

Company Registration Number: 07800029 (England & Wales)

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr Rabindara Nath Pathak
Mr Mark Poulson
Mr Zak Muneer
Dr Jenny Francis (resigned 31 December 2019)
Ms Jan Moorhouse

Trustees

Mr Gerry Wadwa, Executive Headteacher & Accounting Officer
Ms Christine Rose Dickson, Chair
Mrs Denise Joy Maloney, Vice Chair
Cllr David Millican
Mr Manish Madhas
Mr Shahbaz Haider, Director of Finance

All Trustees are members of the Finance and Audit Committee

Company registered number

07800029

Company name

Grand Union Multi Academy Trust

Principal and registered office

11 Montague Way
Southall
Middlesex
UB2 5HF

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

Company secretary

Mr Shahbaz Haider

Senior leadership team

Gerry Wadwa, Executive Headteacher & Headteacher of Featherstone High School
Kamal Thacker, Senior Deputy Headteacher
Maria Winters, Deputy Headteacher
Jagroop Hickey, Deputy Headteacher
John Noel, Assistant Headteacher
Alka Patel, Assistant Headteacher
Mark Thorley, Assistant Headteacher
Joanne Ainsworth, Assistant Headteacher
Gurnaik Sangha, Associate Assistant Headteacher
Harinder Rana, Headteacher of Woodlands Academy
Sonia Magan, Assistant Headteacher
Catherine Hasker, Assistant Headteacher

Independent auditors

MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditors
6th Floor
2 London Wall Place
London
EC2Y 5AU

Bankers

Lloyds Bank
3 Teignmouth Parade
Perivale
UB6 8BZ

Solicitors

Browne Jacobsen LLP
44 Castle Gate
Nottingham
NG1 7BJ

GRAND UNION MULTI ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Grand Union Multi Academy Trust (GU MAT) 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.

The Multi Academy Trust operates two academies, Featherstone High School and Woodlands Academy, for pupils aged 3 to 19 with admissions on a non selective basis, serving the catchment areas of Southall and West Ealing.

Featherstone High School had an increased pupil capacity of 1725 in September 2019 with 11-16 capacity increased by a further 30 students to 1330 and 16-19 capacity of 400. By September 2023, the school will be at full capacity of 1800 students. This increase in class sizes alleviates budgetary pressures and is not unique in the sector. The number of students on roll has increased to 1770 as at October 2020.

Woodlands Academy has a capacity of 240 students and had a roll of 204 in the October 2019 census which has reduced to 195 as at October 2020.

Structure, Governance and Management

Constitution

Grand Union Multi Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Multi Academy Trust.

The Trustees of the Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Grand Union Multi Academy Trust.

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

Members' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Multi Academy Trust. The cost of this insurance is combined with the main policy. Details are provided in note 14 to the Financial Statements.

Method of Recruitment and Appointment or Election of Trustees

The management of the Multi Academy Trust is the responsibility of the Trustees who are elected under the terms of the articles of association.

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

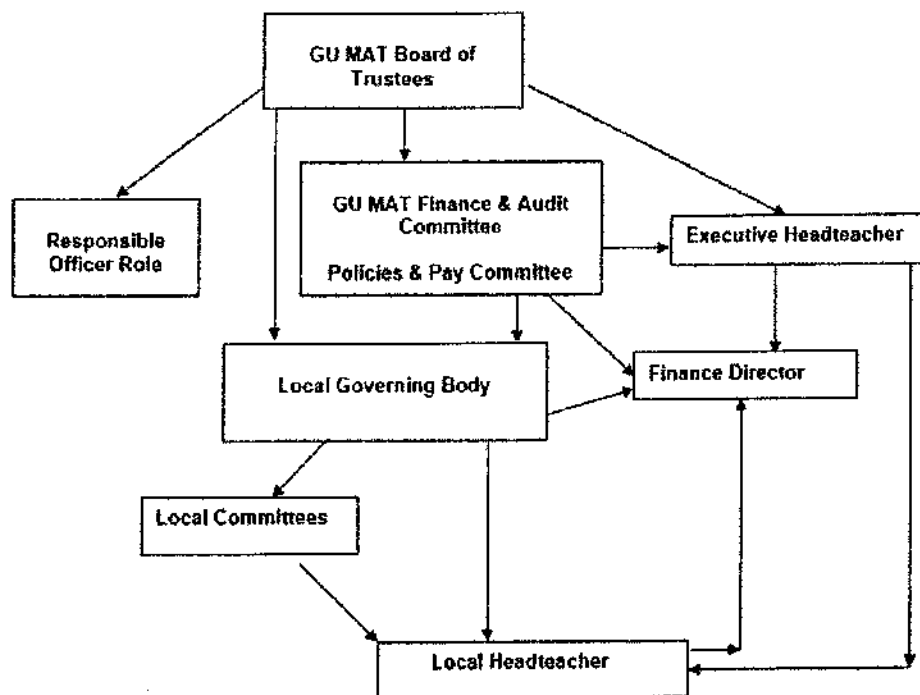
The Board of Trustees comprises the Executive Headteacher, 5 other Trustees and 4 Members. Where necessary, other Trustees are appointed after searching local community groups and businesses dependent on the person specification seen as needed. Curriculum Vitae's are requested. Volunteers first visit the school and meet the Chair of the Board and Executive Headteacher. This is a preliminary sift and, where appropriate, a recommendation would be made for a candidate to be presented to the Full Board of Trustees with a view to an appointment.

Policies and Procedures Adopted for the Induction and Training of Trustees

All new Trustees are given an induction pack and, if not familiar with the school, are invited to a tour and to meet key Trustees and staff. Trustees support is available through an outside consultancy specialising in Trustees. Training/courses are also available through London Borough of Ealing on a pay as you go basis. In house training is provided on any recognised and agreed areas to all Trustees and Local Governing Boards as appropriate and there is a Trustees half day workshop which includes Trustees visiting the schools and observing lessons.

Organisational Structure

Responsibility Chart



**GRAND UNION MULTI ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020**

The full organisational structure of the Grand Union Multi Academy Trust can be seen above. The chart illustrates the delegation of financial responsibility from the Board of Trustees down to the Local Governing Boards and its Committees, the Executive Headteacher and Director of Finance. The Trustees have defined and documented a range of responsibilities including financial responsibilities and those that have been delegated to the committees.

The Trustees are responsible and accountable for the strategic planning and policy making that enables the day to day task of managing the Multi Academy Trust to be effectively delegated to the Executive Headteacher. The Executive Headteacher has delegated powers and functions in respect of internal organisation, management and control of the Multi Academy Trust, the implementation of all policies approved by the Local Governing Boards and for the direction of teaching and the curriculum.

Trustees

- Approval of a written scheme of delegation of its financial powers and duties delegated to the Finance and Audit Committee, the Local Governing Boards, Executive Headteacher and other staff, ensuring that adequate financial controls are in place and operate in conjunction with the Finance Manual of the Multi Academy Trust and Academies Handbook.
- Formally approve the annual Multi Academy Trust budget.
- Receive the reports of the Internal Auditor and External Auditor.
- Consider budgetary reports at every meeting.
- Monitoring of safeguarding procedures.

Local Governing Boards

- Consider budgetary reports at every meeting.
- Approve the Academy Development Plan (recommend to Trustees for approval if in an OFSTED category).
- Recommend the Academy 3 year budget for approval by GUMAT.
- Monitoring of safeguarding procedures.

There is a unified management structure at both Featherstone High School and Woodlands Academy to ensure they run in an efficient way. The structure consists of two broad levels. The Local Governors and the Senior Leadership Team (SLT). The operational teams at both schools are populated with middle leaders and overseen by relevant members of SLT. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Local Governors fulfil a largely strategic role. They adopt an Academy Development Plan (SDP). They approve/recommend an annual budget. They monitor Academy performance and, on advice, make decisions about the direction of the school, its capital expenditure and senior staff appointments.

The SLT control the Academy at an executive level implementing the policies laid down by the Trustees / Local Governors and reporting back to them. As a group, the SLT is responsible for the authorisation of spending within agreed budgets and the appointment of staff, other than specific senior staff appointments for which the Local Governing Board / Trustees are responsible (having regard to the Headteacher / Executive Headteacher's advice). Some spending control is devolved to members of SLT and appointed budget holders. The Executive Headteacher is the Accounting Officer.

