current assets		<u>135,239</u>	<u>202,410</u>
Total assets less current liabilities		<u>421,073</u>	<u>238,548</u>
Creditors: amounts falling due after more than one year	18	(78,558)	-
Net assets excluding pension liability		<u>342,515</u>	<u>238,548</u>
Defined benefit pension scheme liability	25	(1,821,000)	(1,325,000)
Total net assets		<u><u>(1,478,485)</u></u>	<u><u>(1,086,452)</u></u>

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)
REGISTERED NUMBER: 07563436

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Funds of the Multi Academy Trust			
Restricted funds:			
Fixed asset funds	19	375,027	36,138
Restricted income funds	19	(32,512)	71,135
		<hr/>	<hr/>
Restricted funds excluding pension asset	19	342,515	107,273
Pension reserve	19	(1,821,000)	(1,325,000)
		<hr/>	<hr/>
Total restricted funds	19	(1,478,485)	(1,217,727)
Unrestricted income funds	19	-	131,275
		<hr/>	<hr/>
Total funds		(1,478,485)	(1,086,452)
		<hr/>	<hr/>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 21 to 49 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Mrs E J Ferguson
Chair of Trustees
Date: 3 December 2020

The notes on pages 25 to 49 form part of these financial statements.

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	21	(122,697)	(194,019)
Cash flows from investing activities	22	144,263	(923)
Change in cash and cash equivalents in the year		21,566	(194,942)
Cash and cash equivalents at the beginning of the year		200,410	395,352
Cash and cash equivalents at the end of the year	23, 24	221,976	200,410

The notes on pages 25 to 49 form part of these financial statements

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Multi Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future but there are material uncertainties about the Multi Academy Trust's ability to continue as a going concern thereafter.

At the balance sheet date, the Multi Academy Trust had negative restricted reserves, as explained in note 19. The Multi Academy Trust prepared detailed budgets for a period of 3 years and, in April 2020, agreed a plan to make the necessary repayments to the ESFA. At the time, they anticipated that these proposals would restore the trust to positive, free reserves over that period.

However, as noted in the trustees' report, the UK has experienced a pandemic of the coronavirus during the year. Whilst the School has been able to adapt its teaching and learning methods since March 2020, the academy's day to day activities, and in particular the nursery facilities and out of school care provision, have been significantly affected by action required to limit the spread of the virus. Whilst the School is continuing to develop new ways of working in a covid-secure environment, the long-term effects of the pandemic on the academy, and its future prospects, cannot be fully quantified.

The governors remain committed to the protection of the academy's activities and are actively monitoring the budget and actual results for the current year. They are continuing to seek additional funding to assist with the additional costs being incurred at the current time, and to ensure that the school can continue to meet the needs of the pupils in its care. As a consequence, the trustees have continued to adopt the going concern basis for the preparation of the accounts.

1.3 Income

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

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Grants**

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

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

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

- **Donations**

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

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

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

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.6 Tangible fixed assets

Assets costing £1,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Depreciation is provided on the following bases:

Furniture and equipment	- 20% per annum straight line
Computer equipment	- 33% per annum straight line
Motor vehicles	- 20% per annum straight line

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

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Multi 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.

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Multi Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Multi Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.12 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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 Multi 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 23, 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.

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 incorporating Income and Expenditure Account 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.

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.13 Fund accounting

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

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

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

2. Critical accounting estimates and areas of judgment

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net ~~cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note~~ 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	786	5,742	-	6,528	9,856
Capital Grants - DFC	-	-	7,166	7,166	14,833
Capital Grants - CIF	-	-	393,591	393,591	-
Government grants	-	9,767	-	9,767	-
Similar incoming resources	15,277	-	-	15,277	22,621
	<u>16,063</u>	<u>15,509</u>	<u>400,757</u>	<u>432,329</u>	<u>47,310</u>
<i>Total 2019</i>	<u>22,621</u>	<u>9,856</u>	<u>14,833</u>	<u>47,310</u>	