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TRUSTEES' REPORT (continued)
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Risk Management

The Trustees have assessed the major risks to which the Grand Union Multi Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Multi Academy Trust, and its finances. The Trustees have implemented a number of systems to assess risks that the school's face, especially in operational areas such as teaching, health and safety, bullying and school trips as well as those relating to the control of finance. They have introduced robust systems, including operational procedures such as the vetting of new staff (DBS checks), supervision of school grounds and internal financial controls to manage and minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover in place. The Covid 19 pandemic presented a number of unprecedented challenges, however GUMAT followed the Ealing Risk Assessment Framework and Government Guidance to maintain a safe and secure site for all stakeholders alongside a nourished curriculum during the initial lockdown, phased and full re-opening. The Trustees are satisfied that systems and procedures are in place to mitigate the exposure to major risks.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Policies and Pay Committee, which had representatives from Featherstone High School and The Grand Union Multi Academy Trust, benchmarked with salaries of similar roles in the vicinity prior to recommending the pay scale of the Executive Headteacher to the Board of Trustees. Advice from the Solicitors of the Multi Academy Trust was given consideration also. Annual Performance Reviews are carried out by an Executive Headteacher Performance Management Committee consisting of the Chair of the Board of Trustees, the Chair of the Local Governing Board and an External Academy Adviser. Key targets are agreed to support the continuous improvement of the Trust schools. In addition, any other external work undertaken on behalf of the Multi Academy Trust with other schools and stakeholders as part of a continuing mission to develop the Multi Academy Trust in line with the GU MAT vision and Growth Plan is also taken into account when assessing pay increases.

Local Headteacher and Senior Leadership remuneration is in line with School Teachers' Pay and Conditions Document and also benchmarked appropriate to the challenging nature of the role and successful leadership of the individual Academy, with a rigorous review of targets reported to the Local Governing Boards.

Trade Union Facility Time

Number of employees who were relevant union officials during the year ended 31 August 2020	2
Full time equivalent employee number	2
Percentage of time spent on facility time	1.36% for both employees (45 minutes/fortnight allocated)
Total cost of facility time	£2,278
Total payroll costs	£10,386,144
The percentage of the total payroll costs spent on facility time	0.02%

Connected Organisations, including Related Party Relationships

Grand Union Multi Academy Trust works closely with Featherstone Sports Centre Trust which exists to promote the health and wellbeing as well as improve the condition of life in the local community. Although Featherstone Sports Centre is a subsidiary company of the Multi Academy Trust, it is a separate entity. However organisational decisions for the Sports Centre are made by the Community Sports Committee which is a sub-committee of the Local Governing Board and includes the Executive Headteacher.

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Featherstone Sports Centre had a turnover for the year ended 31 August 2020 of £225,837 (2019: £273,730).

The Multi Academy Trust also has a Featherstone School Sports Partnership (SSP) which exists to provide Physical Education lessons and staff mentoring service to schools in London Borough of Ealing. The SSP is not a separate legal entity but a collaborative working partnership.

Featherstone High School received income to provide SSP provision to two local primary schools where one GU MAT Trustee and one Member are also governors. GU MAT made payments to Centre for Education & Finance Management Ltd (HR/Finance consultants, GU MAT Trustee is a Director of this company). All of these transactions were on commercial terms.

Objectives and Activities

Objects and Aims

The principal object and activity of the charitable company is the operation of the Academies to provide education for pupils of different abilities between the ages of 3 and 19.

In accordance with the Funding Agreement made under section 482 of the Education Act 1996, as substituted by the Education Act 2002, between the Secretary of State for Children, Schools and Families and the Multi Academy Trust, the Grand Union Multi Academy Trust is governed by a Board of Trustees who exercise their powers and functions with a view to fulfilling a largely strategic role in the running of the Multi Academy Trust. The Funding Agreement specifies the admission arrangements, amongst other things, and that the curriculum, in substance, complies with statutory requirements.

The main objectives of the Multi Academy Trust in the year ended 31 August 2020 are summarised below:

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To raise the standard of educational achievement and progress of all pupils;
- To improve the effectiveness of the Multi Academy Trust by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To maintain close links with the community, industry and commerce; and
- To conduct the Multi Academy Trust's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

The Grand Union Multi Academy Trust's main strategy is to raise standards of achievement and progress through an unrelenting focus on continuous improvement in all aspects of the organisation. The core purpose of the Multi Academy Trust is teaching and learning: its people and resources are constantly measured by their contribution to the overall quality of teaching and learning and therefore the standards achieved by its students.

Key activities which support the main strategic purpose of the organisation are:

- Robust quality assurance processes which are transparent and inform all subsequent actions.
- Secure use of data and tracking to measure progress and inform actions and intervention.
- A constant review of CPD and training opportunities for staff.
- A core structure which allows all staff and students to understand their role within the organisation and also to ensure that lines of accountability are also clear.
- Structures to support the organisation and integration of all internal and external resources and support available for both students and staff.

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TRUSTEES' REPORT (continued)
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The individual Academy Development Plans can also be seen for further information.

Public Benefit

In setting the Grand Union Multi Academy Trust objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. Pupils are admitted in accordance with the admissions policy agreed with the Department for Education (DfE). Children are admitted from a wide range of backgrounds. The Multi Academy Trust has a rich curriculum which aims to deliver good academic progress with a range of activities and experiences, offering pupils a chance to demonstrate their abilities and potential.

Fundraising

£3,698 was collected and received as restricted charitable donations through a variety of activities including Children in Need, MacMillan Coffee Morning, Poppy Appeal, and so on. Most of the money raised has been passed on to the relevant charities after any operational costs have been covered as at 31 August 2020. No professional fundraisers are used by Grand Union Multi Academy Trust. All fundraising is monitored by the Trustees.

Equal opportunities policy

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

Ramps, lifts and disabled toilets are installed where required and door widths are adequate to enable wheelchair access to all the main areas of the Academies. The policy of the Multi Academy Trust is to support recruitment and retention of pupils and employees with disabilities. The Multi Academy Trust does this by adapting the physical environment, by making resources available and through training and career development.

Strategic Report

Achievements and Performance

Featherstone High School

Trustees will be aware that the Government have introduced a new performance measure which has been used from 2016 onwards. This new Progress 8 measure is designed to encourage schools to offer a broad and balanced curriculum at KS4 and is based on students' progress measured across eight subjects: English, Mathematics (both carry a double weighting and constitute what is called English/Maths element or "Bucket 1") three other English Baccalaureate (EBacc) subjects (Science, Computer Science, Geography, History and Languages which make up the Ebacc element or "Bucket 2"); and three further subjects, which can be from the range of EBacc subjects, or can be any other approved, high-value arts, academic, or vocational qualification (known as the Open Element or "Bucket 3"). The results for 2019/20 are shown below with our targets shown in brackets. Results are based on Centre Assessed Grades (CAGs) which are primarily Teacher Assessments.

% passing both English and Maths Grade 4+: 80% (exceeded FFT20 target of 79%)

% passing both English and Maths Grade 5+: 59% (exceeded FFT20 target of 55%)

Attainment 8: 54.8 points (Target 48.9 points)

Progress 8: +1.14 (Progress 8 cannot be reliably calculated for 2019 due to the absence of a national wide analysis but a P8 of + 1.1 would probably be within top 2% schools in the UK)

EBacc: Pass rate 36.29% (Target 45.5%)

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A Progress 8 score of +1.14 (2019: +0.97) is significantly positive when compared with schools nationally. Although the Ebacc entry rate increased, our Progress score for the Ebacc element was significantly strong at +1.15 (2019: +1.10). The national average for Attainment 8 is 51pts with our actual result being higher at 54.8pts (2019: 52.8pts) from a starting point significantly below NA.

The following is an extract from the FHS independent consultant's report to Governors in September 2020 (Link Officer):

Performance of most groups is very strong with few discernible gaps. FFT Aspire analysis suggests very strong value added with HA and MA cohorts. The school completed a very thorough process in the summer term to produce the Centre Assessed Grades (CAGs) and exam review meetings have taken place in the usual way this term. Some departments have modified assessments and weighting of assessments following the CAGs process to make them more formative and diagnostic. Assessment will be a key focus with lead teachers this year. Furthermore, comprehensive plans are in place for online learning. Some staff are live streaming lessons to students who are self-isolating but this is not yet a school policy for all staff.

Sixth Form Results

Trustees will be aware that the Academy offers both traditional A Levels and Applied A Levels (also known as BTEC Level 3). The government has started publishing results separately as 'academic' results and 'vocational' results.

Post 16 Historical & Contextual Data (N.B. In 2015/16 system for calculating A level and BTEC Av Points score changed)

Academic	'14/'15	'15/'16	'15/'16	'16/'17	'17/'18	'18/'19	'19/'20
A2 - number of students	80	67	77	80	105	132	114
A2 - % of grades at A* to B	47.7%	59%	48%	52%	51%	40%	62.3%
A2 - % of grades at A* to E	98.7%	100%	99%	97%	99.6%	98%	100%
A level av pts score	213	228	34.22	35.12	34.31	32.4	33.67
A2 - ALPS grade	5	1	2	3	3	6	2
A level VA score				+0.3	+0.12	-0.14	+0.26
Vocational							
Vocational (BTEC) - number of students	90	86	76	63	70	68	83
Vocational - % of grades at Distinction*/ Distinction	54.7%	65%	82%	93.2%	46.61%	62.8%	64%
Vocational - % of Grades at Distinction *- Merit.	92%	91.5%	97.7%	98.9%	94.07%	95.6%	93%
Vocational av pts score	214	222	239	43.14	30.48	32.2	30.57
BTEC - ALPS T Score	4	3	3	2	NA	NA	4
B TEC VA score				+0.79	+0.27	+0.51	+0.31

N.B. ALPS Grade 1 = outstanding top 1% schools; 3 = excellent top 20% schools; 4 = Very Strong Progress; 5 = Quite Good

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**TRUSTEES' REPORT (continued)
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A-Level/BTEC 2020 Results key points summary:

- Introduction of tougher linear exams in 2017/18 now rolled out to all subjects;
- Top end A*/A pass rates were 18.9% (17%);
- Top A-levels for Progress: Business, Art, Economics, Computing, Government and Politics, History;
- A*-B pass rates at 62.3% were much higher than last year (40%);
- Overall A-level students achieved outstanding results which placed us in the top 10% of schools in the country for Key Stage 5 Value Added;
- BTEC pass rates were very strong with 64% of passes at Distinction/Distinction*; and
- The whole school VA score has increased significantly in A level due to a whole school focus on this area of provision. It has reduced from +0.51 to +0.31 for BTEC due to a dip in science but remains a reflection of strong progress.

It should be noted that the first ever student from Featherstone 6th Form was successful in achieving a place in St John's, Oxford to study Human, Social and Political Sciences in 2018-19. Results in 2019 saw another student follow in the footsteps with a place at Oxford to study Law and a further two students given offers of fully funded scholarships to study in the USA.

Our ongoing focus on attendance is critical to our mission of raising standards. The overall attendance for 2019-20 was 96.52% (97.1%). Although this has reduced due to Covid 19, it was still the highest in Ealing for the fourth year running.

Woodlands Academy

In its fourth year with the Grand Union Multi Academy Trust, the sponsored school continued its period of transition which began with a new Local Governing Board being put in place in early 2015 and a new Headteacher joining the school from September 2015. There is a history of underachievement going back 25-30 years however there are clear signs that the Academy has turned a corner with regards to these legacy issues with a Good OFSTED judgement secured in June 2019 combined with sustained results. There has been excellent work carried out at local level combined with support from the Multi Academy Trust leading to very positive Value Added Key Stage 2 results during 2018 and then again in 2019. The 2020 results in Key Stage 1 for Reading 83% (80%), Writing 80% (75%) and Maths 87% (75%) continued the upward trend with further improvements highlighting the percentage of children working at or above expected standards.

There was a similar pattern for Key Stage 2 results with Reading 93% (81%), Writing 93% (71%) and Maths 93% (81%) continuing improvements for the 3rd year running whilst further demonstrating the ongoing embedding of improved standards that have taken place at Woodlands since joining GUMAT. Trustees and Members should note that there were no Key Stage 2 exams and that results were based on teacher assessments.

The overall attendance of 93.15% for 2019-20 was lower than the previous year (95.8%) however the reduction was broadly in line with that on a national level given the Covid 19 pandemic. Woodlands employed an Inclusion Assistant Headteacher from September 2017 to raise engagement with local families. Clearly the level of attendance is vital to continue improving results at all Key Stage levels.

The Multi Academy Trust continues to provide Executive staffing support in the form of Executive Headteacher and Director of Finance. Other specialist support has been provided in the teaching areas of Science as well as the GU MAT Literacy Consultant. Other support has been provided in the form of Finance, Marketing as well as IT fully managing the Network of Woodlands since September 2017.

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TRUSTEES' REPORT (continued)
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Standards

To ensure that standards are continually raised the Multi Academy Trust, the Trustees, Local Governing Boards and the Leadership Teams:

- Operate a robust quality assurance calendar which monitors the quality of teaching and learning and assessment;
- Ensure external visits, scrutiny and support by a Local Authority Link Officer, involvement in the Securing Good Programme and use of independent Consultants; and
- Undertake a rigorous review of attainment using ISDR, FFT, PiXL and ALPS to measure the progress of students paying particular regard to their achievement on entry and levels of progress secured.

To ensure that standards are continually raised the Academies operate a continuous programme of holiday and after school boosters which any underachieving students are requested to attend. In addition the Academies operate a focused programme of lesson observations, visits by consultants are rigorous including a comparison of value added results from entry through all the Key Stages to GCSE and from GCSE to A Level.

Additionally, several teachers are engaged in Leadership Development courses and Master's Level research. Featherstone High School provides leadership support and development opportunities in a variety of ways e.g. Coaching courses accessed by teachers across the LA, key contributor to the LA subject leaders best practice conferences, full payment or subsidies for courses, paid study leave and we purchase leadership resources when appropriate. Leaders from both schools are completing the NPQML and NPQSL with the Institute of Education have access to in school coaches and their tutor sessions are facilitated on site. GU MAT has funded the NPQSL for an AHT from Woodlands. All staff are given the opportunity to engage in school based action research which is shared with the whole staff. Furthermore, the Academy was successful in gaining the Platinum Award for CPD – only a small number of schools have achieved this accreditation.

Going Concern

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

Financial Review

Financial Review and Key Performance Indicators

Most of Grand Union Multi Academy Trust's revenue is obtained from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The funding received during 12 months ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. The Academy also receives funding for fixed assets from the ESFA. In accordance with the Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland, (FRS102) (Charities SORP FRS102), 'Accounting and Reporting by Charities', such funding is shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

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Featherstone High School

During the period ended 31 August 2020, there was an operating surplus of funds totalling £792,212 (2019: Deficit of £3,022,659) which was in main due to a reduction in the Local Government Pension Scheme (LGPS) deficit. At 31 August 2020 the net book value of fixed assets was £19,248,369 (2019: £19,327,163). The assets were used exclusively for providing education and the associated support services to the pupils of the Multi Academy Trust.

The level of permanent and supply staff used during the year was 83% (84%) of overall revenue. This percentage has reduced slightly due to a reduction in staffing FTE mainly due to the continued reduction in funding and these levels are continuously monitored to produce a balanced 3 year budget. Further investment in the form of an impressive IT infrastructure, the maintenance and development of a large site as well as the purchase of professional services allows the provision of a rich and varied curriculum.

The working capital increased to 1: 3.80 (2019: 1: 3.42). This was mainly due to an increase in current assets over current liabilities, with the school being in a stronger position financially due to an in year cash surplus to follow an in year cash surplus the previous year also. This all supports to balance a 3 year budget and ensure going concern. The Trustees are aware that the ongoing volatile nature of funding combined with increasing costs require the utmost importance to be placed on prudence and regular forecasting.

Spend on Covid related expenditure was to the value of £63,293 for the year ending 31 August 2020. This allowed the school to maintain compliance and fully re-open in a Covid secure manner. The ESFA made a grant available to cover Covid expenditure up to the middle of July 2020, however the school was unable to claim the £26,920 spent by then due to an accumulation of an in year surplus through a well managed budget during the first lockdown. An in year deficit is anticipated since then therefore claims will be submitted during the next phase of funding.

Woodlands Academy

In its fourth year of operation with the period ending 31 August 2020, there was an operating surplus of funds totalling £100,183 (2019: Deficit of £738,401). The net book value of fixed assets was £3,648,526 (2019: £3,682,074). The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The level of permanent and supply staff used during the year was 93% (2019: 93%) of overall revenue. Although some staffing changes were made, the percentage stayed at a high level due to a fall in NOR as at October 2018 census reducing the funding for 2019-20 and further compounded by funding not keeping up with costs on a national level. The LGB have a balanced 3 year budget with a number of other scenarios also created to maintain prudence and assess going concern.

The working capital for the period ended 31 August 2020 was 1: 2.26 (2019: 1: 4.60). Although the position is healthy, the reduction is as expected given the cash surplus has reduced in year due to an in year deficit. This is likely to reduce further in 2020-21 as the LGB and Trustees continue to monitor and produce a sustainable staffing structure.

Spend on Covid related expenditure was to the value of £13,018 for the year ending 31 August 2020. This allowed the school to maintain compliance and fully re-open in a Covid secure manner. As the school was anticipating an in year deficit for the year, a funding claim was submitted to be reimbursed this exceptional expenditure.

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TRUSTEES' REPORT (continued)
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LGPS Pension Scheme

The Grand Union Multi Academy Trust's non-teaching staff are entitled to membership of the LGPS. The Multi Academy Trust is part of the London Borough of Ealing pooling scheme which allows the Multi Academy Trust to contribute a reduced employer's rate but then having to pay an additional monthly lump sum due to an overall deficit in the fund. The latest actuarial report highlights a reduced deficit for both Woodlands Academy (£1,455,000) and Featherstone High School (£7,453,000) for the year ended 31 August 2020.

Financial and Risk Management Objectives and Policies

As a Multi Academy Trust funded directly by the DfE, funding streams are considered to be reasonably safe and secure. The risk mainly arises from changes in government policy and funding levels. However the key risk is falling levels of funding and numbers on roll. The Trustees have a risk register which is managed and reviewed on a regular basis. Numbers on roll are reported to the Trustees as well as the Local Governing Boards termly through the Executive Headteacher / Headteacher's Report. Trustees are therefore kept fully aware of any trends in changes of numbers on roll and hence fully aware of any impending risk to financial health.

To overcome a reduction in funding combined with increasing liabilities such as pension and national insurance costs, Featherstone High School increased the Published Admission Number with an additional 200 students expected by September 2023 and therefore an increased level of funding with minimal outlay due to an increase in class size. Previously, the Academy has gone through a process of redundancies during 2014-15 and 2015-16 to ensure going concern.