4. Funding for the Multi Academy Trust's academy's educational operations

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	827,188	827,188	999,190
Other DfE/ESFA Grants	167,396	167,396	130,758
	<u>994,584</u>	<u>994,584</u>	<u>1,129,948</u>
Other government grants			
Local Authority Grants	132,711	132,711	116,645
	<u>132,711</u>	<u>132,711</u>	<u>116,645</u>
Other income			
Out of School provision	53,474	53,474	89,598
Educational consultancy	14,400	14,400	19,950
	<u>67,874</u>	<u>67,874</u>	<u>109,548</u>
	<u>1,195,169</u>	<u>1,195,169</u>	<u>1,356,141</u>

UNITY CHURCH OF ENGLAND MULTI ACADEMY TRUST

(A Company Limited by Guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Hire of Facilities	6,877	6,877	6,118
Sundry income	2,869	2,869	11,157
	<u>9,746</u>	<u>9,746</u>	<u>17,275</u>

6. Investment income

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Pension income	27,000	27,000	-

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Expenditure on raising voluntary income:					
Direct costs	-	-	11,596	11,596	23,161
Academy's educational operations:					
Direct costs	953,209	-	21,850	975,059	995,810
Allocated support costs	230,538	187,207	167,877	585,622	538,647
	<u>1,183,747</u>	<u>187,207</u>	<u>201,323</u>	<u>1,572,277</u>	<u>1,557,618</u>
<i>Total 2019</i>	<u>1,221,263</u>	<u>79,965</u>	<u>256,390</u>	<u>1,557,618</u>	

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8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Academy's educational operations	1,560,681	1,560,681	1,534,457

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Academy's educational operations	975,059	585,622	1,560,681	1,534,457
<i>Total 2019</i>	995,810	538,647	1,534,457	

Analysis of direct costs

	Academy's educational operations 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	947,292	947,292	939,583
Educational Supplies	16,758	16,758	16,562
Agency supply costs	5,917	5,917	27,593
Staff development	5,092	5,092	12,072
	975,059	975,059	995,810

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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Academy's educational operations 2020 £	Total funds 2020 £	Total funds 2019 £
Pension interest cost	-	-	26,000
Staff costs	230,538	230,538	254,087
Depreciation and impairment of assets	13,675	13,675	14,150
Agency supply costs	-	-	1,532
Technology	33,713	33,713	29,344
Recruitment and support	441	441	862
Maintenance of premises and equipment	17,958	17,958	30,952
Rent and rates	18,714	18,714	19,775
Energy costs	33,255	33,255	29,238
Cleaning	7,536	7,536	12,926
Insurance	15,115	15,115	18,710
Security and transport	6,568	6,568	2,831
Catering	41,780	41,780	27,488
Bank interest and charges	604	604	856
Other costs	64,393	64,393	57,166
CIF costs	86,992	86,992	-
Governance costs	14,340	14,340	12,730
	<u>585,622</u>	<u>585,622</u>	<u>538,647</u>

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Depreciation of tangible fixed assets	13,675	14,150
Fees paid to auditors for:		
- audit	7,500	7,500
- other services	2,000	2,000
	<u>9,500</u>	<u>9,500</u>

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11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	871,990	901,346
Social security costs	63,619	64,538
Pension costs	235,287	227,786
	<hr/> 1,170,896	<hr/> 1,193,670
Agency staff costs	5,917	27,593
Staff restructuring costs	6,934	-
	<hr/> <hr/> 1,183,747	<hr/> <hr/> 1,221,263

Staff restructuring costs comprise:

	2020 £	2019 £
Redundancy payments	6,934	-
	<hr/> 6,934	<hr/> -

b. Non-statutory/non-contractual staff severance payments

There were no payments of non-statutory/non-contractual severance payments in the year (2019 £nil).

c. Staff numbers

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

	2020 No.	2019 No.
Teachers	15	12
Administrative and support	35	39
Management	3	3
	<hr/> 53	<hr/> 54

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NOTES TO THE FINANCIAL STATEMENTS
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11. Staff (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2020 No.	2019 No.
Teachers	11	11
Administrative and support	18	19
Management	3	3
	<u>32</u>	<u>33</u>

d. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	<u>1</u>	<u>-</u>

e. Key management personnel

The key management personnel of the Multi Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Multi Academy Trust was £193,900 (2019 £175,712).