A number of 3 year budget scenarios have been produced for Woodlands Academy in light of the falling numbers on roll and this exercise will continue to ensure that the Academy is able to plan ahead. Furthermore, vast ground work is ongoing to change the perception of the Academy in the community including a Marketing group of Staff, Local Governors and Trustees being set up and Outreach work being carried out by Academy Staff to engage with all stakeholders.

Cash flow is monitored weekly by the Multi Academy Trust and budgets presented at local and Trustees level at every finance committee meeting and circulated monthly also. The Multi Academy Trust has general reserves which enable it to plan for future capital projects and enable safeguarding against a reduction in funding. The Multi Academy Trust has strong internal control systems in place and chooses to have 3 Internal Audit visits per year to maintain clarity, transparency and confidence of all internal and external stakeholders.

Principal Risks and Uncertainties

Featherstone High School is fully subscribed at entry level and main school numbers on roll are sustained year on year which currently represents a low risk. Sixth Form numbers on roll are close to capacity each year.

Woodlands Academy consulted to reduce to 1 form of entry from 2019-20 due to a fall in roll again. The risk is countered by a roll which has now stabilised with net increases in Nursery and Reception reflecting increased confidence in the school. Three year budget plans are continuously reviewed to ensure going concern, and this will continue for the foreseeable future.

The Grand Union Multi Academy Trust in general anticipates the confirmation of funding for period 2021-22. This will then enable firm decisions to be made for 2021-22 and the following years. Furthermore, the Multi Academy Trust was aware of the anticipated further increase in pension contributions for employer's as well as the outlook for pay and cost of living increases looking more generous than previous years, therefore all of these external factors are given consideration when assessing budgets and future plans.

The Multi Academy Trust practices through its Board, namely the Trustees and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the Trustees with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

The Trustees accept managed risk as an inevitable part of its operations but maintain an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Trustees collectively, whilst more minor risks are dealt with by the SLT.

Reserves Policy

The Trustees have agreed a Reserves Policy for the Multi Academy Trust and review this on an annual basis. The review encompasses the nature of income and expenditure streams and the need to match income with commitments. Demand on the Multi Academy Trust's reserves (restricted and unrestricted) will vary over the coming years. The Trustees have determined that the appropriate level of in year contingency or 'reserves' should be a minimum 10% of the total budget (approximately £1,000,000 for Featherstone High School and £100,000 for Woodlands Academy). The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, or an increase in pension contributions over a longer term. Any additional reserves will be earmarked for future projects in line with the Academy's Development Plan. The Local Governing Boards are aware that the balancing of a 3 year budget is a high priority therefore a higher level of reserves may be needed to ensure this is in place. There is a fine balance between saving for the future as well as spending on current students, however this balance is always respected with the Multi Academy Trust not compromising on the education and development of current students by setting aside an unrealistic level of reserves for future projects or budgetary reasons.

At 31 August 2020 the total funds comprised:

Featherstone High School

Unrestricted:	£50,265
Restricted: Fixed asset funds	£19,248,374
GAG	£543,146
Pension reserve	(£7,453,000)
Other	£734,504

Woodlands Academy

Unrestricted:	£250,406
Restricted: Fixed asset funds	£3,644,526
GAG	(£100,397)
Pension reserve	(£1,455,000)

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 26. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The Trustees have plans in place to meet the deficit such that the deficit does not constrain the reserves going forward. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Multi Academy Trust, at the discretion of the Trustees.

Investment Policy

There are currently no investments and no investment policy in place. Trustees balance future funding with current requirements before making an informed decision on an annual basis. This will continue to be a point of discussion on an annual basis.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

Plans for Future Periods

The Grand Union Multi Academy Trust will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure all students are secure in their next steps on leaving the respective Academies with regards to employment or continuing in training or secondary/higher education. The Academies continuously strive to be at the forefront of innovation in education and we are perpetually revising our curriculum offer to suit the needs of our students.

Grand Union Multi Academy Trust has an excellent reputation for the personal development and well-being of its students and staff and this will continue to be priority. The Academies will continue to look at its accommodation and plan for the redevelopment of areas of the school site where buildings have reached the end of their useful life.

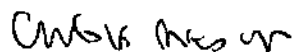
Grand Union Multi Academy Trust aims to provide the opportunity for increased student success beyond the boundaries of our Academies. Both Academies within the Multi Academy Trust are at the forefront of plans aiming to establish ways to benefit the wider community through links with primary schools and some secondary schools who have direct access to our facilities, curricular materials and the expertise of our staff.

Auditor

In so far as the Trustees are aware:

- There is no relevant audit information of which Grand Union Multi Academy Trust's auditor is unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The Trustees Report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees and signed on its behalf by:



.....
Ms Christine Rose Dickson
Chair of Trustees

Date: 7/12/20

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2020

Scope of Responsibility

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

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

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 4 times during the year ended 31 August 2020. This is less than the requirement of 6 times a year however the Board of Trustees formally met a further 4 times during the Finance and Audit Committee meetings, as shown later. Furthermore, all Trustees and Members are updated through receipt of monthly management accounts, minutes of Finance and other committees are shared and through updates from the Executive Headteacher.

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

Trustee	Meetings Attended	Out of a possible
Ms Christine Rose Dickson (Chair)	4	4
Mrs Denise Joy Maloney (Vice Chair)	4	4
Cllr David Millican	3	4
Mr Manish Madhas	3	4
Mr Gerry Wadwa (Executive Headteacher)	4	4
Mr Shahbaz Haider (Director of Finance)	4	4

Members are also invited to attend Trustees' meetings in their capacity as Members, but attendance is not compulsory:

Members	Meetings Attended	Out of a possible
Mr Zak Muneer	3	4
Mr Rabindara Pathak	0	4
Dr Jenny Francis	0	2
Mr Mark Poulson	3	4
Ms Janice Moorhouse	4	4

GRAND UNION MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

As stated earlier, the Board of Trustees formed a separate Finance and Audit Committee from September 2017. All Trustees are members of this committee with 4 meetings taking place during the year ended 31 August 2020. The attendance was as follows:

Trustee	Meetings Attended	Out of a possible
Mrs Denise Joy Maloney (Chair)	4	4
Cllr David Millican (Vice Chair)	3	4
Ms Christine Rose Dickson	4	4
Mr Gerry Wadwa (Executive Headteacher)	4	4
Mr Shahbaz Haider (Director of Finance)	4	4
Mr Manish Madhas	3	4

The Board of Trustees also delegate responsibility to its sub-committees at Local Governing Board level: Finance/Resources Committee, Curriculum Committee, Personnel Committee, Premises Committee and Community Sports Committee. These sub-committees are required to meet on a termly basis (i.e. 3 times a year) as a minimum. All these sub-committees formally met at least 3 times during the period ended 31 August 2020. Items discussed at sub-committee meetings are then reported and ratified at the next Local Full Governing Board meeting with minutes of the Local Full Governing Board meetings made available to the Board of Trustees also. Furthermore the Board of Trustees have set up a Trustees Advisory Group (TAG) which includes the Chair/Vice Chair of each Local Governing Board as well as the Board of Trustees in addition to the Executive Headteacher and Director of Finance. The TAG meet 2 weeks prior to every Board of Trustees meeting to ensure there is two way communication between board and local level.

The Finance/Resources Committee is responsible for monitoring and making recommendations to the Board of Trustees via the Local Full Governing Board on matters related to Finance and Audit.

Attendance at meetings of the respective Academies in the year was as follows:

Featherstone High School

Local Governor	Meetings Attended	Out of a Possible
Mr Sunil Seewon Prayag (Chairman)	4	4
Mrs Fay Denise Haras-Gummer	4	4
Mr Kewal Singh Kaltha	4	4
Ms Apinder Sidhu	3	4
Mr Umesh Sharma	4	4
Mr Gerry Wadwa (Headteacher)	4	4
Mr Shahbaz Haider (Director of Finance)	4	4
Ms Ranjan Bhardwa (Senior Finance Officer)	4	4

Woodlands Academy

Local Governor	Meetings Attended	Out of a Possible
Mr Ravi Lamba (Chairman)	4	4
Mrs Shirley Kenworthy Wright	3	4
Mrs Wendy Pinkney	3	4
Mr Scott Sutherland	4	4
Ms Harinder Rana (Headteacher)	4	4
Mr Shahbaz Haider (Director of Finance)	4	4

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Review of Value for Money

As Accounting Officer the Executive Headteacher has responsibility for ensuring that the Grand Union 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 outcome achieved in return for the taxpayer resources received.

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

Achievements and Performance

As previously stated, Progress over time by students at Featherstone High School was significantly positive for 2019-20 at +1.14 when compared with schools on a national level with pure levels of Attainment a positive for the school also. With regards to Woodlands Academy, performance at all levels was strong with a Good OFSTED judgement received in June 2019.

The Grand Union Multi Academy Trust Offer

The Academies continued to provide a rich and varied curriculum to ensure needs of all students were met. The aim of all Trustees, Local Governors, Senior Leaders and members of staff is to not only provide a well-rounded curriculum, but to go the extra mile and ensure students are ready for the wider society upon completion of their studies with the respective Academies. This included:

- Over 30 curriculum and non-curriculum based trips for our students before lockdown;
- Continued investment in the IT infrastructure;
- More students provided with work experience opportunities through vocational courses;
- A range of morning, lunch and after school clubs with attendance continuing to exceed expectation;
- Increased number of booster classes / gifted & talented provision;
- Continued investment in offering careers advice, counselling and educational psychologist provision;
- The use of independent consultants and partners to continuously scrutinise the teaching and learning standards; and
- Ongoing capital improvements to facilities such as the Office, Classroom and Washroom Refurbishments, Nursery arrangements and many others improving the schooling experience for all stakeholders.

Benchmarking

Benchmarking 2018-19 data was made available by the ESFA and this allowed a comparison of key areas to be made. The information has been used as one of the key drivers during staff redundancies previously and will continue to be used as a key document in future. Furthermore, a number of operational budgets have been scrutinised such as IT, Facilities, Advertising, Resources, Catering and Trips/Activities to ensure the Multi Academy Trust strives to balance a 3 year budget by achieving value for money.

Central Team

Featherstone High School has provided Executive staffing support to Woodlands Academy in the form of Executive Headteacher and Director of Finance. Other specialist support has been provided in the teaching areas of Science, Literacy Consultant, as well as the support areas of the Inclusion Team, Finance, Marketing and IT. This support would cost more if sourced externally however the Multi Academy Trust's motto of 'Together We Achieve' is evident across all members of staff that have been involved in the joint working.

GRAND UNION MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

The Board of Trustees have 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 Trustees are of the view that there is a formal on-going process for identifying, evaluating and managing the Multi Academy Trust's significant risks that has been in place for the period ended 31 August 2020 and up to the date of approval of the annual report and financial statements. The process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

The Multi Academy Trust's system of internal control is based on a framework of regular management information and administrative procedures including 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 as well as the Local Finance Committees;
- Regular reviews by the Board of Trustees and Local Finance Committees of reports which indicate financial performance against forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines;
- Delegation of authority and segregation of duties; and
- Identification and management of risks.

The Board of Trustees have considered the need for a specific Internal Audit function and appointed CEFM 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 on a termly basis. The Internal Auditor reports to Board of Trustees on the operation of the systems of control as well as making recommendations on improvement. CEFM have completed their 3 standard visits for each Academy. In particular the checks carried out in the current period included:

- Testing of payroll systems;
- Testing of purchase systems;
- Testing of the fixed asset register with physical checks;
- Testing of income and other revenue;
- Testing of control account/bank reconciliations;
- Checks of governance structure and review of FGB and finance committee minutes;
- Checking of declaration of interest forms and proper and regular use of public funds;
- Checking of reports given to the finance committee;
- Review of the Finance Manual including all policies and effective oversight;
- Checking of risk register and business continuity plan; and
- Checking of the 3 Year Budget setting process.

GRAND UNION MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

The following shows the number of recommendations made during the Internal Audit visits.

Featherstone High School

Responsible Officer Visit 1 = 0 recommendations
Responsible Officer Visit 2 = 1 low risk recommendation (item now in place)
Responsible Officer Visit 3 = 0 recommendations

Woodlands Academy

Responsible Officer Visit 1 = 0 recommendations
Responsible Officer Visit 2 = 0 recommendations
Responsible Officer Visit 3 = 0 recommendations

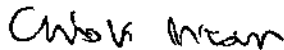
Review of Effectiveness

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

- The work of the Internal Auditor
- The work of the External Auditor
- The Local Finance Committees
- The work of the managers within the Multi Academy Trust who have responsibility for the development and maintenance of the internal control framework i.e. Senior Leadership Team and Director of Finance

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Local Finance Committees and a plan to address the low risk recommendations whilst ensuring continuous improvement of the system is in place.

Approved by order of the members of the board of trustees and signed on its behalf by:



Ms Christine Rose Dickson
Chair of Trustees

Date: 7/12/20



Mr Gerry Wadwa
Accounting Officer

Date: 7/12/20

GRAND UNION MULTI ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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



Mr Gerry Wadwa
Accounting Officer

Date: 7/12/20

GRAND UNION MULTI ACADEMY TRUST
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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 year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the charitable company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

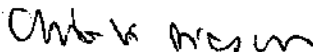
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and 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 their conduct and operation the group and the charitable company apply 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 group'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:



Ms Christine Rose Dickson
Chair of Trustees

Date: 7/12/20

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
GRAND UNION MULTI ACADEMY TRUST**

Opinion

We have audited the financial statements of Grand Union Multi Academy Trust (the 'parent Academy') and its subsidiaries (the 'group') for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy Balance Sheet, the Consolidated 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 group's and of the parent Academy's affairs as at 31 August 2020 and of the group's 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 group 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.

Conclusions relating to going concern

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

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

GRAND UNION MULTI ACADEMY TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
GRAND UNION 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 group and the parent Academy 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:

- the parent Academy has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Academy 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.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
GRAND UNION 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 Academy 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 group's and the parent Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent Academy 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 Academy'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 Academy'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 Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Brendan Sharkey FCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants & Statutory Auditors

6th Floor

2 London Wall Place

London

EC2Y 5AU

Date: 7 January 2021

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GRAND
UNION MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 03 September 2020 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 Grand Union 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 Grand Union 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 Grand Union 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 Grand Union Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Grand Union Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Grand Union Multi Academy Trust's funding agreement with the Secretary of State for Education dated December 2014 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.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GRAND UNION MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

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 Academy's income and expenditure.

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate, and making appropriate enquiries of the Accounting Officer.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GRAND
UNION 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.



Reporting Accountant
MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditors
6th Floor
2 London Wall Place
London
EC2Y 5AU

Date: 7 January 2021

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

**CONSOLIDATED 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	-	3,699	403,390	407,089	368,580
Charitable activities	4	-	12,741,175	-	12,741,175	11,957,469
Other trading activities	5	305,602	16,794	-	322,396	418,896
Investments	6	756	-	-	756	1,135
Total income		306,358	12,761,668	403,390	13,471,416	12,746,080
Expenditure on:						
Charitable activities	9	161,436	12,863,144	507,516	13,532,096	13,316,455
Other expenditure	8	235,414	-	7,003	242,417	265,018
Total expenditure		396,850	12,863,144	514,519	13,774,513	13,581,473
Net expenditure		(90,492)	(101,476)	(111,129)	(303,097)	(835,393)
Transfers between funds	19	-	(96,112)	96,112	-	-
Net movement in funds before other recognised gains/(losses)		(90,492)	(197,588)	(15,017)	(303,097)	(835,393)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	1,197,000	-	1,197,000	(2,916,000)
Net movement in funds		(90,492)	999,412	(15,017)	893,903	(3,751,393)

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £	
Note						
Reconciliation of funds:						
Total funds brought forward	19	391,218	(8,712,907)	22,907,911	14,586,222	18,337,615
Net movement in funds	19	(90,492)	999,412	(15,017)	893,903	(3,751,393)
Total funds carried forward	19	<u>300,726</u>	<u>(7,713,495)</u>	<u>22,892,894</u>	<u>15,480,125</u>	<u>14,586,222</u>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 36 to 66 form part of these financial statements.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07800029

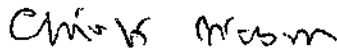
CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	22,896,892	23,009,238
		<u>22,896,892</u>	<u>23,009,238</u>
Current assets			
Debtors	17	641,304	358,549
Cash at bank and in hand	23	1,459,574	1,432,965
		<u>2,100,878</u>	<u>1,791,514</u>
Creditors: amounts falling due within one year	18	(609,645)	(500,530)
Net current assets		<u>1,491,233</u>	1,290,984
Total assets less current liabilities		<u>24,388,125</u>	<u>24,300,222</u>
Net assets excluding pension liability		<u>24,388,125</u>	<u>24,300,222</u>
Defined benefit pension scheme liability	26	(8,908,000)	(9,714,000)
Total net assets		<u><u>15,480,125</u></u>	<u><u>14,586,222</u></u>
Funds of the Academy			
Restricted income funds:			
Restricted fixed asset funds	19	22,892,894	22,907,911
Restricted income funds	19	1,194,505	1,001,093
		<u>24,087,399</u>	<u>23,909,004</u>
Restricted funds excluding pension asset	19	24,087,399	23,909,004
Pension reserve	19	(8,908,000)	(9,714,000)
Total restricted funds	19	<u>15,179,399</u>	14,195,004
Unrestricted income funds	19	<u>300,726</u>	391,218
Total funds		<u><u>15,480,125</u></u>	<u><u>14,586,222</u></u>

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 29 to 66 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Ms Christine Rose Dickson
Chair of Trustees



Mr Gerry Wadwa
Accounting Officer

Date: 7/12/20

The notes on pages 36 to 66 form part of these financial statements.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07800029