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Multi Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2020 £	2019 £
Mrs S H Evans (appointed as trustee 30 October 2019)	Remuneration	50,000 - 55,000	
	Pension contributions paid	10,000 - 15,000	

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

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13. Trustees' and Officers' insurance

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

14. Tangible fixed assets

	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 September 2019	38,195	34,309	26,350	98,854
Additions	261,506	1,865	-	263,371
At 31 August 2020	299,701	36,174	26,350	362,225
Depreciation				
At 1 September 2019	20,907	26,438	15,371	62,716
Charge for the year	4,528	3,877	5,270	13,675
At 31 August 2020	25,435	30,315	20,641	76,391
Net book value				
At 31 August 2020	274,266	5,859	5,709	285,834
At 31 August 2019	17,288	7,871	10,979	36,138

Land and buildings used by the MAT during the year are owned by the St Albans Diocese of the Church of England and used under the terms of a supplemental agreement. In the opinion of the trustees, the terms of the supplemental agreement do not transfer the benefits of ownership to the MAT and, consequently, the value of these assets has not been recognised in the financial statements.

The MAT also used playing fields leased from the Local Authority under a 125 year lease but no value was recognised in the financial statements.

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15. Stocks

	2020 £	2019 £
Finished goods and goods for resale	-	3,797

16. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	7,937	24,966
Other debtors	55,768	18,773
Prepayments and accrued income	265,136	34,389
	<u>328,841</u>	<u>78,128</u>

17. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	226,097	26,147
Other creditors	39,000	-
Accruals and deferred income	150,481	53,778
	<u>415,578</u>	<u>79,925</u>

	2020 £	2019 £
Deferred income at 1 September 2019	29,560	15,624
Resources deferred during the year	30,970	29,560
Amounts released from previous periods	(29,560)	(15,624)
	<u>30,970</u>	<u>29,560</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Other creditors	78,558	-

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

19. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Fund	131,275	25,809	(11,596)	(145,488)	-	-
Restricted general funds						
General Annual Grant (GAG)	71,135	827,188	(1,039,690)	106,689	-	(34,678)
Other ESFA Grants	-	167,396	(165,230)	-	-	2,166
Local Authority funding	-	132,711	(132,711)	-	-	-
Other restricted income	-	83,383	(83,383)	-	-	-
Pension reserve	(1,325,000)	27,000	(39,000)	-	(484,000)	(1,821,000)
	<u>(1,253,865)</u>	<u>1,237,678</u>	<u>(1,460,014)</u>	<u>106,689</u>	<u>(484,000)</u>	<u>(1,853,512)</u>
Restricted fixed asset funds						
Tangible Fixed Asset	36,138	-	(13,675)	263,371	-	285,834
Devolved Formula Capital	-	7,166	-	(7,166)	-	-
CIF roof project	-	105,280	(86,992)	12,000	-	30,288
CIF boiler project	-	288,311	-	(229,406)	-	58,905
	<u>36,138</u>	<u>400,757</u>	<u>(100,667)</u>	<u>38,799</u>	<u>-</u>	<u>375,027</u>
Total Restricted funds	<u>(1,217,727)</u>	<u>1,638,435</u>	<u>(1,560,681)</u>	<u>145,488</u>	<u>(484,000)</u>	<u>(1,478,485)</u>
Total funds	<u>(1,086,452)</u>	<u>1,664,244</u>	<u>(1,572,277)</u>	<u>-</u>	<u>(484,000)</u>	<u>(1,478,485)</u>

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

19. Statement of funds (continued)

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

General Funds:

The Academy Trust's general funds represent income and expenditure relating to activities undertaken by the school as part of the charitable activities. The trust can use these funds for any purpose.

Restricted Funds:

The trust received a number of grants during the year for the purpose of providing educational services to its pupils. These grants have been used for staff costs, educational resources and general costs incurred in the running of the Academy.