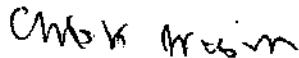
ACADEMY STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	22,881,427	22,986,770
Investments	16	-	1
		<u>22,881,427</u>	<u>22,986,771</u>
Current assets			
Debtors	17	734,081	448,650
Cash at bank and in hand		1,396,978	1,359,859
		<u>2,131,059</u>	<u>1,808,509</u>
Creditors: amounts falling due within one year	18	(605,243)	(492,521)
Net current assets		<u>1,525,816</u>	<u>1,315,988</u>
Total assets less current liabilities		<u>24,407,243</u>	<u>24,302,759</u>
Net assets excluding pension liability		<u>24,407,243</u>	<u>24,302,759</u>
Defined benefit pension scheme liability	26	(8,908,000)	(9,714,000)
Total net assets		<u>15,499,243</u>	<u>14,588,759</u>
Funds of the Academy			
Restricted income funds:			
Restricted fixed asset funds	19	22,877,434	22,885,443
Restricted income funds	19	1,194,502	1,001,093
Pension reserve	19	(8,908,000)	(9,714,000)
Total restricted funds	19	<u>15,163,936</u>	<u>14,172,536</u>
Unrestricted income funds	19	335,307	416,223
Total funds		<u>15,499,243</u>	<u>14,588,759</u>

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

ACADEMY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 29 to 66 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Ms Christine Rose Dickson
Chair of Trustees



Mr Gerry Wadwa
Accounting Officer

Date: 7/12/20

The notes on pages 36 to 66 form part of these financial statements.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	24,636	(11,030)
Cash flows from investing activities	22	1,973	(251,387)
Change in cash and cash equivalents in the year		26,609	(262,417)
Cash and cash equivalents at the beginning of the year		1,432,965	1,695,382
Cash and cash equivalents at the end of the year	23, 24	<u><u>1,459,574</u></u>	<u><u>1,432,965</u></u>

The notes on pages 36 to 66 form part of these financial statements

GRAND UNION 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 group, 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.

Grand Union Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

Grand Union Multi Academy Trust is a company limited by guarantee incorporated in England and Wales. The address of the registered office, principal place of operation and registered number are detailed on page 1. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees Report.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Academy has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The financial statements are prepared in £ sterling, the functional currency, rounded to the nearest £1.

1.2 Basis of consolidation

The financial statements consolidate the accounts of Grand Union Multi Academy Trust and all of its subsidiary undertakings ('subsidiaries').

The Academy Trust has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

The consolidated Statement of Financial Activities is for the group as a whole. The surplus on the income and expenditure account for the year dealt with in the accounts of the Academy Trust was £910,484 (2019 - deficit of £3,760,105).

GRAND UNION 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 Going concern

The Trustees have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the Trust to continue as a going concern including the impact of COVID-19. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The Trustees have concluded that there is a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern. The Trust therefore continues to adopt the going concern basis in preparing these financial statements.

1.4 Income

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

• **Grants**

Grants are included in the Consolidated 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 Consolidated 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.

• **Sponsorship income**

Sponsorship income provided to the group which amounts to a donation is recognised in the Consolidated Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

• **Donations**

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

• **Other income**

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

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.5 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.

Termination costs are payable when employment is terminated by the academy before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for termination benefits.

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7 Taxation

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

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

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.8 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Consolidated 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 Consolidated 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, as follows:

Depreciation is provided on the following bases:

Leasehold property	- 50 years straight line method
Assets under construction	- Not depreciated
Computer equipment	- 4 years straight line method
Equipment	- 5 years straight line method
Leasehold land	- Not depreciated

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment. The academy's shareholding in the wholly owned subsidiary, Featherstone Sports Centre Limited, is included in the balance sheet at cost less impairment. There is no readily available market for the share and the cost of valuation would exceed benefit.

1.10 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.

GRAND UNION 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 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.

1.12 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 group 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.

1.13 Financial instruments

The group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the group 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 17. Prepayments are not financial instruments. Amounts due to the Academy'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 note 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 Academy's wholly owned subsidiary are held at face value less any impairment.

1.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.15 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the group in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the group 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 Consolidated Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.16 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the group 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.

Investment income, gains and losses are allocated to the appropriate fund.

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

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 Academy 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 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The judgements that have had a significant effect on amounts recognised into the financial statements are those concerning depreciation policies and asset lives.

3. Income from donations and capital grants

	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Capital grants	-	403,390	403,390	344,875
Donations	3,699	-	3,699	23,705
Total 2020	3,699	403,390	407,089	368,580
Total 2019	23,705	344,875	368,580	

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

4. Funding for the Academy's Educational Operations

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	11,697,106	11,697,106	10,831,186
Pupil Premium	545,363	545,363	592,133
	<u>12,242,469</u>	<u>12,242,469</u>	<u>11,423,319</u>
Other government grants			
Local authority SEN income	204,891	204,891	228,750
Other local authority grants	155,140	155,140	143,619
	<u>360,031</u>	<u>360,031</u>	<u>372,369</u>
Other funding			
Trip income	9,989	9,989	30,841
Other funding income	128,686	128,686	130,940
	<u>138,675</u>	<u>138,675</u>	<u>161,781</u>
Total 2020	<u><u>12,741,175</u></u>	<u><u>12,741,175</u></u>	<u><u>11,957,469</u></u>
Total 2019	<u><u>11,957,469</u></u>	<u><u>11,957,469</u></u>	

There are no unfulfilled conditions or other contingencies attached to the government grants above.

GRAND UNION 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 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Academy rental income	73,813	-	73,813	120,166
Other income	5,256	16,794	22,050	24,614
Catering income	696	-	696	386
Sports centre income	225,837	-	225,837	273,730
Total 2020	305,602	16,794	322,396	418,896
Total 2019	398,111	20,785	418,896	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest receivable	756	756	1,135
Total 2019	1,135	1,135	

GRAND UNION MULTI ACADEMY TRUST
(A Company Limited by Guarantee)

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

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Activities:					
Direct costs	7,902,832	506,778	699,729	9,109,339	8,597,651
Support costs	3,145,569	220,981	1,056,207	4,422,757	4,718,804
Sports centre costs	186,979	22,593	32,845	242,417	265,018
Total 2020	11,235,380	750,352	1,788,781	13,774,513	13,581,473
Total 2019	10,960,225	728,579	1,892,669	13,581,473	

In 2020, of the total expenditure of £13,774,513 (2019 - £13,581,473), £396,850 (2019 - £455,982) was from unrestricted funds, £12,863,144 (2019 - £12,620,247) was from restricted funds and £514,519 (2019 - £505,244) was from restricted fixed asset funds.

8. Other expenditure

	Unrestricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Sports centre costs	235,414	7,003	242,417	265,018
Total 2019	257,100	7,918	265,018	

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NOTES TO THE FINANCIAL STATEMENTS
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9. Charitable expenditure

	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable activities	9,109,339	4,422,757	13,532,096	13,316,455
Total 2019	8,597,651	4,718,804	13,316,455	

Analysis of support costs

	Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	3,145,569	3,145,569	3,391,033
Repairs and maintenance	220,981	220,981	196,167
Other operational costs	110,458	110,458	104,740
Cleaning costs	17,121	17,121	12,437
Water and rates	61,904	61,904	75,787
Energy	267,111	267,111	277,748
Insurance	38,942	38,942	42,942
Security and transport	13,607	13,607	15,776
Special facilities	78,479	78,479	101,499
Catering	145,872	145,872	176,764
Administrative costs	104,093	104,093	103,838
Legal and professional costs	200,370	200,370	201,723
Governance costs	18,250	18,250	18,350
Total 2020	4,422,757	4,422,757	4,718,804
Total 2019	4,718,804	4,718,804	

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

10. Net expenditure

Net expenditure for the year includes:

	2020 £	2019 £
Operating lease rentals	4,417	11,706
Depreciation of tangible fixed assets	514,519	505,244
Fees paid to auditors for:		
- audit	14,500	15,250
- other services	3,750	3,000
	14,500	15,250

The parent company of the group has taken advantage of the exemption in Section 408 of the Companies Act 2006 not to present its own income and expenditure account, in these financial statements. The parent company's profit for the year including actuarial adjustments was £910,484 (2019 - deficit of £3,760,105).

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Wages and salaries	7,746,417	7,765,740	7,746,417	7,765,740
Social security costs	835,563	832,399	835,563	832,399
Pension costs	2,023,268	1,846,143	2,023,268	1,846,143
	10,605,248	10,444,282	10,605,248	10,444,282
Staff restructuring	10,303	11,276	10,303	11,276
Agency staff costs	432,850	322,407	432,850	322,407
Sports centre costs	186,979	182,260	-	-
	11,235,380	10,960,225	11,048,401	10,777,965

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11. Staff (continued)

a. Staff costs (continued)

Staff restructuring costs comprise:

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Severance payments	10,303	11,276	10,303	11,276
	<u>10,303</u>	<u>11,276</u>	<u>10,303</u>	<u>11,276</u>

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

Included in staff restructuring costs are non-statutory severance payments totalling £10,303 (2019 - £11,276) made to one individual (2019 - one).

c. Staff numbers

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

	Group 2020	Group 2019
Teachers	109	107
Administration and support	104	109
Management	12	12
	<u>225</u>	<u>228</u>

d. Higher paid staff

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

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	8	5
In the band £70,001 - £80,000	5	7
In the band £80,001 - £90,000	4	1
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	1	-
	<u>1</u>	<u>-</u>

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11. Staff (continued)

d. Higher paid staff (continued)

Sixteen (2019 - twelve) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2020, pension contributions for these staff amounted to £286,802 (2019 - £152,654). The other two employees (2019 - two) participated in the Local Government Pension Scheme and pension contributions for these members amounted to £23,004 (2019 - £21,291).

e. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 2. 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 Academy was £1,263,049 (2019 - £1,072,519).

12. Central services

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

- Executive staffing support
- Other specialist teaching support
- The Inclusion team
- Business & finance support
- Marketing
- IT
- Catering
- HR & Legal
- Architects
- Mechanical Engineering
- Quantity Surveying

The group charges for these services on the following basis:

The Trust has operated a top slice method of covering central costs, with Woodlands Academy contributing £10,435 (2019 - £13,125) and Featherstone High School contributing £110,222 (2019 - £119,507) being 1.10% of funding (2019 - 1.25%).

Both academies each made an additional single contribution of £16,000 (2019 - £15,000) in the year.

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13. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. 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
		£	£
Mr Gerry Wadwa, Executive Headteacher	Remuneration	155,000 - 160,000	145,000 - 150,000
	Pension contributions paid	35,000 - 40,000	20,000 - 25,000
Mr Shahbaz Haider, Finance Director	Remuneration	70,000 - 75,000	70,000 - 75,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000

During the year ended 31 August 2020, travel expenses of £200 were reimbursed to one Trustee (2019 - £Nil).

14. Trustees' and Officers' insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where the UK government covers 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 (2019 - £10,000,000). It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme. The cost of this insurance is included in the total insurance cost.

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15. Tangible fixed assets

Group

	Leasehold property £	Assets under constructio n £	Furniture and fixtures £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2019	24,667,622	352,901	363,057	876,565	26,260,145
Additions	95,720	235,278	7,557	63,618	402,173
Transfers between classes	584,179	(584,179)	-	-	-
At 31 August 2020	<u>25,347,521</u>	<u>4,000</u>	<u>370,614</u>	<u>940,183</u>	<u>26,662,318</u>
Depreciation					
At 1 September 2019	2,270,923	-	297,229	682,755	3,250,907
Charge for the year	392,416	-	29,492	92,611	514,519
At 31 August 2020	<u>2,663,339</u>	<u>-</u>	<u>326,721</u>	<u>775,366</u>	<u>3,765,426</u>
Net book value					
At 31 August 2020	<u>22,684,182</u>	<u>4,000</u>	<u>43,893</u>	<u>164,817</u>	<u>22,896,892</u>
At 31 August 2019	<u>22,396,699</u>	<u>352,901</u>	<u>65,828</u>	<u>193,810</u>	<u>23,009,238</u>

GRAND UNION MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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15. Tangible fixed assets (continued)

Academy

	Leasehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2019	24,659,172	352,901	292,453	876,565	26,181,091
Additions	95,720	235,278	7,557	63,618	402,173
Transfers between classes	584,179	(584,179)	-	-	-
At 31 August 2020	<u>25,339,071</u>	<u>4,000</u>	<u>300,010</u>	<u>940,183</u>	<u>26,583,264</u>
Depreciation					
At 1 September 2019	2,269,897	-	241,669	682,755	3,194,321
Charge for the year	392,416	-	22,489	92,611	507,516
At 31 August 2020	<u>2,662,313</u>	<u>-</u>	<u>264,158</u>	<u>775,366</u>	<u>3,701,837</u>
Net book value					
At 31 August 2020	<u>22,676,758</u>	<u>4,000</u>	<u>35,852</u>	<u>164,817</u>	<u>22,881,427</u>
At 31 August 2019	<u>22,389,275</u>	<u>352,901</u>	<u>50,784</u>	<u>193,810</u>	<u>22,986,770</u>

Included in leasehold property is land valued at £5,564,000 (2019 - £5,564,000), which is not depreciated. The Trust operates from two sites.

Featherstone High School property was valued in 2012 on conversion using the depreciated replacement cost method by Bidwells LLP RICS. The leasehold property is held under a 125 year lease from 2011 from London Borough of Ealing at a peppercorn rent.

Woodlands Academy property was valued using the depreciated replacement cost method by Bidwells LLP RICS. The leasehold property is held under a 125 year lease from 2016 from London Borough of Ealing at a peppercorn rent. The trustees consider that these valuations remain appropriate at 31 August 2020.

Asset under construction additions of £235,278 during the year were in relation to a water services project.

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

16. Fixed asset investments

	Shares in group undertakings £
At 1 September 2019	1
Disposals	(1)
At 31 August 2020	<u><u>-</u></u>
Net book value	
At 31 August 2020	-
<i>At 31 August 2019</i>	<u><u>1</u></u>

The Academy disposed of its investment in its wholly owned subsidiary, Featherstone Sports Centre Limited (Company Number 07872885) during the year.

The subsidiary, Featherstone Sports Centre Limited, ceased trading on 10 September 2018 and was dissolved on 20 October 2020.

Grand Union Multi Academy Trust is the parent company of Featherstone Sports Centre Trust, a company limited by guarantee.

17. Debtors

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Trade debtors	4,787	4,007	4,787	4,007
Amounts owed by group undertakings	-	-	95,134	90,384
VAT	31,773	89,241	31,773	89,241
Prepayments and accrued income	604,744	265,301	602,387	265,018
	<u><u>641,304</u></u>	<u><u>358,549</u></u>	<u><u>734,081</u></u>	<u><u>448,650</u></u>

GRAND UNION MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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18. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Trade creditors	110,476	39,150	110,476	39,150
Other taxation and social security	211,344	203,567	211,344	203,567
Deferred income and accruals	287,825	257,813	283,423	249,804
	<u>609,645</u>	<u>500,530</u>	<u>605,243</u>	<u>492,521</u>
	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Deferred income				
Deferred income at 1 September 2019	94,461	46,964	94,461	46,964
Resources deferred during the year	73,404	94,461	73,404	94,461
Amounts released from previous periods	(94,461)	(46,964)	(94,461)	(46,964)
Deferred income at 31 August 2020	<u>73,404</u>	<u>94,461</u>	<u>73,404</u>	<u>94,461</u>

As at 31 August 2020, deferred income of £73,404 (2019 - £94,461) relates to government grants of £62,527 (2019 - £88,781), lettings income of £Nil (2019 - £3,830), trip income of £10,527 (2019 - £Nil) and other income of £350 (2019 - £1,850).

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General unrestricted funds	391,218	306,358	(396,850)	-	-	300,726
Restricted general funds						
General Annual Grant (GAG)	398,174	11,624,073	(11,401,253)	(96,112)	-	524,882
Other DfE/ESFA Grants	63,901	972,399	(972,399)	-	-	63,901
Other restricted funds	539,018	165,196	(98,492)	-	-	605,722
Pension reserve	(9,714,000)	-	(391,000)	-	1,197,000	(8,908,000)
	<u>(8,712,907)</u>	<u>12,761,668</u>	<u>(12,863,144)</u>	<u>(96,112)</u>	<u>1,197,000</u>	<u>(7,713,495)</u>
Restricted fixed asset funds						
DfE/EFA capital grant	4,194,435	403,390	-	-	-	4,597,825
Capital expenditure from GAG	1,358,117	-	-	96,112	-	1,454,229
Assets on conversion	17,355,359	-	(514,519)	-	-	16,840,840
	<u>22,907,911</u>	<u>403,390</u>	<u>(514,519)</u>	<u>96,112</u>	<u>-</u>	<u>22,892,894</u>
Total Restricted funds	<u>14,195,004</u>	<u>13,165,058</u>	<u>(13,377,663)</u>	<u>-</u>	<u>1,197,000</u>	<u>15,179,399</u>
Total funds	<u>14,586,222</u>	<u>13,471,416</u>	<u>(13,774,513)</u>	<u>-</u>	<u>1,197,000</u>	<u>15,480,125</u>

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

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

Unrestricted funds are to be used towards meeting any of the charitable objectives of the Academy Trust at the discretion of the Trustees.

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2020.

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This includes pupil premium and other Local Authority funding for which income received is used to cover costs associated with these activities.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme and through which all the pension scheme movements are recognised. The scheme is in deficit, but the liability is not payable immediately. There are plans in place to meet the deficit such that there will be no constraints on future reserves.

The transfer between GAG funds and restricted fixed asset funds of £96,112 represents amounts transferred and capitalised during the year on the purchase of fixed assets.

The restricted fixed asset fund was funded predominately by the funds inherited on conversion from Ealing local authority. It also includes further amounts invested in property improvements, furniture and equipment and computer equipment. Depreciation is charged on the fixed assets held.

The current year difference of £3,998 between restricted fixed asset funds and the net book value of fixed assets represents funding received in arrears.