The Academy Trust received Devolved Formula Capital income to be spent on capital repairs and the purchase of new equipment. Assets which are capitalised in the accounts are represented by a separate fund within the Restricted Fixed Asset reserve.

During the year, the Academy Trust was awarded two CIF grants, one for roofing repairs and another to replace the old oil based heating system with a new gas boiler. The roofing work has been accounted for as a revenue expense and the heating system as an addition to fixed assets. Both projects were in progress at the balance sheet date and the remaining funds represent the value of work to be completed in 2020/21. The CIF applications were submitted on the basis that the Academy Trust would make financial contributions to the projects of £12,000 and £32,100, respectively. These contributions have been included as a transfer between funds in the accounts.

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

The Multi Academy Trust is carrying a net deficit of £32,512 on restricted general funds (excluding pension reserve) plus unrestricted funds for the following reason:

The Academy Trust has been required to change the age-range for the provision of education in the village of Great Barford, in accordance with the requirements of Bedford Borough Council to change from a 3-tier to 2-tier education system. As part of the change, Bedford Borough Council agreed with the ESFA that in-year adjustments would be made to the GAG funding, so that income was received for the actual pupils on role over the transition period and 2019/20 represented the last year of this agreement. Unfortunately, this agreement was not communicated to Great Barford Lower School until the ESFA issued a revised GAG statement for 2019/20 requesting repayment of £217,558. Full provision for the repayment of GAG funds has been made in the financial statements for the year ended 31 August 2020, resulting in a deficit of funds at the balance sheet date. The trust's contribution to the CIF projects were submitted before the trust was notified of the GAG clawback.

The Multi Academy Trust is taking the following action to return these funds to surplus:

The Academy Trust has agreed a repayment plan with the ESFA for the GAG clawback to be repaid over a period of 4 years, starting in 2019/20. Action has been taken to reduce staff costs in the forthcoming year and the academy expects to clear the deficit of funds over the period of the repayment plan.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Great Barford Primary Academy	(32,512)	202,410
Restricted fixed asset fund	375,027	36,138
Pension reserve	(1,821,000)	(1,325,000)
Total	(1,478,485)	(1,086,452)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Great Barford Primary Academy	953,209	230,538	16,758	358,097	1,558,602	1,543,468

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19. Statement of funds (continued)

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

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
Unrestricted funds						
General Fund	114,540	39,896	(23,161)	-	-	131,275
Restricted general funds						
General Annual Grant (GAG)	141,486	999,190	(1,068,500)	(1,041)	-	71,135
Other ESFA Grants	-	130,758	(130,758)	-	-	-
Local Authority funding	-	116,645	(116,645)	-	-	-
Other restricted income	-	119,404	(113,404)	(6,000)	-	-
Pension reserve	(984,000)	-	(91,000)	-	(250,000)	(1,325,000)
	<u>(842,514)</u>	<u>1,365,997</u>	<u>(1,520,307)</u>	<u>(7,041)</u>	<u>(250,000)</u>	<u>(1,253,865)</u>
Restricted fixed asset funds						
Tangible Fixed Asset	28,414	-	(14,150)	21,874	-	36,138
Devolved Formula Capital	-	14,833	-	(14,833)	-	-
	<u>28,414</u>	<u>14,833</u>	<u>(14,150)</u>	<u>7,041</u>	<u>-</u>	<u>36,138</u>
Total Restricted funds	<u>(814,100)</u>	<u>1,380,830</u>	<u>(1,534,457)</u>	<u>-</u>	<u>(250,000)</u>	<u>(1,217,727)</u>
Total funds	<u>(699,560)</u>	<u>1,420,726</u>	<u>(1,557,618)</u>	<u>-</u>	<u>(250,000)</u>	<u>(1,086,452)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	800	-	285,034	285,834
Current assets	(89,993)	550,817	89,993	550,817
Creditors due within one year	89,193	(504,771)	-	(415,578)
Creditors due in more than one year	-	(78,558)	-	(78,558)
Provisions for liabilities and charges	-	(1,821,000)	-	(1,821,000)
Total	-	(1,853,512)	375,027	(1,478,485)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	-	-	36,138	36,138
Current assets	131,275	151,060	-	282,335
Creditors due within one year	-	(79,925)	-	(79,925)
Provisions for liabilities and charges	-	(1,325,000)	-	(1,325,000)
Total	131,275	(1,253,865)	36,138	(1,086,452)