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020	2019
	£	£
Featherstone High School (including sports centre)	1,345,222	1,071,927
Woodlands Academy	150,009	320,384
Total before fixed asset funds and pension reserve	<u>1,495,231</u>	<u>1,392,311</u>
Restricted fixed asset fund	22,892,894	22,907,911
Pension reserve	(8,908,000)	(9,714,000)
Total	<u><u>15,480,125</u></u>	<u><u>14,586,222</u></u>

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

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 £
Featherstone High School (including sports centre)	8,732,184	1,287,452	639,173	1,110,310	11,769,119	11,349,349
Woodlands Academy	1,090,402	125,340	33,553	241,580	1,490,875	1,726,880
Academy	9,822,586	1,412,792	672,726	1,351,890	13,259,994	13,076,229

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

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General unrestricted funds	447,954	399,246	(455,982)	-	-	391,218
Restricted funds						
General Annual Grant (GAG)	537,517	10,831,186	(10,941,840)	(28,689)	-	398,174
Other DfE/ESFA grants	63,901	964,501	(964,501)	-	-	63,901
Other restricted funds	471,652	206,272	(138,906)	-	-	539,018
Pension reserve	(6,223,000)	-	(575,000)	-	(2,916,000)	(9,714,000)
	<u>(5,149,930)</u>	<u>12,001,959</u>	<u>(12,620,247)</u>	<u>(28,689)</u>	<u>(2,916,000)</u>	<u>(8,712,907)</u>
Restricted fixed asset funds						
DfE/ESFA capital grant	3,849,560	344,875	-	-	-	4,194,435
Capital expenditure from GAG	1,329,428	-	-	28,689	-	1,358,117
Assets on conversion	17,860,603	-	(505,244)	-	-	17,355,359
	<u>23,039,591</u>	<u>344,875</u>	<u>(505,244)</u>	<u>28,689</u>	<u>-</u>	<u>22,907,911</u>
Total Restricted funds	<u>17,889,661</u>	<u>12,346,834</u>	<u>(13,125,491)</u>	<u>-</u>	<u>(2,916,000)</u>	<u>14,195,004</u>

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Total funds	<u>18,337,615</u>	<u>12,746,080</u>	<u>(13,581,473)</u>	<u>-</u>	<u>(2,916,000)</u>	<u>14,586,222</u>

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	-	-	22,896,892	22,896,892
Current assets	300,726	1,804,150	(3,998)	2,100,878
Creditors due within one year	-	(609,645)	-	(609,645)
Pension liability	-	(8,908,000)	-	(8,908,000)
Total	<u>300,726</u>	<u>(7,713,495)</u>	<u>22,892,894</u>	<u>15,480,125</u>

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	23,009,238	23,009,238
Current assets	391,218	1,501,623	(101,327)	1,791,514
Creditors due within one year	-	(500,530)	-	(500,530)
Pension liability	-	(9,714,000)	-	(9,714,000)
Total	<u>391,218</u>	<u>(8,712,907)</u>	<u>22,907,911</u>	<u>14,586,222</u>

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

21. Reconciliation of net expenditure to net cash flow from operating activities

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	<u>(303,097)</u>	<u>(835,393)</u>
Adjustments for:		
Depreciation charges	514,519	505,244
Investment income	(756)	(1,135)
Decrease/(increase) in debtors	(282,755)	43,352
Increase/(decrease) in creditors	109,115	46,777
Capital grants from DfE and other capital income	(403,390)	(344,875)
FRS 102 pension adjustment	391,000	575,000
Net cash provided by/(used in) operating activities	<u><u>24,636</u></u>	<u><u>(11,030)</u></u>

22. Cash flows from investing activities

	Group 2020 £	Group 2019 £
Investment income	756	1,135
Purchase of tangible fixed assets	(402,173)	(597,397)
Capital grants	403,390	344,875
Net cash provided by/(used in) investing activities	<u><u>1,973</u></u>	<u><u>(251,387)</u></u>

23. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash at bank and in hand	1,459,574	1,432,965
Total cash and cash equivalents	<u><u>1,459,574</u></u>	<u><u>1,432,965</u></u>

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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	1,432,965	26,609	1,459,574
	<u>1,432,965</u>	<u>26,609</u>	<u>1,459,574</u>

25. Capital commitments

	Group 2020 £	Group 2019 £
Contracted for but not provided in these financial statements	<u>208,596</u>	<u>199,009</u>

These funds are committed to the construction of the library at Woodlands Primary. This amount is contracted for but not provided in these financial statements.

26. Pension commitments

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

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

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

Teachers' Pension Scheme

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

The TPS is an unfunded scheme 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.

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NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,089,000 (2019 - £697,000).

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 group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The group 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 £683,000 (2019 - £710,000), of which employer's contributions totalled £543,000 (2019 - £574,000) and employees' contributions totalled £ 140,000 (2019 - £136,000). The agreed contribution rates for future years are 22.6 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy, 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 Academy 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.

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

26. Pension commitments (continued)

Principal actuarial assumptions

	2020	2019
Rate of increase in salaries	%	%
Rate of increase for pensions in payment/inflation	3.55%	3.25%
Discount rate for scheme liabilities	2.40%	2.10%
Inflation assumption (CPI)	1.80%	1.80%
	2.30%	2.00%

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

	2020	2019
<i>Retiring today</i>	Years	Years
Males		
Females	22.9	23.3
<i>Retiring in 20 years</i>	25.0	26.2
Males		
Females	24.5	25.5
	26.9	28.5

Sensitivity analysis

	2020	2019
Discount rate +0.1%	£000	£000
Salary rate increase +0.1%	(342)	(375)
Mortality assumption - 1 year increase	53	78
	430	263

The group's share of the assets in the scheme was:

	2020	2019
Equities	£	£
Government Bonds	3,579,000	3,135,000
Debt Instruments	1,606,000	-
Property	-	1,259,000
Cash and other liquid assets	588,000	487,000
Asset backed securities	272,000	387,000
	278,000	21,000
Total market value of assets	6,323,000	5,289,000

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

26. Pension commitments (continued)

The actual return on scheme assets was £50,000 (2019 - £248,000).

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

	2020 £	2019 £
Current and past service cost	(748,000)	(962,000)
Interest income	86,000	122,000
Interest cost	(272,000)	(309,000)
Total amount recognised in the Consolidated Statement of Financial Activities	(934,000)	(1,149,000)

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

	2020 £	2019 £
At 1 September	15,003,000	10,612,000
Current and past service cost	748,000	962,000
Interest cost	272,000	309,000
Employee contributions	140,000	136,000
Actuarial (gains)/losses	(898,000)	3,026,000
Benefits paid	(34,000)	(42,000)
At 31 August	15,231,000	15,003,000

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

	2020 £	2019 £
At 1 September	5,289,000	4,389,000
Interest income	86,000	122,000
Actuarial losses	299,000	110,000
Employer contributions	543,000	574,000
Employee contributions	140,000	136,000
Benefits paid	(34,000)	(42,000)
At 31 August	6,323,000	5,289,000

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

27. Operating lease commitments

At 31 August 2020 the group and the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £	Academy 2020 £	Academy 2019 £
Not later than 1 year	17,963	4,417	17,963	4,417
Later than 1 year and not later than 5 years	48,373	-	48,373	-
	<u>66,336</u>	<u>4,417</u>	<u>66,336</u>	<u>4,417</u>

28. Company limited by guarantee

The Academy Trust is a company limited by guarantee and does not have share capital.

29. 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.

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

30. Related party transactions

Owing to the nature of the Academy 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 Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

Income related party transactions

During the year the Academy received £2,850 (2019 - £2,500) for the School Sports Partnership Provision from Fielding Primary School, a school at which Cllr David Millican is also a trustee. These transactions were on the same terms as those that apply to all schools participating in the Schools Sports Partnership Provision. Cllr David Millican was not involved in any discussions relating to these transactions.

During the year the Academy received £1,400 (2019 - £Nil) for the School Sports Partnership Provision from Dairy Meadow Primary School, a school at which Mark Poulson is the Vice Chair of Governors. These transactions were on the same terms as those that apply to all schools participating in the Schools Sports Partnership Provision. Mark Poulson was not involved in any discussions relating to these transactions.

No amounts (2019 - £Nil) were outstanding at 31 August 2020 in respect of the transactions noted above.

Expenditure related party transactions

During the year the Academy paid £6,355 (2019 - £6,550) to the Centre for Education & Financial Management (CEFM) for Internal Audit and HR services. Ms Christine Rose Dickson is a Director of CEFM, and a Trustee of the academy. The transaction was under normal commercial terms.

No amounts (2019 - £Nil) were outstanding at 31 August 2020 in respect of the transactions noted above.

Advantage is taken of FRS 102 exemption from disclosure of all other intra group transactions between the academy and its wholly owned subsidiaries, Featherstone Sports Centre Limited and Featherstone Sports Centre Trust.

The spouse of Mr S Haider, a trustee, is an administrator at the academy. The employment was under normal commercial terms and the trustee was not involved in her recruitment or in discussions relating to her salary.

No further related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 13.