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

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

	2020 £	2019 £
Net income/(expenditure) for the period (as per Statement of Financial Activities)	91,967	(136,892)
Adjustments for:		
Depreciation	13,675	14,150
Capital grants from DfE and other capital income	(400,757)	(14,833)
Dividends, interest and rent receivable	(6,877)	(6,118)
Defined benefit pension scheme finance cost	12,000	91,000
Decrease in stocks	3,797	2,024
Increase in debtors	(250,713)	(29,481)
Increase/(decrease) in creditors	414,211	(113,869)
Net cash used in operating activities	(122,697)	(194,019)

22. Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	6,877	6,118
Purchase of tangible fixed assets	(263,371)	(21,874)
Capital grants from DfE Group	400,757	14,833
Net cash provided by/(used in) investing activities	144,263	(923)

23. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	221,976	200,410
Total cash and cash equivalents	221,976	200,410

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NOTES TO THE FINANCIAL STATEMENTS
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24. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	200,410	21,566	221,976
	<u>200,410</u>	<u>21,566</u>	<u>221,976</u>

25. Pension commitments

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

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

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

Teachers' Pension Scheme

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

The TPS is an unfunded scheme 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

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

25. Pension commitments (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, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the year amounted to £106,002 (2019 - £67,794).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £109,000 (2019 - £177,000), of which employer's contributions totalled £90,000 (2019 - £157,000) and employees' contributions totalled £ 19,000 (2019 - £20,000). The agreed contribution rates for future years are 30 per cent for employers and a variable per cent for employees.

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

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.25	2.5
Rate of increase for pensions	2.25	2.2
Discount rate for scheme liabilities	1.60	1.85

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25. Pension commitments (continued)

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

	2020 Years	2019 Years
<i>Retiring today</i>		
Males	22.2	20.7
Females	24.3	23.2
<i>Retiring in 20 years</i>		
Males	23.4	21.7
Females	26.1	24.7

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	160,000	140,000
Discount rate -0.1%	171,000	146,000
Mortality assumption - 1 year increase	170,000	148,000
Mortality assumption - 1 year decrease	160,000	139,000
CPI rate +0.1%	170,000	146,000
CPI rate -0.1%	160,000	140,000
Salary rate +0.1%	165,000	148,000
Salary rate -0.1%	165,000	139,000

Share of scheme assets

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

	2020 £	2019 £
Equities	885,000	848,000
Corporate bonds	210,000	190,000
Property	123,000	115,000
Cash and other liquid assets	78,000	57,000
Total market value of assets	1,296,000	1,210,000

The actual return on scheme assets was £75,000 (2019 - £32,000).

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25. Pension commitments (continued)

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

	2020	2019
	£	£
Current service cost	(129,000)	(123,000)
Past service cost	-	(99,000)
Interest income	23,000	33,000
Interest cost	(47,000)	(59,000)
Administrative expenses	(1,000)	-
Return on assets	52,000	-
Employer contributions	90,000	157,000
Total amount recognised in the Statement of Financial Activities	(12,000)	(91,000)

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

	2020	2019
	£	£
At 1 September	2,535,000	2,114,000
Current service cost	129,000	123,000
Interest cost	47,000	59,000
Employee contributions	19,000	20,000
Actuarial losses	413,000	250,000
Benefits paid	(26,000)	(130,000)
Past service costs	-	99,000
At 31 August	3,117,000	2,535,000

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25. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	1,210,000	1,130,000
Expected return on assets	52,000	-
Interest income	23,000	(33,000)
Actuarial losses	(71,000)	-
Employer contributions	90,000	157,000
Employee contributions	19,000	20,000
Benefits paid	(26,000)	(130,000)
Administration expenses	(1,000)	-
At 31 August	1,296,000	1,144,000

26. 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.

27. Related party transactions

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